Genomma Lab achieves a 36.4% Top Line Growth and an 86.2% Net Income Growth during 2Q10

GENOMMA LAB INTERNACIONAL ANNOUNCES SECOND QUARTER 2010 RESULTS

Mexico City, Mexico – July 27, 2010

Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB) ("Genomma Lab" or "the Company"), announced today its results for the quarter ended June 30, 2010. All figures included herein were prepared in accordance with Mexican GAAP; figures are stated in nominal Mexican pesos.

2Q 2010 Highlights (vs. 2Q 2009)

- Net Sales for the quarter reached Ps. 1,344.4 million, an increase of 36.4%.
- EBITDA[1] increased 37.8%, to Ps. 346.5 million. This represents a 25.8% margin during the period.
- Net Income increased 86.2%, to Ps. 228.8 million. This represents a 17.0% margin during the period.
- Earnings per Share[2] increased 63.7%, to Ps. 1.68.
- International Net Sales rose 117.4%, to Ps. 283.0 million.
- During the second quarter, Genomma Lab successfully launched, as part of its line extension strategy, 27 products under 11 existing brands (Base Brands[3] and Prior Year Launches[4]), 12 of these products were launched under the brands *Teatrical* an *Jockey Club* which were bought last year.
- The Company also launched 6 products under 3 New Brands[5], as part of its new product launch plan, during the second quarter.
- During the second quarter of 2010, the Company completed 4 brand acquisitions and 1 licensing agreement for a duration of 50 years.

[1] EBITDA is calculated by adding depreciation and amortization to the Operating Income.
[2] Earnings Per Share are for the last 12 months and were calculated using the weighted average of shares outstanding for the period.
[3] As defined below.
[4] As defined below.
[5] As defined below.

Contact: Oscar Villalobos
Tel: +52 (55) 5081 0000 Ext. 4250
E-mail: inversion@genommalab.com

In New York: Grayling USA
Tel: +1 (646) 284-9400
E-mail: genommalab@grayling.com

Comments from the Chairman and CEO

Mr. Rodrigo Herrera, Chairman and Chief Executive Officer, stated: “We are pleased to report our second quarter 2010 results, which show sound growth and profitability. We are glad to see that consumer demand for our products remained strong in our Mexican operations, and continued to increase internationally. We continue to gain market share in the categories in which we participate as well as develop products for new categories. Our solid business performance reaffirms us as the fastest growing company in the OTC pharmaceutical industry in Mexico. We will continue launching innovative products under premium brands, supported by an aggressive advertising strategy to increase our sales and profitability and, as a result, our shareholder’s value.

Our recent expansions into Brazil and the United States are developing well, as sales in these countries are in line with our expectations. We are confident that these operations will continue to grow as it has happened with other Latin American operations.

In addition, we would like to emphasize the recent acquisitions that have taken place during the quarter. We acquired 4 brands and a licensing agreement for 1 more brand. These new brands will strengthen our existing product portfolio in the Personal Care industry as well as provide us with a quick entry into new OTC categories. We will continue to analyze possible acquisitions of brands that are well positioned in the consumer’s mind, that can be purchased at an attractive price and that can be easily adapted to our business model.”

Consolidated Results of Operations for the Second Quarter of 2010

The following table shows condensed and consolidated results of operations, in millions of pesos (except share and per-share data), the margin for each concept, as a percentage of Net Sales, as well as the variation in terms of percentage for the quarter and six month period ended June 30, 2010 compared to the same period of 2009:

For the quarter and six month period ended and accumulated to June 30, 2010 and 2009
(In millions of current Mexican Pesos)

	Second Quarter			January to June		
	2010	2009	%Var	2010	2009	%Var
Net Sales	1,344.4	985.5	36.4	2,456.8	1,634.6	50.3
Gross Profit	982.9	724.8	35.6	1,750.5	1,202.1	45.6
Gross Margin	73.1%	73.5%	(0.4)	71.2%	73.5%	(2.3)
EBITDA[1]	346.5	251.4	37.8	507.5	344.1	47.5
EBITDA Margin	25.8%	25.5%	0.3	20.7%	21.0%	(0.3)
Operating Income	325.1	244.6	32.9	471.4	329.0	43.3
Operating Income Margin	24.2%	24.8%	(0.6)	19.2%	20.1%	(0.9)
Net Income of Majority Shareholders	227.3	122.7	85.3	324.8	196.9	64.9
Net Income of Majority Shareholders Margin	16.9%	12.4%	4.5	13.2%	12.0%	1.2
Weighted average number of shares outstanding	526,337,790	527,242,625	(0.2)	526,367,752	527,983,264	(0.3)
EPS (12 months)[2]	1.68	1.03	63.7	1.69	1.03	65.2

[1] EBITDA is calculated by adding Depreciation and Amortization to the Operating Income.

[2] Earnings per share are for the last 12 months and were calculated using the weighted average of shares outstanding for the period. The total number of shares outstanding as of June 30, 2010 totaled 526,294,713.

Net Sales rose 36.4% to Ps. 1,344.4 million for the second quarter of 2010, from Ps. 985.5 million for the second quarter of 2009. This increase resulted from the combination of the following: i) a 5.2% decrease (Ps. 40.7 million) from **Base Brands** in Mexico, to Ps. 736.4 million, including line extensions on these brands; ii) a 296.4% increase (Ps. 232.0 million) due to the full year effect of **Prior Year Launches** in Mexico, including recent line extensions on these brands launched during 2010, to reach Ps. 310.3 million; iii) Ps. 14.8 million in the second quarter of 2010 from **New Brands** in Mexico due to the launch of 10 new products under 5 New Brands; and iv) a 117.4% increase (Ps. 152.8 million) in **International** operations to Ps. 283.0 million.

We classify Net Sales by brands in the following manner:

1) **Base Brands** were launched at least two years prior to the last fiscal year (2008, 2007, 2006, and earlier),
2) **Prior Year Launches** were brands launched during the prior fiscal year (2009),
3) **New Brands** were launched in the current fiscal year (2010), and

4) **International** refers to Net Sales from our international operations.

The following table shows Net Consolidated Sales for the first half of 2010 and 2009 detailed by brand:

(In millions of current Mexican Pesos)

BRAND	NET SALES 1H10	% OF TOTAL NET SALES	NET SALES 1H09	VAR %
PRIMER NIVEL	222.0	9.0%	0.0	NA
ASEPXIA	167.3	6.8%	159.2	5.1%
UNESIA	117.6	4.8%	3.3	3465.5%
NIKZON	104.8	4.3%	93.3	12.3%
GOICOECHEA	99.5	4.0%	73.1	36.0%
METABOL TONICS	87.7	3.6%	98.3	-10.7%
SHOT B	80.4	3.3%	34.7	131.6%
NEXT	73.0	3.0%	23.3	213.1%
SILKA MEDIC	69.7	2.8%	59.3	17.7%
CICATRICURE	68.2	2.8%	120.7	-43.5%
X RAY	65.2	2.7%	48.6	34.3%
QG5	62.6	2.5%	36.3	72.5%
SUBTOTAL	1,218.0	49.6%	750.0	62.4%
OTHER BRANDS (<2.5%)	641.6	26.1%	644.7	-0.5%
TOTAL MEXICO	1,859.6	75.7%	1,394.8	33.3%
INTERNATIONAL	597.2	24.3%	239.8	149.1%
TOTAL	**2,456.8**	**100.0%**	**1,634.6**	**50.3%**

Despite the strong changes in sales of the various brands, sell-out[6] growth in Mexico (excluding our generics brand *Primer Nivel Por Tu Salud*) reached 30.6% during the first half of 2010, compared to the same period of 2009.

Gross Profit increased 35.6% to Ps. 982.9 million for the second quarter 2010 compared to Ps. 724.8 million during the second quarter of 2009. Gross Margin decreased 0.4 percentage points, as a percentage of Net Sales, to 73.1 % in the second quarter of 2010, compared to 73.5% for the same period of 2009. This decrease was primarily attributable to a higher cost of goods sold, as a percentage of Net Sales, in our *Primer Nivel Por Tu Salud* brand, and was partially offset by a higher weight from our International Operations in overall Net Sales, which have a lower cost of goods sold as a percentage of Net Sales.

[6] Sell-out represents Genomma Lab's customers´ sales at the point of sale. This statistic is measured internally and is derived from information obtained from a representative sample of our customers from which we obtain this information on a regular basis.

Selling, General and Administrative Expenses, as a percentage of Net Sales, increased 0.2 percentage points to 48.9% for the second quarter of 2010 from 48.7% for the second quarter of 2009. This increase was mainly associated with higher expenses derived from the increase in amortization related to the purchase of new corporate headquarters and the need to amortize the expenses from the improvements made in the current leased offices before year end, which were offset by corporate leverage in other SG&A expenses achieved by the increase in Net Sales during the second quarter of 2010 compared to the same period of 2009.

EBITDA increased 37.8% to Ps. 346.5 million for the second quarter of 2010, compared to Ps. 251.4 million for the second quarter of 2009. The EBITDA margin increased 0.3 percentage points as a percentage of Net Sales to 25.8% for the second quarter of 2010 from 25.5% for the second quarter of 2009. The EBITDA margin increase was primarily due to a 0.7 percentage points decline in the Selling, General and Administrative Expenses (excluding Depreciation and Amortization) as a percentage of Net Sales, and was partially offset by a 0.4 percentage points higher cost of goods sold as a percentage of Net Sales.

EBITDA Reconciliation

For the quarters ended June 30, 2010 and 2009
(In thousands of current Mexican pesos)

	Second Quarter	
	2010	**2009**
Consolidated net income (loss)	228.8	122.9
Discontinued operations	-	0.6
Income tax expense (benefit)	98.9	88.1
Comprehensive financing (income) cost	(7.4)	30.3
Not consolidated subsidiaries (income)	6.7	-
Other expense (income), net	(1.8)	2.7
Operation income	325.1	244.6
Depreciation and amortization	21.4	6.8
EBITDA	346.5	251.4
EBITDA margin	25.8%	25.5%

Operating Income increased 32.9% to Ps. 325.1 million for the second quarter of 2010 compared to Ps. 244.6 million for the second quarter of 2009. Operating margin decreased 0.6 percentage points, as a percentage of Net Sales, to 24.2%, compared to 24.8% for the same period in 2009. This decrease is a result of higher depreciation and amortization which was partially offset by a decrease in other SG&A expenses as a percentage of Net Sales.

Comprehensive Financing Income resulted in a gain of Ps. 7.4 million for the second quarter of 2010, which represented an increase of Ps. 37.7 million compared to the Ps. 30.3 million loss during the second quarter of 2009. This increase was primarily a result of: i) lower interest income, of Ps. 7.3 million in the second quarter of 2010 from Ps. 7.5 million in the same period of 2009; ii) a foreign exchange gain of Ps. 3.1 million in the second quarter of 2010, from a Ps. 35.0 million loss during the same period of 2009, primarily due to the appreciation of the U.S. dollar versus the Mexican peso during the second quarter of 2010 and a depreciation of the U.S. dollar versus the Mexican peso during the same period of 2009; iii) an increase in the monetary position loss, to Ps. 1.9 million during the second quarter of 2010, compared to Ps. 0.2 million for the second quarter of 2009; iv) a decrease in financial expenses of Ps. 1.4 million to Ps. 2.2 million during the second quarter of 2010 compared to Ps. 3.6 million during the same period of 2009; and v) an increase of Ps. 0.1 million in the effects of the exchange rate from foreign operations to 1.2 million in the second quarter of 2010 from Ps. 1.1 million during the same period of 2009. As of June 30, 2010, the Company maintained a U.S. dollar treasury position of US$ 19.0 million.

As of June 30, 2010, Genomma Lab had a total cash position of Ps. 736.6 million.

Consolidated Net Income increased 86.2% to Ps. 228.8 million for the second quarter of 2010 compared to Ps. 122.9 million for the second quarter of 2009.

Balance Sheet

	June 30, 2010	June 30, 2009	Var June '10 vs June '09	% Var June '10 vs June'09	December 31, 2009	Var June '10 vs December '09	% Var June '10 vs December '09
Balance Sheet Information:							
Cash and equivalents	**736.6**	1,214.4	(477.8)	-39.3%	1,059.4	(322.8)	-30.5%
Trade receivables	**1,781.9**	562.1	1,219.8	217.0%	1,336.9	444.9	33.3%
Inventories	**743.5**	516.1	227.3	44.0%	630.1	113.3	18.0%
Other current assets	**262.0**	321.0	(59.0)	-18.4%	340.6	(78.6)	-23.1%
Total Assets	**4,594.6**	3,294.2	1,300.3	39.5%	4,241.7	352.9	8.3%
Suppliers	**606.3**	411.2	195.1	47.5%	594.3	12.1	2.0%
Other current liabilities	**460.6**	232.3	228.2	98.2%	427.0	33.6	7.9%
Loans with financial institutions	**-**	-	-		-	-	
Total Liabilities	**1,206.7**	819.0	387.7	47.3%	1,190.9	15.8	1.3%
Stockholders Equity	**3,387.9**	2,475.2	912.7	36.9%	3,050.7	337.1	11.1%
Working Capital (1)	**2,457.0**	1,970.1	486.9	24.7%	2,345.7	111.3	4.7%
Working Capital less cash	**1,720.4**	755.7	964.7	127.7%	1,286.3	434.1	33.7%
Trade Recevables days	**122**	65	57	87.0%	109	13	12.4%
Inventories days	**177**	229	(52)	-22.8%	183	(6)	-3.4%
Suppliers days	**144**	183	(39)	-21.0%	173	(29)	-16.5%
Cash Conversion Cycle	**155**	112	43	38.3%	119	36	30.0%

(1) Working capital consists of current assets minus current liabilities.

Cash and Equivalents decreased 39.3 % (Ps. 477.8 million) to Ps. 736.6 million as of June 30, 2010 compared to Ps. 1,214.4 million as of June 30, 2009. This decrease was mainly due to cash consumption related to the acquisition of our corporate headquarters in the amount of Ps. 143.7 million and to brand acquisitions paid during the last twelve months totaling 158.0 million. In addition, there were outflows related to the funding of the Brazilian and US operations. This decrease was partially offset by the Company's cash generation during the last twelve months.

Trade Receivables increased 217.0% (Ps. 1,219.8 million) to Ps. 1,781.9 million as of June 30, 2010 from Ps. 562.1 million as of June 30, 2009. Days of Trade Receivables increased 57 days, to 122 as of June 30, 2010 from 65 as of June 30, 2009. This increase was mainly due to last year's commercial plan which was not implemented this year. The plan consisted mainly of commercial discounts for our main clients as an incentive to reach their sales target and to make their payments in shorter timeframes, therefore reducing our Days of Trade Receivables.

Inventories increased 44.0% (Ps. 227.3 million) to Ps. 743.5 million as of June 30, 2010 from Ps. 516.1 million as of June 30, 2009. Days of Inventories decreased 52 days, to 177 as of June 30, 2010 from 229 as of June 30, 2009. This decrease is due primarily to a more efficient inventory management in our distribution center.

Suppliers increased 47.5% (Ps. 195.1 million) to Ps. 606.3 million as of June 30, 2010, from Ps. 411.2 million as of June 30, 2009. Days of Suppliers decreased 39 days, to 144 as of June 30, 2010 from 183 as of June 30, 2009. This decrease was primarily a result of lower inventory levels during the second quarter of 2010 compared to the same period of 2009, which translates into smaller accounts payable to suppliers as a percentage of Net Sales.

Other Current Assets decreased 18.4% (Ps. 59.0 million) to Ps. 262.0 million as of June 30, 2010 from Ps. 321.0 million as of June 30, 2009. This decrease was mainly attributable to a higher use of the stock repurchase fund combined with a decrease in payments made in advance.

Other Current Liabilities increased 98.2% (Ps. 228.2 million) to Ps. 460.6 million as of June 30, 2010 from Ps. 232.3 million as of June 30, 2009. This change was mainly attributable to an increase in payable advertising as part of the normal payment terms agreed with TV stations, combined with an increase in income taxes payable.

During the second quarter of 2010, cash flow from our operations and cash on hand was sufficient to meet the Company's liquidity requirements.

Operations Summary

Net Sales for the Second quarter

For the second quarter of 2010, Net Sales of our OTC pharmaceutical products in Mexico increased 19.0%[7] compared to the second quarter of 2009. During the second quarter of 2010, the Company launched 4 new OTC products. Net sales of our personal care products in Mexico increased 14.0%[8] for the second quarter of 2010 compared to the second quarter of 2009. During the second quarter of 2010 the Company launched 29 new personal care products.

Net sales from our International operations increased 117.4% to Ps. 283.0 million for the second quarter of 2010 compared to Ps. 130.1 million for the same period in 2009. This increase was mainly driven by sales from our new operations in the Brazilian and American markets, as well as a relevant growth rate registered in the rest of our Latin American operations, lead by Colombia, Peru and Argentina.

New Products Launches and Line Extensions

During the first half of 2010, we have launched 43 line extensions of our **Base Brands** and **Prior Year Launches;** and 10 new products under 5 **New Brands**; among which are:

Optical 20/20 by *Devlyn*[MR], the recently purchased brand license, is a new brand for eye products such as: drops for eye dryness relief, drops for eye irritation relief and a dietary supplement that consists of vitamin capsules and antioxidants with Lutein and Zinc, which are helpful for a better vision.

Jockey Club is a brand that was purchased in June 2009 due to its high recognition in the hair care, lotion and powder categories. *Jockey Club* is a brand with a strong popular tradition in Mexico, registered for sales since 1949, which has remained in the mind of various consumer generations for more than 60 years. The image was changed for one that is more innovative and striking, and is being re-launched at first through its most popular products while adding new categories such as deodorants.

Ans TK is a new brand that consists of an anesthetic and anti-inflammatory lotion that aids in the relief of anal fissures, pruritus and hemorrhoids.

[7] Includes only OTC pharmaceutical products in Mexico.
[8] Includes only personal care products in Mexico.

Other Corporate Events

- In the second quarter of 2010, Genomma Lab acquired several brands in order to strengthen its product portfolio. These include *English Leather, Micotex, Nasalub,* and *Ossart*. With these acquisitions, Genomma Lab strengthens its presence in the nasal congestion, anti-micotic, ocular care, personal care for men, body lotion, hair gel and deodorant categories. The Net Sales of the acquired products amounted to Ps. 91.5 million during the last twelve months up to April 2010.
    - *Micotex* has been a well-positioned brand in the anti-micotic lotion and powder segment since 1951. The Company acquired *Micotex* brand along with its formulas and sanitary registrations in Mexico, Ecuador, El Salvador, Nicaragua and Uruguay. Also, the Company acquired *Nasalub* brand along with its sanitary registrations in Mexico. This brand participates in the lubricant segment for dry nose and nasal congestions. The brand has 17 years of experience in the market and is one of the leaders in its segment. On another note, *English Leather* was acquired as a result of its long standing level of recognition as it has over 46 years among the fragrance, lotion, shaving cream and deodorant categories, allowing Genomma Lab to strengthen its presence in the personal care category in Mexico. Finally, Genomma acquired the brand *Ossart*, a well-known and traditional brand in Mexico, registered since 1943, which offers products in the powder, lotion, deodorant and gel categories. The brand has been preserved in the mind of many consumer generations for over 67 years.
- Additionally, Genomma Lab acquired the license to use *Devlyn*^{MR} brand in Mexico, the United States and Latin America for a 50-year period. The brand has a solid growth and positioning in the Mexican market as it has over 70 years of existence. The acquisition of the *Devlyn*'s license introduces Genomma Lab to the ophthalmic market in several categories: medicines, healing material and other supplement products for ophthalmic use, as well as for vision strengthening.
- During the second quarter of 2010 Genomma Lab celebrated the second anniversary of its IPO in the Mexican Stock Exchange. To commemorate this event the Company held its second annual "Genomma Day" on June 18th at the Museum of Modern Art in New York City. The event had over 50 attendees which included investors from the IPO, as well as new and potential investors.

Company Description

Genomma Lab Internacional, S.A.B. de C.V. is one of the fastest growing pharmaceutical and personal care products companies in Mexico with an increasing international presence. Genomma Lab develops, sells and markets a broad range of premium branded products, many of which are leaders in the categories in which they compete in terms of sales and market share. Genomma Lab relies on the combination of a successful new product development process, a consumer-oriented marketing, a broad retail distribution network and a low-cost, highly flexible operating model.

Genomma Lab's shares are listed on the Mexican Stock Exchange under the ticker symbol "LAB.B" (Bloomberg: labb.mx).

Income Statement

Genomma Lab Internacional S.A.B. de C.V. and subsidiaries

Consolidated Statements of Operations
For the second quarter and first semester of 2010 and 2009
(In thousands of current Mexican pesos)

	Quarter			Accumulated		
	2Q10	2Q09	% Var	2010	2009	% Var
Net sales	1,344,395	985,485	36.4%	2,456,822	1,634,577	50.3%
Costs and expenses:						
Cost of sales	361,455	260,671	38.7%	706,366	432,495	63.3%
Selling, general and administrative expense	657,863	480,254	37.0%	1,279,095	873,042	46.5%
Total costs and expenses	1,019,318	740,924	37.6%	1,985,461	1,305,537	52.1%
Income from operations	325,076	244,561	32.9%	471,361	329,040	43.3%
Other (expense)- Net	1,825	(2,665)	168.5%	13,945	(63)	22299.8%
Comprehensive financing income (cost)						
Interest (expense)	(2,186)	(3,649)	40.1%	(5,705)	(5,083)	12.3%
Interest income	7,281	7,499	-2.9%	16,512	27,379	-39.7%
Exchange gain (loss)	3,054	(35,026)	108.7%	(13,176)	(38,605)	65.9%
Monetary position (loss)	(1,888)	(174)	982.8%	(5,686)	(2,639)	115.4%
Effects of exchange rate changes on foreign	1,183	1,086	9.0%	7,313	67	10854.2%
	7,444	(30,266)	124.6%	(742)	(18,881)	96.1%
Income of non consolidated subsidiaries	(6,670)	-		(10,462)	-	
Income before income taxes	327,676	211,630	54.8%	474,101	310,096	52.9%
Income tax expense (benefit)	98,872	88,101	12.2%	144,629	111,194	30.1%
Discontinued operations (loss)	-	(638)	100.0%	-	(1,061)	100.0%
Consolidated net income (loss)	228,804	122,891	86.2%	329,473	197,841	66.5%
Consolidated net income (loss)	228,804	122,891	86.2%	329,473	197,841	66.5%
Net loss (income) of minority stockholders	(1,519)	(223)	581.0%	(4,688)	(892)	425.5%
Net income of majority stockholders	227,285	122,668	85.3%	324,785	196,949	64.9%

Balance Sheet

Genomma Lab Internacional S.A.B. de C.V. and subsidiaries

Consolidated Balance Sheets
For the periods ended in June 30, 2010; June 30, 2009; and December 31, 2009.
(in thousands of current Mexican pesos)

Assets	Jun - '10	Jun - '09	V Jun 09 $	V Jun 09 %	Dec - '09	V Dec 09 $	V Dec 09 %
Current assets:							
Cash and equivalents	736,587	1,214,400	(477,813)	-39%	1,059,380	(322,793)	-30%
Share buy back fund	5,117	15,993	(10,876)	-68%	8,142	(3,025)	-37%
Employee Share buy back fund	2,966	17,013	(14,047)	-83%	10,894	(7,929)	-73%
Accounts receivable-Net	1,972,439	749,535	1,222,904	163%	1,545,647	426,792	28%
Inventory - Net	743,452	516,142	227,310	44%	630,121	113,331	18%
Prepaid expenses and other current assets	27,113	80,079	(52,966)	-66%	81,996	(54,883)	-67%
Due from related parties	36,225	20,441	15,784	77%	30,795	5,430	18%
Discontinued operations	2,888	22,360	(19,472)	-87%	3,407	(519)	-15%
Total current assets	**3,526,788**	**2,635,963**	**890,825**	**34%**	**3,370,383**	**156,405**	**4%**
Equipment- net	**385,176**	**138,613**	**246,563**	**178%**	**260,698**	**124,478**	**32%**
Trademarks	525,318	435,853	89,465	21%	446,653	78,665	18%
Investments in subsidiaries	14,185	-	14,185	0%	25,166	(10,981)	-44%
Deferred income tax	728	34,364	(33,636)	-98%	2,869	(2,141)	-75%
Other assets- Net	142,362	49,021	93,341	190%	135,844	6,518	5%
Discontinued operations	-	405	(405)	-100%	38	(38)	-100%
	682,594	**519,643**	**162,951**	**31%**	**610,570**	**72,023**	**12%**
Total Assets	**4,594,558**	**3,294,219**	**1,300,339**	**39%**	**4,241,651**	**352,907**	**8%**
Current Liabilities:							
Trade accounts payable	606,339	411,192	195,147	47%	594,279	12,060	2%
Due to related parties	2,941	412	2,529	614%	81	2,860	3553%
Other current liabilities	374,980	139,392	235,588	169%	389,295	(14,315)	-4%
Payable tax	82,667	92,537	(9,870)	-11%	37,640	45,027	120%
Statutory employee profit sharing	2,710	3,578	(868)	-24%	3,382	(673)	-20%
Discontinued operations	3,904	7,217	(3,313)	-46%	4,656	(752)	-16%
Deferred income tax	17,900	-	17,900	0%	46,006	(28,107)	-61%
Employee retirement obligations	9,463	6,522	2,941	45%	7,491	1,972	26%
Sundry trade accounts payable LP	105,795	158,156	(52,361)	-33%	108,090	(2,295)	-2%
Total Liabilities	**1,206,697**	**819,006**	**387,691**	**47%**	**1,190,920**	**15,778**	**1%**
Capital stock	1,931,222	274,924	1,656,298	602%	274,924	1,656,299	602%
Additional paid in capital	-	1,553,938	(1,553,938)	-100%	1,553,938	(1,553,938)	-100%
Retained earnings	1,143,598	519,636	623,962	120%	1,278,375	(134,777)	-11%
Net income	324,784	196,949	127,835	65%	-	324,784	0%
Cumulative translation effects of foreign subsidiaries	2,976	2,018	958	47%	1,228	1,748	142%
Share buyback fund	(29,017)	(73,951)	44,934	-61%	(69,415)	40,398	-58%
Net premium placement of repurchased shares	6,450	(221)	6,671	0%	6,450	-	0%
Superavit with related parties	(3,721)	-	(3,721)	0%	(3,721)	-	0%
Minority Interest	11,567	1,917	9,650	503%	8,953	2,614	23%
Total stockholders equity	**3,387,860**	**2,475,210**	**912,650**	**37%**	**3,050,731**	**337,128**	**10%**

Cash Flow

Genomma Lab Internacional S.A.B. de C.V. and subsidiaries

Consolidated Cashflow Statement
For the first semester of 2010
(In thousands of current Mexican pesos)

Operating activities:	**Accumulated 2010**
Consolidated income for continued operations	329,473
Items related to investing activities:	
Depreciation and amortization	36,159
Unearned foreign exchange fluctuations	(107)
Income taxes	144,629
Equity in loss of associated companies	10,462
Superavit with related parties	
Employee termination obligations, net	
Employee profit sharing	
Other financing activites	
Cash flow from operations	**520,616**
(Increase) Decrease in accounts receivable	(512,135)
(Increase) Decrease in inventories	(113,356)
Increase (Decrease) in accounts payable	34,211
Increase (Decrease) in payable tax	(42,300)
Other, Net	51,187
Stock-based compensations cost	19,084
Discontinued operations	(233)
Changes in Working Capital	**(563,542)**
Net cash used in operating activities	**(42,926)**
Net Cash flow used in operating activities after discontined operations	**(42,926)**
Investing activities:	
Divestments (investments)	(155,623)
Asset sales (other capital expenditures)	(124,827)
Discontinued operations	
Loss from discontinued operations	38
Net cash used in investing activities	**(280,412)**
(Cash to be obtained from) excess cash to apply to financing activities	**(323,338)**
Financing activities:	
Repurchase of stocks	(11,102)
Payable interest from prior periods	
Minority interest	(2,074)
Net cash used in financing activities	**(13,176)**
Net decrease in cash and cash equivalents before foreign exchange adjustments coming from International operations and inflationary effects.	**(336,514)**
Foreign exchange and inflationary effects from International operations	**2,768**
Net increase (decrease) in cash	**(333,746)**
Cash and cash equivalents beginning of period	**1078,416**
Cash and cash equivalents end period balance.	**744,670**
less- Employees shares fund	5,117
less- repurchasing shares fund	2,966
Cash and cash equivalents at end period balance for operation	**736,587**