Genomma Lab achieves a 20.9% Top Line Growth and a 24.3% Adjusted EBITDA[1] Margin in the Second Quarter of 2012

GENOMMA LAB INTERNACIONAL ANNOUNCES ITS SECOND QUARTER 2012 RESULTS

Mexico City, Mexico – July 26th, 2012

Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB.B) ("Genomma Lab" or "the Company"), announced today its results for the quarter ended June 30, 2012. All figures included herein are stated in nominal Mexican pesos and were prepared in accordance with International Financial Reporting Standards (IFRS). As of January 1st of this year the Company adopted IFRS (retrospective application) as the accounting framework for its financial statements to comply with the provisions established by the Mexican National Banking and Securities Commission (CNBV). The data provided herein is the second quarterly financial report by Genomma Lab under IFRS. Also, due to the adoption of IFRS, 2011 figures were adjusted in order to have a comparable base, which resulted in variations against originally reported figures.

2Q 2012 Highlights (vs. 2Q 2011)

- Net Sales for the quarter reached Ps. 2.07 billion, increasing 20.9%, compared to the same period of 2011.
- Adjusted EBITDA[1] increased 22.7% in the second quarter to Ps. 504.8 million, representing a 24.3% margin.
- Consolidated Net Income increased 0.9% to Ps. 273.7 million in the second quarter, compared to the same quarter of 2011. Earnings per Share[2] increased 22.1% to Ps. 1.34 compared to the same period of 2011.
- During the second quarter, Genomma Lab successfully launched 34 products under 12 existing brands and three products under one new brand.
- The Company acquired a package of six brands in the second quarter of 2012: Fermodyl, Zan Zusi, Altiva, Amara, Larizá and Bioskin.
- Given the success of the Sistema GB brand, Genomma Lab has the intention to expand this brand to other countries in the near future.

[1] Adjusted EBITDA has been calculated by adding non-recurring expenses. 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.

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Comments from the Chairman and CEO

Mr. Rodrigo Herrera, Chairman and Chief Executive Officer, stated: "Results for this quarter are in line with our expectations and consumption in our main markets is showing signs of improvement. During the second quarter several strategic decisions were taken in order to improve the Company's future operations.

The recorded growth of 20.9% was mainly driven by our international operations, with the USA, Argentina and Brazil showing the strongest growth, followed by the rest of Latin America. We continue to analyze interesting opportunities for brand acquisitions, both in Mexico and in other countries, that would strengthen our business model and support the growth of the Company going forward.

We continue to observe stronger consumer confidence in Mexico, where we continue to be the number one player in the OTC market, one of the top five players in the Personal Care market, and one of the top ten players in the generics market. We expect our Mexican operations to continue delivering strong results in the coming quarters. We plan to enrich our portfolio by re-launching recently acquired brands, as well as by continuing with our line extension strategy to strengthen our base brands.

Also, it is important to mention that during this second quarter, we acquired a package of six brands: ***Fermodyl***, ***Zan Zusi***, ***Altiva***, ***Amara***, ***Larizá*** and ***Bioskin.*** With this acquisition, we enter the make-up and color cosmetic market, one of the largest Personal Care categories, where we see great potential for growth. Additionally, with this acquisition we increase our presence in the hair care market, strengthening our brand portfolio in the category. This transaction reaffirms the Company's strategy of acquiring brands with high recognition levels amongst consumers in order to increase their sales through Genomma's business model, maintaining a solid financial structure.

We are optimistic about the coming quarters, as we expect the second half of the year to represent the strongest part of this year's growth."

Consolidated Results of Operations for the Second Quarter of 2012

The following table shows 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 three and six month periods ended June 30, 2012 are compared to the same period in 2011:

For the three and six month periods ended June 30, 2012 and 2011
(In millions of current Mexican Pesos)

	2nd Quarter			January to June		
	2012	2011	%Var	2012	2011	%Var
Net Sales	2,073.5	1,715.5	20.9	3,848.9	3,191.6	20.6
Gross Profit	1,357.6	1,213.4	11.9	2,592.9	2,245.0	15.5
Gross Margin	65.5%	70.7%	(5.2)	67.4%	70.3%	(2.9)
Adjusted EBITDA[1]	504.8	411.3	22.7	792.0	642.0	23.4
Adjusted EBITDA Margin	24.3%	24.0%	0.3	20.6%	20.1%	0.5
Operating Income	439.3	389.9	12.7	710.4	600.9	18.2
Operating Income Margin	21.2%	22.7%	(1.5)	18.5%	18.8%	(0.3)
Net Income of Majority Shareholders	268.7	266.1	1.0	403.3	392.4	2.8
Net Income of Majority Shareholders Margin	13.0%	15.5%	(2.5)	10.5%	12.3%	(1.8)
Weighted average number of shares outstanding	1,047,018,570	1,052,749,426	(0.5)	1,049,494,190	1,052,749,426	(0.3)
EPS (12 months)[2]	1.34	1.09	22.1	1.33	1.09	21.8

[1] Adjusted EBITDA has been calculated by adding non-recurring expenses. 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, 2012 totaled 1,045,045,363. EPS for the second quarter of 2011 were calculated with the last twelve months Consolidated Net Income under Mexican GAAP (NIF), and does not reflect the reclassification to IFRS.

Net Sales rose 20.9% to Ps. 2.07 billion in the second quarter of 2012, from Ps. 1.72 billion in the second quarter of 2011.

Net Sales by brands are classified as follows:

1) **Base Brands** represent brands launched at least two years prior to the last fiscal year (2010, 2009, 2008 and earlier) in Mexico;
2) **Prior Year Launches** are brands launched during the prior fiscal year (2011) in Mexico;
3) **New Brands** are brands launched during the current fiscal year (2012) in Mexico; and
4) **International** refers to Net Sales of our international operations.

The 20.9% increase in Net Sales resulted from the combination of the following:

i) a 2.7% decrease (Ps. 31.5 million) from **Base Brands** in Mexico, amounting to Ps. 1.13 billion, including line extensions on these brands (excluding *Primer Nivel*, **Base Brands** increased 11.6% or Ps. 116.3 million, compared to the same period of 2011); on an accumulated basis, **Base Brands** in Mexico increased 1.9% (Ps. 40.9 million), amounting to Ps. 2.24 billion (excluding

Primer Nivel, **Base Brands** increased 8.6% or Ps. 172.9 million, compared to the same period of 2011);

ii) a 91.8% increase (Ps. 107.5 million) of **Prior Year Launches** in Mexico due to the full year effect, including the recent line extensions on these brands, resulting in Ps. 224.6 million; on an accumulated basis, **Prior Year Launches** in Mexico increased 188.9% (Ps. 296.9 million), resulting in Ps. 454.1 million;

iii) Ps. 65.4 million in the second quarter of 2012 from **New Brands** in Mexico; for the first half of the year, **New Brands** in Mexico had an income of Ps. 71.7 million; and,

iv) a 49.3% increase (Ps. 216.8 million) resulting from **International** operations, totaling Ps. 656.2 million; during the first half of the year, **International** operations increased 29.8% (Ps. 248.1 million), totaling Ps. 1.08 billion.

Gross Profit increased 11.9% to Ps. 1.36 billion in the second quarter of 2012, compared to Ps. 1.21 billion during the second quarter of 2011. Gross Margin decreased 5.2 percentage points, as a percentage of Net Sales, to 65.5% in the second quarter of 2012, compared to 70.7% in the same period of 2011. This decrease in margin was primarily due to promotional strategies we implemented with our clients and at the point of sale in order to offset the possible effect in sales from a lower amount of available TV time caused by the elections in Mexico during this quarter, in addition to a change in our product mix, since sales of our personal care products, as a percentage of Net Sales, increased compared to the same period of 2011. These products have a higher cost of goods sold as a percentage of Net Sales.

Selling, General and Administrative Expenses, as a percentage of Net Sales, decreased 3.7 percentage points to 44.3% in the second quarter of 2012, from 48.0% in the second quarter of 2011. This decrease was primarily caused by a lower expense in TV advertising due to the reduced amount of available TV time caused by the elections in Mexico during this quarter; this was partially offset by non-recurring expenses derived from the proposal made by the Company to acquire Prestige Brands Holdings, Inc.

Adjusted EBITDA increased 22.7% to Ps. 504.8 million in the second quarter of 2012, compared to Ps. 411.3 million in the second quarter of 2011. The adjusted EBITDA margin increased 0.3 percentage points, as a percentage of Net Sales, to 24.3% in the second quarter of 2012, from 24.0% in the second quarter of 2011. The adjusted EBITDA margin increase was primarily due to a decrease in the Selling, General and Administrative Expenses (excluding Depreciation and Amortization), as a percentage of Net Sales, which was offset by an increase in the cost of goods sold, as a percentage of Net Sales.

EBITDA Reconciliation

For the second quarter ended June 30, 2012 and 2011
(In millions of current Mexican pesos)

	Second Quarter	
	2012	2011
Consolidated net income (loss)	273.7	271.4
Income tax expense (benefit)	148.7	117.0
Not consolidated subsidiaries (income)	11.9	(1.3)
Comprehensive financing (income) cost	5.0	2.9
Operation income	**439.3**	**389.9**
Depreciation and amortization	16.4	21.4
EBITDA	**455.6**	**411.3**
Non-recurring expenses[1]	49.1	-
Adjusted EBITDA	**504.8**	**411.3**
EBITDA margin	*24.3%*	*24.0%*

[1] The non-recurring expenses are related to the unsolicited offer that Genomma Lab made to acquire Prestige Brands Holdings, Inc.

Operating Income increased 12.7% to Ps. 439.3 million in the second quarter of 2012, compared to Ps. 389.9 million in the second quarter of 2011. Operating Margin decreased 1.5 percentage points, as a percentage of Net Sales, to 21.2%, compared to 22.7% for the same period in 2011. This decrease is a result of the aforementioned factors.

Comprehensive Financing Result was a Ps. 5.0 million loss in the second quarter of 2012, which represented a decrease of Ps. 2.1 million, compared to a Ps. 2.9 million loss recorded in the second quarter of 2011. This change was a result of: i) a Foreign Exchange gain amounting to Ps. 39.6 million during the second quarter of 2012, compared to a Ps. 1.8 million loss during the same period of 2011, resulting primarily from a significant appreciation of the US Dollar exchange rate vs. the Company’s operating currencies, which was reflected on the Company’s cash position in US Dollars; ii) an increase in Financial Expenses of Ps. 13.5 million to Ps. 29.1 million during the second quarter of 2012, compared to Ps. 15.7 million during the same period of 2011; iii) a lower Interest Income of Ps. 2.8 million during the second quarter of 2012, compared to Ps. 6.3 million in the same period of 2011; and, iv) a decrease of Ps. 26.6 million related to the Exchange Rates from foreign operations, resulting in an Ps. 18.2 million loss in the second quarter of 2012, compared to an Ps. 8.4 million gain in the same period of 2011.

Consolidated Net Income increased 0.9% to Ps. 273.7 million in the second quarter of 2012, representing a margin of 13.2% over Net Sales, compared to Ps. 271.4 million in the second quarter of 2011, which represented a margin of 15.8%.

Balance Sheet

As of June 30, 2012, June 30, 2011 and December 31, 2011
(In millions of current Mexican pesos)

	June 30, 2012	June 30, 2011	Var Jun '12 vs Jun '11	% Var Jun '12 vs Jun'11	December 31, 2011	Var Jun'12 vs Dec '11	% Var Jun'12 vs Dec '11
Balance Sheet Information:							
Cash and Equivalents	**1,368.6**	885.2	483.4	54.6%	1,538.5	(169.9)	-11.0%
Clients	**3,741.0**	2,803.9	937.1	33.4%	3,482.6	258.3	7.4%
Inventories	**1,271.8**	1,143.6	128.2	11.2%	1,101.0	170.8	15.5%
Other current Assets	**750.2**	346.7	403.5	116.4%	383.6	366.6	95.6%
Total Assets	**10,532.5**	7,338.9	3,193.6	43.5%	9,188.9	1,343.6	14.6%
Suppliers	**1,213.3**	823.8	389.5	47.3%	1,262.3	(49.0)	-3.9%
Other current Liabilities	**866.5**	754.4	112.1	14.9%	1,835.6	(969.1)	-52.8%
Long-term Loans with financial institutions	**2,420.0**	850.0	1,570.0	184.7%	970.0	1,450.0	149.5%
Total Liabilities	**4,739.7**	2,846.6	1,893.0	66.5%	3,604.8	1,134.9	31.5%
Stockholders Equity	**5,792.9**	4,492.3	1,300.6	29.0%	5,584.2	208.7	3.7%
Working Capital (1)	**5,051.7**	3,601.1	1,450.6	40.3%	3,407.8	1,643.9	48.2%
Working Capital less cash	**3,683.1**	2,715.8	967.2	35.6%	1,869.2	1,813.8	97.0%
Accounts Receivable days	**154**	144	10	6.6%	156	(2)	-1.3%
Inventories days	**165**	200	(35)	-17.7%	161	4	2.5%
Suppliers days	**157**	144	13	9.0%	184	(27)	-14.5%
Cash Conversion Cycle	**162**	200	(38)	-19.4%	132	30	22.4%

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

Cash and Equivalents increased 54.6% (Ps. 483.4 million) to Ps. 1.37 billion as of June 30, 2012, compared to Ps. 885.2 million as of June 30, 2011. This variation was primarily due to cash generation from our operations during the last twelve months, in addition to an increase of Ps. 1.57 billion in loans with financial institutions, which was offset by several brand acquisition payments in the past twelve months, amounting to Ps. 1.33 billion, as well as by disbursements for Ps. 222.8 million for our stock repurchase program during the last twelve months.

Clients amounted to Ps. 3.74 billion as of June 30, 2012, compared to Ps. 2.80 billion as of June 30, 2011. Days of Accounts Receivable increased 10 days to 154 days as of June 30, 2012, from 144 days as of June 30, 2011.

Inventories amounted to Ps. 1.27 billion as of June 30, 2012, compared to Ps. 1.14 billion as of June 30, 2011. Days of Inventories decreased 35 days to 165 days as of June 30, 2012, compared to 200 days as of June 30, 2011. This decrease was primarily due to a high comparable base from the same period of 2011, when we implemented a defensive strategy to prevent price increases from suppliers that could come from higher raw material prices.

Suppliers amounted to Ps. 1.21 billion as of June 30, 2012, compared to Ps. 823.8 million as of June 30, 2011. Days of Suppliers increased 13 days to 157 as of June 30, 2012, from 144 days as of June 30, 2011. This increase was mainly to support initiatives for our international operations, as well as the launch of new products and the re-launch of recently acquired brands.

Other Current Assets amounted to Ps. 750.2 million as of June 30, 2012, from Ps. 346.7 million as of June 30, 2011. This increase was mainly derived from payments made in advance to suppliers.

Other Current Liabilities amounted to Ps. 866.5 million as of June 30, 2012, from Ps. 754.4 million as of June 30, 2011. This increase was primarily due to a higher current portion of the pending payments for recently acquired brands.

Long-Term Loans with Financial Institutions amounted to Ps. 2.42 billion as of June 30, 2012, reaching a Net Debt to EBITDA (for the last twelve months) ratio of 0.48, compared to Ps. 850.0 million as of June 30, 2011.

Cash Conversion Cycle reached 162 days at the end of the second quarter of 2012, compared to 200 days at the end of the same period of 2011. This represents an improvement of 38 days compared to the second quarter of 2011 and of 43 compared to the first quarter of 2012.

Operations Summary

Net Sales Segmentation for the Second Quarter of 2012

During the second quarter of 2012, OTC pharmaceutical products represented 32.7%[4] of our Mexican sales, personal care products represented 66.8%[5] and generic pharmaceutical products represented 0.6%[6].

Net Sales of our OTC pharmaceutical products in Mexico decreased 5.3%[4] during the second quarter of 2012, compared to the second quarter of 2011. During the second quarter of 2012, the Company launched 6 new OTC products.

Net Sales of our personal care products in Mexico increased 50.0%[5] in the second quarter of 2012, compared to the second quarter of 2011. During the second quarter of 2012, the Company launched 31 new personal care products.

Net Sales of generic pharmaceutical products in Mexico were Ps. 7.9[6] million for the second quarter of 2012.

Net Sales from our International Operations increased 49.3% to Ps. 656.2 for the second quarter of 2012, compared to Ps. 439.5 for the same period in 2011.

(In millions of current Mexican Pesos)

	2Q12				2Q11				
	OTC	PC	BG	Total 2Q12	OTC	PC	BG	Total 2Q11	%Var
Mexico	463.2	946.2	7.9	**1,417.3**	489.2	630.9	155.6	**1,275.8**	11.1%
International	100.9	555.4	-	**656.2**	48.1	391.4	-	**439.5**	49.3%
TOTAL	**564.0**	**1,501.6**	**7.9**	**2,073.5**	**537.3**	**1,022.3**	**155.6**	**1,715.3**	**20.9%**

*BG: Branded Generics

[4] Includes only OTC pharmaceutical products in Mexico.
[5] Includes only personal care products in Mexico.
[6] Includes only generic pharmaceutical products in Mexico.

New Products Launches and Line Extensions

During 2012, the Company has launched 43 line extensions from our **Base Brands** and **Prior Year Launches** and 3 new products under **New Brands.** Some of the products recently launched are:

Sistema GB is an over-the-counter baldness treatment that consists of three steps: a) Sistema GB Alopecia Solution: initial phase that prevents androgenic alopecia, stops hair loss, strengthens hair and regenerates the follicle; b) Sistema GB Shampoo 1: relieves and prevents dandruff, improves the function of capillary follicle in hair loss treatments; c) Sistema GB Shampoo 2: the original system of the Colombian doctor Giovanni Bojanini that has proven to regenerate hair.

Bengué Freeze, a line extension of our *Bengué* brand, acquired in 2007, is a spray solution to relieve muscle, joint and back pains. It is helpful to heal strains and muscular injuries. It anesthetizes immediately, and has a dis-inflammatory with instant refreshing action.

Ossart roll-on anti-perspirant and lightening-Vanilla, a line extension of our *Ossart* brand, acquired in 2010, is an anti-perspirant with a 48 hour action that gradually reduces hyper-pigmentation in the underarm area.

Other Corporate Events

- During this second quarter, the Company acquired a package of six brands: ***Fermodyl*, *Zan Zusi*, *Altiva*, *Amara*, *Larizá*** and ***Bioskin*.** These are very well positioned brands in the Personal Care market. With the acquisition of the Zan Zusi, Amara, Larizá and Bioskin brands, Genomma Lab enters the make-up and color cosmetic market, which is one of the largest Personal Care categories in Mexico. In addition, the Fermodyl and Altiva brands will strengthen the Company's presence in the hair care market, growing its brand portfolio to achieve a greater market presence while continuing to achieve high growth rates. Genomma Lab is focused on following its traditional acquisition strategy, which is based on finding attractive brands that have a strong recognition in the consumer's mind and that have high potential for growth once introduced into the Company's business model.

- Sistema GB, our recently launched baldness treatment, has had great success with its efficient formula, selling close to Ps. 60 million during the past two months. Given these positive results in Mexico, the Company has obtained the rights to sell this brand in other countries around the world, for which it has hired one of the most internationally recognized agencies, Nicholas Hall, a leading marketing consultancy and business intelligence group based in London with more than 30 years of experience, specialized in the over-the-counter, consumer and retail healthcare markets. Genomma Lab will invest in this initiative up to USD $50 million in marketing, media, sanitary registries, and distribution agreements, among other things, to distribute this brand, in a first phase, in the countries of Latin America where the Company already has presence, as well as in Eastern Europe and some Arab countries. With this initiative, we are certain that we will be able to replicate the success we had in Mexico with Sistema GB in other countries around the world. Furthermore, we see this opportunity as an entrance into new markets with important and sustainable revenues.

- The Company has undertaken an organizational restructuring process with the objective of making its operations more efficient. As part of this process, there have been modifications to certain operating areas that include some executives leaving the Company:

  - Mrs. Patricia Faci, former Executive Vice-President, and
  - Mr. Luis Gerardo Cortés, former Commercial Vice-President

  The functions that were part of these positions will be redistributed among the Marketing, Operations and Finance Vice-Presidencies.

Analyst Coverage:

Actinver Casa de Bolsa S.A. de C.V. ; BBVA Bancomer, S.A. Institución de Banca Múltiple; Casa de Bolsa Credit Suisse S.A.; GBM Grupo Bursátil Mexicano, S.A. de C.V. Casa de Bolsa; Grupo Financiero Monex; HSBC Securities (USA) Inc.; Invex Grupo Financiero S.A. de C.V.; IXE Casa de Bolsa S.A. de C.V. Grupo Financiero Banorte; Santander Investment Securities Inc.; Signum Research; UBS Casa de Bolsa S.A.; Vector Casa de Bolsa.

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

For the three and six month periods ended on June 30, 2012 and June 30, 2011

(In thousands of current Mexican Pesos)

	SECOND QUARTER		VARIATION	ACCUMULATED		VARIATION
	2012	2011	%	2012	2011	%
Net Sales	2,073,536	1,715,524	20.9%	3,848,886	3,191,552	20.6%
Costos and Expenses	715,950	502,095	42.6%	1,255,945	946,537	32.7%
Gross Income	**1,357,586**	**1,213,429**	**11.9%**	**2,592,941**	**2,245,015**	**15.5%**
Selling, general and administrative expenses	904,769	804,616	12.4%	1,853,579	1,607,910	15.3%
Other expenses	148	1,888	-92.2%	1,132	1,895	-40.3%
Other income	(2,959)	(4,456)	NA	(4,683)	(6,834)	NA
EBITDA	**455,628**	**411,381**	**10.8%**	**742,913**	**642,044**	**15.7%**
Depreciation and amortization	16,357	21,448	-23.7%	32,497	41,177	-21.1%
Income from Operations	**439,271**	**389,933**	**12.7%**	**710,416**	**600,867**	**18.2%**
Interest expense	(29,139)	(15,439)	NA	(52,621)	(33,115)	NA
Interest income	2,811	6,015	-53.3%	7,365	12,909	-42.9%
Exchange income	21,374	6,561	225.8%	(22,868)	6,135	NA
Comprehensive financing income (cost)	**(4,954)**	**(2,863)**	**NA**	**(68,124)**	**(14,071)**	**NA**
Income (loss) of not consolidated subsidiaries	(11,894)	1,273	NA	(16,202)	356	NA
Income before income taxes	**422,423**	**388,343**	**8.8%**	**626,090**	**587,152**	**6.6%**
Income tax expense	148,693	116,962	27.1%	210,775	183,274	15.0%
Consolidated Net Income	**273,730**	**271,381**	**0.9%**	**415,315**	**403,878**	**2.8%**
Net income of minority stockholders	5,079	5,279	-3.8%	12,012	11,501	4.4%
Net (loss) of majority stockholders	**268,651**	**266,102**	**1.0%**	**403,303**	**392,377**	**2.8%**
Conversion result from foreign currencies	42,516	(4,790)	NA	(17,547)	(26,823)	NA
Comprehensive Income	**311,167**	**261,312**	**19.1%**	**385,756**	**365,554**	**5.5%**

Balance Sheet

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

As of June 30, 2012, June 30, 2011 and December 31, 2011
(In thousands of current Mexican Pesos)

	2012	2011		VARIATION			
ASSETS	**JUNE**	**DECEMBER**	**JUN**	**DEC-2011**	**%**	**JUN-2011**	**%**
Current assets							
Cash and equivalents	1,368,600	1,538,520	885,212	(169,920)	-11.0%	483,388	54.6%
Restricted Fund	29,896	-	280	29,896	100.0%	29,616	10577.1%
Accounts Receivable-Net	4,006,108	3,686,815	3,033,167	319,293	8.7%	972,941	32.1%
Due from related parties	135,953	52,245	33,116	83,708	160.2%	102,837	310.5%
Inventory - net	1,271,757	1,100,953	1,143,554	170,804	15.5%	128,203	11.2%
Prepaid expenses	319,163	249,985	87,358	69,178	27.7%	231,805	265.4%
Total current assets	**7,131,477**	**6,628,518**	**5,182,687**	**502,959**	**7.6%**	**1,948,790**	**37.6%**
Non-current assets							
Other accounts receivable not current	8,060	10,338	10,819	(2,278)	-22.0%	(2,759)	-25.5%
Trademarks	2,835,534	1,980,498	1,573,864	855,036	43.2%	1,261,670	80.2%
Investments in subsidiaries	(10,782)	6,207	5,271	(16,989)	NA	(16,053)	NA
Building, properties and equipment – Net	422,478	427,599	428,877	(5,121)	-1.2%	(6,399)	-1.5%
Deferred income tax	14,270	2,208	13,218	12,062	546.3%	1,052	8.0%
Other assets - net	131,493	133,543	124,211	(2,050)	-1.5%	7,282	5.9%
Total non-current assets	**3,401,053**	**2,560,393**	**2,156,260**	**840,660**	**32.8%**	**1,244,793**	**57.7%**
Total assets	**10,532,530**	**9,188,911**	**7,338,947**	**1,343,619**	**14.6%**	**3,193,583**	**43.5%**

LIABILITIES AND STOCKHOLDERS' EQUITY							
Current Liabilities							
Current portion of long term loan w/ financial institutions	-	-	-	-	-	-	-
Trade accounts payable	1,213,283	1,262,328	823,824	(49,045)	-3.9%	389,459	47.3%
Due to related parties	14,619	-	-	14,619	100.0%	14,619	100.0%
Other current liabilities	834,320	845,032	697,754	(10,712)	-1.3%	136,566	19.6%
Income tax payable	33,841	57,575	54,637	(23,734)	-41.2%	(20,796)	-38.1%
Statutory employee profit sharing	1,200	20,585	6,247	(19,385)	-94.2%	(5,047)	-80.8%
Total current liabilities	**2,097,263**	**2,185,520**	**1,582,462**	**(88,257)**	**-4.0%**	**514,801**	**32.5%**
Non-current liabilities							
Long-term loans with financial institutions	2,420,000	970,000	850,000	1,450,000	149.5%	1,570,000	184.7%
Trade accounts payable LT	104,974	268,346	388,461	(163,372)	-60.9%	(283,487)	-73.0%
Deferred income tax	116,154	179,934	24,878	(63,780)	-35.4%	91,276	366.9%
Employee retirement obligations	1,280	953	847	327	34.3%	433	51.1%
Total liabilities	**4,739,671**	**3,604,753**	**2,846,648**	**1,134,918**	**31.5%**	**1,893,023**	**66.5%**
Stockholders' equity							
Capital stock	1,921,660	1,921,660	1,921,660	-	-	-	-
Retained earnings	3,631,837	2,244,608	2,244,608	1,387,229	61.8%	1,387,229	61.8%
Net income	403,303	1,387,229	392,377	(983,926)	-70.9%	10,926	2.8%
Cumulative translation effects of foreing subsidiaries	48,081	65,628	(35,290)	(17,547)	-26.7%	83,371	NA
Share buy back fund	(264,082)	(96,476)	(78,963)	(167,606)	NA	(185,119)	NA
Net premium in placement of repurchased shares	21,748	19,612	19,612	2,136	10.9%	2,136	10.9%
Minority interest	30,312	41,897	28,295	(11,585)	-27.7%	2,017	7.1%
Total stockholders' equity	**5,792,859**	**5,584,158**	**4,492,299**	**208,701**	**3.7%**	**1,300,560**	**29.0%**
Total equity and liabilities	**10,532,530**	**9,188,911**	**7,338,947**	**1,343,619**	**14.6%**	**3,193,583**	**43.5%**

Cash Flow

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

For the three and six month periods ended on June 30, 2012

(In thousands of current Mexican Pesos)

	JUNE- 2012	
	QUARTER	ACCUMULATED
Cash and cash equivalents beginning of period	**963,699**	**1,538,520**
Consolidated Net Income	**273,730**	**415,315**
Charges to results with no cash flow	202,070	305,099
	475,800	**720,414**
Changes in Working Capital		
Receivables	(60,826)	(506,992)
Inventories	(172,600)	(170,804)
Other assets	(211,998)	(138,358)
Suppliers	385,936	(47,716)
Other liabilities	(50,865)	(139,834)
	(110,354)	**(1,003,705)**
Net cash generated (used) in operating activities	**365,446**	**(283,291)**
Investing activities:		
Investment in fixed assets	(3,184)	(4,553)
Sales of equipment	76	165
Brand Acquisitions	(867,006)	(1,027,234)
Other assets acquisitions	(18,131)	(19,987)
Net cash generated (used) in investing activities	**(888,245)**	**(1,051,609)**
Financing activities:		
Payments of borrowings with financial institutions	-	(180,000)
Borrowings with financial institutions	1,100,000	1,630,000
Interest paid	(19,146)	(37,504)
Stock Repurchase	(194,214)	(215,457)
Stock sale	37,629	37,629
Minority Interest	(7,632)	(23,597)
Net cash used in financing activities	**916,637**	**1,211,071**
Net increase in cash and cash equivalents before foreign exchange adjustments coming from International operations and inflationary effects.	**393,838**	**(123,829)**
Foreign exchange and inflationary effects from International operations	40,959	(16,195)
Cash and cash equivalents end period balance	**1,398,496**	**1,398,496**
Less- restricted fund	29,896	29,896
Cash and cash equivalents at end of period balance for operation	**1,368,600**	**1,368,600**