Mexico, D.F., January 13th, 2014

GENOMMA LAB ANNOUNCES 2014 EARNINGS GUIDANCE AND INTERNATIONAL EXPANSION STRATEGY

Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB) (“Genomma Lab” or “the Company”) announced today its 2014 earnings guidance and international expansion strategy, focused mainly on the Brazilian market.

The Company has shown an outstanding performance in its international operations and within the over-the-counter products (“OTC”) segment in Mexico in 2013, on the other hand, the personal care products (“PC”) segment and generics business results have been affected by the deceleration of consumption in Mexico. Notwithstanding, the Company will grow in line with its original guidance. It is worth noting that the efforts made during the past year have been able to significantly improve the cash conversion cycle and maintain a solid EBITDA margin.

For 2014, given that we are still hoping for a positive impact in the economic growth plans for Mexico, Genomma Lab has taken a conservative approach regarding its guidance, estimating a consolidated Net Sales growth of at least 15% and an EBITDA margin of more than 26.5%, while maintaining its focus on free cash flow generation. Growth will be mainly based on further consolidation of the Company within the international markets.

As part of the strategic international expansion plans, mainly in Brazil as well as in other Latin-American countries, it is relevant to announce that the Company has acquired two packages of OTC brands for a multiple of 3.4 times sales, which is equivalent to an amount of $1,620 million pesos.

The first package of brands was acquired from McNEIL-PPC Inc, a subsidiary of Johnson & Johnson, and includes the following brands: Agarol®, Kapectate®, Masse®, Triatop®, Emplastro Sabia®, Bebederm®, Carlo Erba® and Dulcoryl®, which have presence in several of the following countries: Brazil, Mexico, Colombia, Ecuador, Peru, Panama, Guatemala, Honduras, El Salvador and Uruguay. With this transaction, Genomma Lab will extend its presence to the anti-diarrheic and laxative OTC categories, and will strengthen its presence in the anti-dandruff shampoos, anti-rheumatics, and adult and baby skin care categories.

Through the second package, the Company has acquired the right, subjected to certain standard conditions, to acquire 15 brands and 30 sanitary registrations of OTC products in Brazil in the anti-flu drugs, anti-acids, anti-micotics and multi-vitamins categories, among others, as well as a pharmaceutical production facility. Genomma Lab will exercise this right once the facility has been disincorporated with its respective manufacturing contracts. These operations will be financed with the Company’s own resources as well as medium and long-term available credit lines.

It is important to mention that the impact of these acquisitions has not been incorporated to the 2014 guidance.
Company Description

*Genomma Lab Internacional, S.A.B. de C.V.* is one of the fastest growing pharmaceutical and personal care products companies in Latin America. 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. The Company has a sound business model through a unique combination of a new product development process, consumer oriented marketing, a broad retail distribution network and a low-cost, highly flexible supply chain operating model.

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Note on Forward-Looking Statements

This report may contain certain forward-looking statements and information relating to the Company that reflect the current views and/or expectations of the Company and its management with respect to its performance, business and future events. Forward looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like “believe,” “anticipate,” “expect,” “envisages,” “will likely result,” or any other words or phrases of similar meaning. Such statements are subject to a number of risks, uncertainties and assumptions. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this presentation and in oral statements made by authorized officers of the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.