Genomma Lab Delivers Solid Top Line Growth of 37.6% and a Strong 18.0% Net Margin

GENOMMA LAB INTERNACIONAL ANNOUNCES SECOND QUARTER AND FIRST HALF 2008 RESULTS

Mexico City, Mexico – July 22, 2008

Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB) ("Genomma" or "the Company"), a leading Mexican over-the-counter pharmaceuticals and personal care products Company, today announced its results for the second quarter and first half periods ended June 30, 2008. All figures included herein were prepared in accordance with Mexican GAAP; 2008 figures are stated in nominal Mexican pesos and 2007 figures have been restated in constant Mexican pesos as of December 31, 2007.

2Q08 Highlights (vs. 2Q07)

- Net sales reached Ps. 661.9 million, an increase of 37.6%
- Gross profit was Ps. 499.3 million, an increase of 36.8%
- EBITDA[1] increased 46.1% to Ps. 188.0 million
- Net income rose 91.1% to Ps. 118.9 million
- Earnings per share for the second quarter of 2008 increased 203.4% to Ps. 0.88 compared to Ps. 0.29 in the second quarter of 2007
- During the second quarter, we successfully launched 15 products under eight existing or "base" brands as part of our line extension strategy
- We also launched three products under three new brands, as part of our new product launch plan

[1] EBITDA is defined as earnings before interest, taxes, depreciation and amortization

Comments from the Chairman and CEO

Mr. Rodrigo Herrera, the Company's Chairman and Chief Executive Officer, stated, "I am pleased to present Genomma's first quarterly earnings report since successfully completing its IPO on the Mexican Stock Exchange in June. As a publicly-traded company, Genomma has a new responsibility of disseminating financial information to the global capital markets. We look forward to sharing this information so that investors may gain a better understanding of the Company, its leading brands and competitive market position.

Genomma is today the only OTC pharmaceuticals and personal care products company publicly traded in Mexico.

The proceeds to the Company of more than US$150 million from the initial public offering will be used to repay short-term debt and for general corporate purposes, including working capital requirements and product development."

Consolidated Results of Operations for the Second Quarter of 2008

The following table shows our condensed and consolidated results of operations, in millions of pesos (except share and per-share data[2]), the margin for each concept as a percentage of sales, as well as the variation in terms of percentage for the quarter and first half periods ended June 30, 2008 compared to the same periods of 2007:

	2nd Quarter			January-June		
	2008	2007	% Var	2008	2007	% Var
Net Sales	661.9	481.0	37.6%	1,179.0	818.8	44.0%
Gross Profit	499.3	365.0	36.8%	888.4	622.9	42.6%
Gross Margin	75.4%	75.9%		75.4%	76.1%	
EBITDA	188.0	128.6	46.1%	268.2	173.3	54.7%
EBITDA Margin	28.4%	26.7%		22.7%	21.2%	
Operating Income	184.1	126.9	45.1%	260.4	170.0	53.2%
Net Consolidated Income	118.9	62.2	91.1%	169.4	91.2	85.7%
Net Consolidated Margin	18.0%	12.9%		14.4%	11.1%	
Weighted Average Shares	436,074,957	421,698,000		428,886,478	421,698,000	
EPS (12 months)*	0.88	0.29	203.4%	0.89	0.29	206.9%

*EPS is calculated by dividing the net consolidated income by the weighted average number of shares outstanding for each period. The stock split during the first quarter of 2008 was retroactively applied in the above average number of shares calculation.
The total outstanding number of shares as of June 30, 2008 was 522,336,696. As of July 22, 2008, the total outstanding number of shares was 529,240,713.

Net Sales rose 37.6% to Ps. 661.9 million for the second quarter of 2008 from Ps. 481.0 million for the second quarter of 2007. This increase resulted from growth in Mexico of i) 16.6% (Ps. 63.0

[2] EPS is earnings per share for the last 12 months

million) from **Base Brands** to Ps. 442.8 million, including line extensions on these brands, ii) 80.1% (Ps. 62.8 million) due to the full year effect of **Prior Year Launches**, including recent line extensions on these brands, launched in the second half of 2007 to reach Ps. 141.2 million, iii) Ps. 29.4 million in the second quarter from **New Brands** due to the launch of three new products under three new brands in the first quarter of 2008 and three additional new products under three new brands in the second quarter of 2008, plus iv) a 112.7% increase (Ps. 25.7 million) in our **International** operations to Ps. 48.5 million.

Genomma classifies sales by brands in the following manner:

1) **Base Brands** were launched at least two years prior to the last year (2006, 2005, etc),
2) **Prior Year Launches** were launched during the prior year (2007),
3) **New Brands** were launched in the current year (2008), and
4) **International** refers to sales from our international operations in the current year (2008).

Gross Profit increased by 36.8% to Ps. 499.3 million for the second quarter of 2008 compared to 365.0 million for the second quarter of 2007. Gross margin decreased by 0.5 percentage points to 75.4% compared to 75.9% for the same period in 2007. This decrease was primarily attributable to the creation of inventory reserves derived from the image change in certain products and an increase in the cost of international operations.

Selling General and Administrative Expenses decreased as 1.9 percentage points from 49.5% in the second quarter of 2007 to 47.6% in the second quarter of 2008. This decrease was due primarily to greater economies of scale in our administrative and selling expenses (SG&A), combined with a reduction in distribution expenses primarily attributable to the consolidation of processes and optimization of routes.

EBITDA increased by 46.1% to Ps. 188.0 million for the second quarter of 2008 compared to Ps. 128.6 million for the second quarter of 2007. EBITDA margin increased by 1.7 percentage points from 26.7% for the second quarter of 2007 to 28.4% for the second quarter of 2008.

EBITDA Reconciliation

For the second quarter and first half ended June 30th, 2008 and 2007
(In millions of current Mexican pesos for 2008 and purchasing power of December 31, 2007 for 2007)

	2nd Quarter		January - June	
Other Financial Data:	**2008**	**2007**	**2008**	**2007**
EBITDA				
Consolidate net income (loss)	118.9	62.2	169.4	91.2
Income tax expense (benefit)	56.1	57.6	74.3	71.6
comprehensive financing income (cost)	8.6	1.4	15.2	5.2
Other expense, Net	0.4	5.7	1.5	2.0
Depreciation and amortization	3.9	1.8	7.7	3.3
EBITDA	188.0	128.6	268.2	173.3
EBITDA margin	28.4%	26.8%	22.8%	21.2%

Operating Income increased by 45.1% to Ps. 184.1 million for the second quarter of 2008 compared to Ps. 126.9 million for the second quarter of 2007. Operating margin increased by 1.4 percentage points to 27.8% compared to 26.4% in the second quarter of 2007. This increase was lower than the increase in EBITDA due primarily to higher depreciation resulting from the acquisition of fixed assets, such as laboratory equipment, computer equipment, and transportation equipment and the impact of accelerated depreciation of leasehold improvements resulting from the move to a new distribution center.

Comprehensive Financing Cost was Ps. 8.7 million in the second quarter of 2008, which represented an increase of Ps. 7.2 million compared to Ps. 1.4 million in the same period of 2007. The increase was primarily a result of i) an increase in our interest expense from Ps 2.1 million in the second quarter of 2007 to Ps. 9.2 million in the same period of 2008 due to higher average bank debt during the same period in 2008; and ii) a decrease in the monetary position from a gain of Ps. 1.8 million in the second quarter of 2007 to a loss of Ps. 1.3 million in the same period in 2008. This effect was the result of a change in the inflation accounting of Mexican GAAP whereby the monetary position calculation in 2008 is only affected by the Argentinean operations, while in 2007, the calculation included all countries consolidated in the results. Therefore, the numbers are not directly comparable.

On June 23, 2008, the Company repaid Ps. 209.9 million of its short term debt leaving a balance of Ps. 1.5 million of outstanding debt. As of June 30, 2008, the Company had a cash balance of Ps. 1,199.5 million.

As a result of the foregoing factors, *Net Income* increased 91.1% to Ps. 118.9 million in the second quarter of 2008 as compared to Ps. 62.2 million in the second quarter of 2007.

Balance Sheet

	As of June 30, 2008 In thousands of pesos	As of June 30, 2007 In thousands of pesos
Balance Sheet Information:		
Cash and equivalents	1,199.5	66.0
Trade receivables	704.6	461.9
Inventories	279.6	150.4
Other current assets	164.9	88.6
Total Assets	2,503.6	823.3
Suppliers	261.2	88.5
Other current liabilities	344.6	330.0
Loans with financial institutions	1.5	4.0
Total Liabilities	615.9	442.9
Stockholders' Equity	1,887.7	380.4
Working capital (1)	1,741.3	343.6
Working capital less cash	541.8	277.6

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

During the second quarter of 2008, cash flow from operations and cash on hand was sufficient to meet the Company´s liquidity requirements.

Operations Summary

Sales

In the second quarter of 2008, sales of our OTC pharmaceutical products increased 46.9%[3] as compared to the second quarter of 2007. This was a result of launching nine products during the first half of 2008 (five in the first quarter of 2008 and four in the second quarter of 2008) accompanied by the impact of growth in OTC products launched in 2007.

Sales of our personal care products increased by 21.1%[4] in the second quarter of 2008 compared to the second quarter of 2007. The principal driver of this growth was the launch of 16 products

[3] Includes growth of OTC pharmaceutical products in Mexico only
[4] Includes growth of personal care products in Mexico only

during the first half of 2008 (2 in the first quarter and 14 in the second quarter), accompanied by the impact of growth in personal care products launched in the second half of 2007.

Sales of our international operations increased 112.3% to Ps. 48.5 million in the second quarter of 2008 compared to Ps. 22.8 million in the same period of 2007. This growth was driven by strong growth in our Central and South American operations.

New Product Launches and Line Extensions

During the second quarter of 2008, the Company launched 15 line extensions of **Base Brands** and three new products under three **New Brands**; among these were:

Dermoprada, a brand in the wart-removal category. The Company had launched a wart-removal product, *Pointts*, in early 2007 and competed aggressively against *Dermoprada* during that year. In the fourth quarter of 2007, the Company acquired the *Dermoprada* brand. In the second quarter of 2008, as part of the strategy to increase the total value of this category, the Company relaunched *Dermoprada* with new packaging, positioning and a higher price.

Condoms M (Línea M), one of our most successful launches in recent years. With the launch of the "natural" and "texturized" line extensions during the second quarter of 2008, the Company expects the product line to continue to grow.

Gelbeck, a product to fight occasional insomnia, is a new brand launched in the second quarter of 2008. This OTC category has almost no advertising or competition, with only one direct competitor (*Nytol*).

Quit, a new product launched in the first quarter of 2008. It combats tobacco addiction in a unique manner as it is a mint-flavored mouth wash that, when exposed to tobacco, generates a chemical reaction that provokes a highly unpleasant flavor in the mouth. Currently, the category has only two significant brands. With the launch of Quit, we expect to grow the category through mass media advertising and by taking advantage of the trend being created by recent regulations in Mexico against smoking in public.

Recent Developments

- In July 2008, we signed an agreement to purchase land near our corporate offices in Mexico City, where we plan to build our new production studios for TV commercials. Currently, we rent studios in the same vicinity.

Company Description

Genomma Lab Internacional, S.A.B. de C.V. is one of the fastest growing over-the-counter pharmaceutical and personal care products companies in Mexico. Genomma 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. Through a combination of a successful new product development process, consumer-oriented marketing, a broad retail distribution network and a low-cost, highly flexible operating model, the Company has grown its revenue at a compounded annual growth rate of 64.4% from 2005 to 2007.

The Company had net sales of Ps. 1,872.9 million and EBITDA of Ps. 460.5 million in 2007. Genomma's shares are listed on the Mexican Stock Exchange under the ticker symbol "LAB".

Income Statement

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

Consolidated statements of Operations
For three and six months ended June 30th, 2008 and 2007
(In thousands of current Mexican pesos for 2008 and purchasing power of December 31, 2007 for 2007)

		2nd Quarter			January - June		
		2008	**2007**	**% Var**	**2008**	**2007**	**% Var**
Net Sales	Ps.	661,875	480,996	37.6%	1,179,001	818,775	44.0%
Costs and expenses:							
Cost of sales		162,551	116,036	40.1%	290,572	195,905	48.3%
Selling, general and administrative expenses		315,254	238,090	32.4%	627,999	452,886	38.7%
Total Costs and expenses		477,805	354,126	34.9%	918,571	648,791	41.6%
Income (loss) from Operations		184,070	126,870	45.1%	260,429	169,984	53.2%
Other (expense)- Net		(379)	(5,660)	-93.3%	(1,541)	(1,987)	-22.4%
Comprehensive financing income (cost)							
Interest (expense)		(9,150)	(2,121)	331.4%	(15,284)	(6,226)	145.5%
Interest income		2,476	384	544.9%	2,880	910	216.5%
Exchange (loss) gain		(223)	(1,574)	-85.8%	376	(421)	-189.4%
Monetary position (loss) gain		(1,307)	1,772	-173.8%	(1,387)	75	-1949.0%
Effects of exchange rate changes on foreign operations		(444)	136	-425.9%	(1,763)	434	-506.1%
		(8,647)	(1,402)	516.6%	(15,177)	(5,227)	190.3%
Income (Loss) before income taxes		175,043	119,808	46.1%	243,711	162,770	49.7%
Income tax expense (benefit)		56,120	57,588	-2.5%	74,333	71,579	3.8%
Consolidated net income (loss)	Ps.	118,923	62,220	91.1%	169,378	91,191	85.7%
Net Income (loss) of majority stockholders	Ps.	118,888	60,896	95.2%	170,192	89,483	90.2%
Net income (loss) of minority stockholders	Ps.	35	1,324	-97.4%	(814)	1,708	-147.7%
Consolidated net Income (loss)	Ps.	118,923	62,220	91.1%	169,378	91,191	85.7%

Genomma Lab.®

Balance Sheet

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

Consolidated Balance sheets

As of June 30th, 2008 and 2007

(In thousands of current Mexican Peso for 2008 and purchasing power of December 31,2007 for 2007)

Balance Sheet	**jun-08**	**jun-07**	**V$**	**V%**
Current assets:				
Cash and equivalents	1,199,511	65,981	1,133,529	1718%
Accounts receivable-Net	804,761	525,103	279,657	53%
Inventory - Net	279,601	150,397	129,204	86%
Prepaid expenses and other current assets	32,908	14,135	18,773	133%
Due from Related Parties	31,849	10,436	21,413	0%
Total current assets	**2,348,629**	**766,053**	**1,582,577**	207%
Equipment- net	**65,535**	**26,649**	**38,886**	146%
Patents, trademarks & other rights	69,422	26,126	43,295	166%
Deferred income tax	14,951	-	14,951	0%
Other assets- Net	5,077	4,473	604	14%
	89,449	**30,599**	**58,850**	192%
Total	**2,503,614**	**823,301**	**1,680,313**	
Current Liablities:				
Loans with Financial institutions	1,511	3,962	(2,451)	-62%
Trade accounts payable	261,232	88,452	172,780	195%
Accrued expenses and taxes other than income taxe	187,674	235,194	(47,520)	-20%
Deferred Income	41,854	-	41,854	0%
Income tax payable	114,733	94,817	19,915	21%
Statutory employee profit sharing	349	-	349	0%
Deferred income tax	-	16,693	(16,693)	-100%
Employee retirement obligations	8,512	3,798	4,714	124%
			-	
TOTAL LIABILITIES	**615,864**	**442,916**	**172,948**	
Capital Stock	1,712,824	266,368	1,446,456	543%
Retained Earnings	3,862	19,479	(15,617)	-80%
Net Income	169,378	91,191	78,187	86%
Cumulative translation effects of foreign subsidiari	(974)	1,001	(1,975)	-197%
Minority interest in consolidated subsidiaries	2,659	2,345	314	13%
TOTAL SHAREHOLDERS EQUITY	**1,887,749**	**380,385**	**1,507,364**	

Cash Flow Statement

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

Consolidated Cash flow Statement
For the three and six months ended June 30th, 2008
(In thousands of Mexican pesos)

	2Q 2008	2008
Operating activities:		
Income (Loss) before income taxes	$175,043	$243,711
Items that did not require resources:		
Depreciation and amortization	3,894	7,749
Unrealized foreign exchange gains or losses	-1,256	0
Cost of Employee retirement obligations	846	4,374
Deferred Income tax	-10,329	-34,601
Statutory employee profit sharing	193	455
Interest income	121	0
Interest expense	-994	0
Decrease in accounts receivable	-361,106	-304,538
Increase in inventories	-37,441	-51,923
Increase in accounts payable	118,436	183,339
Increase in payable tax	18,705	-51,946
Other, Net	47,891	32,514
Net Cash flow generated (used) in operating activities	**-45,997**	**29,134**
Investing Activities:		
Investments	-17,350	-26,953
Other capital expenditures	-3,272	-6,051
Net cash flow generated (used) in investing activities	**-20,622**	**-33,004**
Net cash flow generated (used) before financing activities	**-66,619**	**-3,870**
Financing activities:		
Borrowings with financial institutions	196,786	431,985
Loan payments to Financial institutions	-430,474	-687,224
Interest paid	0	-1,333
Dividends paid	-95,797	-95,797
Equity increase / Sale of stock	1,491,822	1,491,822
Net Cash flow generated (used) by financing activities	**1,162,337**	**1,139,453**
Net Increase in cash and equivalents before foreign exchange adjustments coming from International operations and inflationary effects.	1,095,718	1,135,583
Foreign exchange and inflationary effects from International operations	-102	1,459
Net increase (decrease) in cash	1,095,616	1,137,042
Cash and equivalents beginning of period	**103,895**	**62,469**
Cash and equivalents end period balance.	**$1,199,511**	**$1,199,511**