

## **I. Consolidated report**

## 1. Executive summary

Sales in the first quarter 2013 increased by 4.7 % both in Euro and in HUF terms when compared to the same period in 2012. The Hungarian Forint/Euro exchange rate did not change materially when compared to the base period. Profit from operations decreased by 1.7 % in EUR terms (1.8 % in HUF terms). The marginal decrease resulted from an increase of the turnover and of the gross margin having been offset by growing S&M and R&D costs.

## 2. Main financial indicators and exchange rates

	HUFm			EURm			
	2013	2012*	Change	2013	2012*	Change	
	3months to March			3 months to March			
			%			%	
Total revenues	85,844	82,006	4.7	289.9	276.9	4.7	
Gross profit	54,912	50,502	8.7	185.5	170.5	8.8	
Gross margin %	64.0	61.6		64.0	61.6		
Profit from operations	15,217	15,495	-1.8	51.4	52.3	-1.7	
Operating margin %	17.7	18.9		17.7	18.9		
Net financial income	4,670	2,156	116.6	15.7	7.3	115.1	
Profit before income tax	20,023	17,937	11.6	67.6	60.6	11.6	
Net income attributable to owners of the parent	19,050	16,752	13.7	64.3	56.6	13.6	
Net income margin attributable to owners of the parent %	22.2	20.4		22.2	20.4		
EBITDA	22,384	21,833	2.5	75.7	73.7	2.7	
		HUF			EUR		
Basic EPS (HUF, EUR)	1,025	905	13.3	3.46	3.06	13.1	
Diluted EPS (HUF, EUR)	1,022	899	13.7	3.45	3.04	13.6	
Average exchange rate (EUR/HUF)**				296.1	296.2	-0.0	

Note: \* Restated due to reclassification of innovation fee.

\*\* Current and historical average exchange rates are shown on page 10.

## 3. Sales by region

	HUFm				EURm			
	2013	2012	Change		2013	2012	Change	
	3 months to March				3 months to March			
				%				%
Hungary	9,218	8,776	442	5.0	31.1	29.6	1.5	5.1
EU (*)	31,089	30,640	449	1.5	105.0	103.5	1.5	1.4
Poland	6,193	6,329	-136	-2.1	20.9	21.4	-0.5	-2.3
Romania	10,446	10,156	290	2.9	35.3	34.3	1.0	2.9
EU 9	5,775	6,058	-283	-4.7	19.5	20.5	-1.0	-4.9
EU 15	8,675	8,097	578	7.1	29.3	27.3	2.0	7.3
CIS	36,650	35,934	716	2.0	123.7	121.3	2.4	2.0
Russia	24,203	26,083	-1,880	-7.2	81.7	88.1	-6.4	-7.3
Ukraine	5,575	4,655	920	19.8	18.8	15.7	3.1	19.7
Other CIS	6,872	5,196	1,676	32.3	23.2	17.5	5.7	32.6
USA	2,035	2,370	-335	-14.1	6.9	8.0	-1.1	-13.8
China	2,833	403	2,430	603.0	9.6	1.4	8.2	585.7
RoW	4,019	3,883	136	3.5	13.6	13.1	0.5	3.8
Total	85,844	82,006	3,838	4.7	289.9	276.9	13.0	4.7

Note: \* All Member States of the EU, except for Hungary.

## 4. Sales report

**Sales** amounted to HUF 85,844 million (EUR 289.9 million) in the first quarter 2013, a 4.7 % increase both in HUF and in Euro terms when compared with the same period of the previous year. A positive performance was recorded in a number of key export markets.

In **Hungary** sales totalled HUF 9,218 million (EUR 31.1 million) in the three months to March 2013, which represented a 5.0 % (5.1 % in EUR terms) increase compared to the level reported in the first quarter 2012. There were no material changes to the regulatory system in Hungary and thus the market could stabilize following a period of significant declines incurred in previous years. Products launched in the past two years were the primary contributors to the increased turnover.

**International sales** amounted to EUR 258.8 million in the first quarter 2013, an increase of EUR 11.5 million or 4.7 % over the base period mostly due to significantly higher sales levels recorded in China, in Ukraine and certain other CIS republics. As a result of expanding our market presence in China, sales figures for this country are now reported separately with base period data adjusted for comparison purposes. Sales in the CIS totalled EUR 123.7 million (US\$ 163.6 million), 2.0 % (in US\$ terms 2.6 %) higher when compared to the first quarter 2012. A 10 years old distribution agreement for **Suprax** in Russia expired and subsequent new product launches were just able to partly offset sales declines suffered, consequently a 7.3 % decrease in sales was reported in EUR terms for the first quarter 2013. Significant 20.3 % growth in US\$ terms (19.7 % in EUR terms) was reported in Ukraine, while an outstanding 32.9 % increase in turnover in US\$ terms (32.6 % in EUR terms) was reported in the Other CIS republics. In the three months period to March 2013 increased activity in the Wholesaling business segment was also recorded in this region. An increase in turnover reported for the EU region (1.4 % in Euro terms) was primarily driven by higher sales levels recorded in the EU15 region, but Romania also contributed to the higher sales levels achieved. The Wholesale and Retail business segment also recorded slightly higher turnover in Romania when compared to the same period in 2012. Sales recorded in the USA declined by 13.3 % in US\$ terms. Turnover reported in China increased by EUR 8.2 million and amounted to EUR 9.6 million in the first quarter 2013. The Rest of the World region increased slightly (by 3.8 % in EUR terms) in the first quarter 2013 when compared to the base period 2012.

## 5. Costs, expenses, profits

**Cost of sales** amounted to HUF 30,932 million (EUR 104.4 million) in the first quarter 2013, a decrease of HUF 572 million (EUR 2.0 million) when compared to the same period in 2012. Amortization relevant to European markets of the acquired intangible asset **Esmya**<sup>®</sup> amounted to HUF 613 million in the three months to March 2013 period.

**Gross margin** in the first quarter 2013 at 64.0 % increased from the 61.6 % level reported for the same period of the previous year. The increase in the share of the own developed products against licensed-in drugs and an above average increase of sales originating from Ukraine, certain other CIS countries and China more than offset further erosion incurred on the relatively high margin US market.

**Sales and marketing expenses** amounted to HUF 26,751 million (EUR 90.4 million) in the first quarter 2013, a 20.1 % (20.2 % in Euro terms) increase compared with the same period in 2012. The proportion to sales of S&M expenses was 31.2 % in the reported period. Amortisation of the marketing and intellectual property rights of the OC portfolio acquired from Grünenthal in the amount of HUF 1,081 million represented 1.3 % of sales achieved in the reported period. When adjusting these expenses with the above amortization, they represented 29.9 % of turnover.

Sales and marketing costs were significantly higher when compared to the base period primarily due to the costs of our female healthcare sales network in Western Europe which was further expanded during the reported period together with marketing and promotion costs related to the launch of **Esmya**<sup>®</sup>, but the channeling of the sales and marketing activities through our joint venture in China also contributed to the higher level of such costs.

The annual registration fee payable in respect of medical representatives in Hungary amounted to HUF 185 million in the first quarter 2013. In accordance with the most recent changes to the regulations we were able to offset the tax payable in 2013 on this ground by 90 % of tax liability of same kind incurred during 2012.

**Administrative and general expenses** totalled HUF 5,052 million (EUR 17.1 million) in the three months to March 2013 period, representing a 12.4 % (12.3 % in Euro terms) decrease when compared with the levels recorded in the same period of the previous year. The base period figure includes those time proportional liabilities associated with medium term PregLem management incentive schemes the latter created a high base through the payment of a one-off bonus related to the European marketing approval of **Esmya**<sup>®</sup>.

**Research and development costs** represented 12.8 % of sales and increased by 14.1 % to HUF 10,991 million (EUR 37.1 million) during the reported period. These costs include the ongoing clinical trials being carried out in co-operation with Forest Laboratories while R&D expenses of the Group also now include such costs of PregLem and Richter-Helm BioTec.

**Other income and other expenses** increased to an income of HUF 3,099 million (EUR 10.5 million) in the first quarter 2013 when compared to an income of HUF 2,680 million (EUR 9.1 million) recorded in the same period of the previous year. A one-off milestone payment in respect of a regulatory filing of cariprazine was paid by Forest to Richter during the reported period. A milestone payment of a similar amount was received in the same period of 2012.

The 20 % tax obligation payable in respect of turnover related to reimbursed sales in Hungary amounted to HUF 350 million in the first quarter 2013. In accordance with the most recent changes to the regulations we were able to offset the tax payable in 2013 on this ground by 90 % of tax liability of same kind incurred during 2012.

Other income and expenses exclude any eventual provisions in respect of the claw-back regime announced in Romania.

**Profit from operations** decreased slightly by 1.8 % and amounted to HUF 15,217 million. In EUR terms it decreased by 1.7 % to EUR 51.4 million in the three months to March 2013. The marginal decrease resulted from an increase of the turnover and of the gross margin having been offset by growing S&M and R&D costs. The consolidated operating margin decreased to 17.7 % during the reported period from the 18.9 % reported in the first quarter 2012. One-off milestone payments received both in the base period and in the reporting period improved operating margins at similar rates.

**Net financial income** for the Group is analysed in detail in the following table:

	HUFm			EURm		
	2013	2012	Change	2013	2012	Change
	3 months to March			3 months to March		
<b>Unrealised financial items</b>	<b>3,103</b>	<b>5,189</b>	<b>-2,086</b>	<b>10.5</b>	<b>17.5</b>	<b>-7.0</b>
Reassessment of currency related trade receivables and trade payables	2,301	2,330	-29	7.8	7.9	-0.1
Reassessment of currency loans	58	(72)	130	0.2	(0.2)	0.4
Reassessment of borrowing	(3,780)	3,114	-6,894	(12.7)	10.5	-23.2
Reassessment of other currency related items	4,688	994	3,694	15.8	3.3	12.5
Unwinding of discounted value related to liability in respect of PregLem	(227)	(1,094)	867	(0.8)	(3.7)	2.9
Reversal of assessment of forward exchange contracts as of 1 Jan.	504	249	255	1.7	0.8	0.9
Result of unrealised forward exchange and swap contracts	(441)	(332)	-109	(1.5)	(1.1)	-0.4
<b>Realised financial items</b>	<b>1,567</b>	<b>(3,033)</b>	<b>4,600</b>	<b>5.2</b>	<b>(10.2)</b>	<b>15.4</b>
Result of realised forward exchange contracts	(54)	(11)	-43	(0.2)	(0.0)	-0.2
Exchange gains/(losses) realised on trade receivables and trade payables	834	(1,205)	2,039	2.8	(4.1)	6.9
Exchange gains/(losses) on conversion	235	(1,900)	2,135	0.8	(6.4)	7.2
Dividends	-	2	-2	-	0.0	0.0
Interest income	1,052	1,030	22	3.5	3.5	0.0
Interest expense	(440)	(513)	73	(1.5)	(1.7)	0.2
Other	(60)	(436)	376	(0.2)	(1.5)	1.3
<b>Net financial income</b>	<b>4,670</b>	<b>2,156</b>	<b>2,514</b>	<b>15.7</b>	<b>7.3</b>	<b>8.4</b>

The net financial income in the first quarter 2013 totalled HUF 4,670 million (EUR 15.7 million), reflecting an increase of HUF 2,514 million (EUR 8.4 million) when compared to a net financial income of HUF 2,156 million (EUR 7.3 million) reported in the same period of 2012.

At the end of each reporting period foreign currency related assets and liabilities are routinely reassessed with the change in value being reflected as unrealised financial items. The total impact of such reassessments amounted to a gain of HUF 3,267 million (EUR 11.1 million) at the end of March 2013, a decrease of HUF 3,099 million (EUR 10.4 million) when compared with the HUF 6,366 million (EUR 21.5 million) income reported in the same period of 2012. We accounted for a HUF 227 million (EUR 0.8 million) expense in respect of an unwinding of discounted value related to a liability in respect of PregLem.

On 14 June 2011 Richter Gedeon Plc. and the European Investment Bank signed a EUR 150 million credit line contract aimed at the financing of Richter's original research activities targeting compounds, which are active in diseases of the Central Nervous System, together with the development of biosimilar products. The last tranche amounting to EUR 50 million was called on 15 January 2013.

Financial income on the realised financial items in the three months to March 2013 period reflect a weakening of the HUF during the reported period when compared to 2012 year-end exchange rates. Exchange gains realized on trade receivables and trade payables amounted to HUF 834 million, while conversion of FOREX related items resulted in a HUF 235 million gain.

**Income from associates** amounted to a HUF 136 million (EUR 0.5 million) in the first quarter 2013.

**Profit before income tax** amounted to HUF 20,023 million (EUR 67.6 million) in the first quarter 2013, an increase of HUF 2,086 million (EUR 7.0 million) compared with the same period in 2012.

**Profit after taxation** was HUF 19,050 million (EUR 64.3 million), HUF 2,441 million (EUR 8.2 million) above the profit after taxation realised in the same period of 2012. By virtue of Hungarian Tax Regulations, the corporate tax rate applied at the Parent Company of the Group (incorporated in Hungary) can be offset by a tax allowance linked to direct costs incurred with R&D activities. Additionally the Company can take advantage of tax allowances linked to the investment activities carried out at the biosimilar facilities in Debrecen. Other members of the Group are subject to customary tax regulations effective in their respective countries of incorporation.

**Net income attributable to owners of the parent** does not materially differ from profit after taxation and increased by HUF 2,298 million (EUR 7.7 million) during the reported period to HUF 19,050 million (EUR 64.3 million). It grew to 22.2 % of sales compared with the 20.4 % reported for the same period of the previous year.

## 6. Earnings per share

**Basic earnings per share** totalled HUF 1,025 per share (EUR 3.46 per share) in the reported period, an increase of 13.3 % (13.1 % in Euro terms).

The weighted average number of shares outstanding during first quarter 2013 was 18,591,943 and 18,512,940 for the same period in 2012.

**Diluted earnings per share** amounted to HUF 1,022 per share (EUR 3.45 per share) in the three months to March 2013, an increase of 13.7 % (13.6 % in Euro terms) when compared with HUF 899 per share (EUR 3.04 per share) in the same period of the previous year.

The weighted average number of shares in issue in the first quarter of both 2013 and 2012 was 18,637,486.

## 7. Balance sheet

**Total assets and total shareholders' equity and liabilities of the Group** amounted to HUF 721,100 million on 31 March 2013, HUF 48,863 million, or 7.3 % higher than the figure for 31 December 2012.

**Non-current assets** amounted to HUF 397,388 million on 31 March 2013, 5.6 % above the amount as of 31 December 2012. The amount of Other financial assets increased due to higher levels of long term bonds together with a change in the fair value of Richter's share in the Russian wholesaler and retail Group, Protek.

**Current assets** amounted to HUF 323,712 million and increased by HUF 27,917 million (9.4 %) when compared to the level reported on 31 December 2012. The change was due mostly to the Cash and cash equivalents balance item, as Richter drew down the third EIB credit tranche in the value of EUR 50 million in January 2013.

**Capital and reserves** of the Group increased by 5.7 % and amounted to HUF 549,691 million when compared to the balance as at 31 December 2012. Retained earnings increased by

HUF 19,050 million and amounted to HUF 488,548 million. In addition a HUF 8,045 million increase was reported in Foreign currency translation reserves.

**Non-current liabilities** of the Group on 31 March 2013 at HUF 113,916 million were HUF 19,551 million higher than the levels restated as of the end of the previous year. A third credit tranche of EUR 50 million drawn down in January 2013 in accordance with a credit line contract signed with the European Investment Bank and the reassessment of existing credits as at the period's closing date were the main reasons for this increase.

**Current liabilities** of the Group at HUF 57,493 million on 31 March 2013 did not change materially when compared to their levels recorded on 31 December 2012.

## 8. Capital expenditure

Capital expenditure for the Group including payments for intangible assets totalled HUF 3,155 million compared to HUF 2,699 million reported for the three months to March 2012. Capital expenditure linked to the development of biotechnology R&D facilities and manufacturing capacity in Hungary was HUF 251 million in the first quarter 2013.

## 9. Corporate matters

### 9.1 Information regarding Richter's Boards

At the Annual General Meeting on 25 April 2013, the following were reappointed to the Board of Directors for a 3 year period until the 2016 AGM:

Mr Christopher William Long  
Dr Gábor Gulácsi  
Mr Csaba Lantos

Dr Csaba Polacsek was appointed to the Board of Directors for a 3 year period until the 2016 AGM.

Dr Jenő Koltay retired from the Board of Directors on 25 April 2013.

### 9.2 Dividends

Dividends approved by the shareholders of Gedeon Richter Plc. at the Annual General Meeting held on 25 April 2013 totalled HUF 12,271 million (EUR 41.4 million) in respect of 2012. The portion payable in relation to ordinary shares amounted to HUF 660 per share, 66 % of the nominal share value. It is the Company's intention to publish an official announcement regarding the dividend payment before 17 May 2013. The starting date for distributing dividend payments is expected to be 17 June 2013.

## 9.3 Information regarding Richter shares

**9.3.1** The total number of shares in issue (18,637,486) as at 31 March 2013 remained unchanged from the levels reported as at 31 December 2012.

**9.3.2** The number of shares held by the Parent company in Treasury increased slightly during the first quarter of 2013.

	Ordinary shares				
	31 March 2013	31 December 2012	30 September 2012	30 June 2012	31 March 2012
Number	45,727	45,336	114,428	114,035	124,685
Nominal value (HUF '000)	45,727	45,336	114,428	114,035	124,685
Book value (HUF '000)	1,684,904	1,670,893	4,123,990	4,108,881	4,478,981

In addition, on 31 March 2013 the Group's subsidiaries held a total of 10,550 ordinary Richter shares, unchanged from their holding on 31 December 2012.

The total number of Company shares at Group level held in Treasury at 31 March 2013 was 56,277.

In accordance with a repurchase obligation stipulated in the programme approved by the Ministry of Finance related to employee share bonuses, the Company repurchased 391 shares from employees who resigned from the Parent company during the first quarter 2013.

The Board of Directors of Richter originally decided to introduce a bonus share programme at the Parent company in 1996. Beneficiaries of the programme are heads of departments, senior managers and selected key employees of the Company. Based on a detailed assessment of the individual's performance, bonus shares are granted half-yearly. Bonus shares to be granted at the end of the first half of 2013 are expected to amount to HUF 735 million.

**9.3.3** Shareholders of Gedeon Richter Plc. approved at the Annual General Meeting held on 25 April 2013 a 1:10 split of outstanding common shares. The resolution provides for the replacement of the existing 18,637,486 shares of HUF 1,000 nominal value each with 186,374,860 shares of HUF 100 nominal value. The legal procedure is expected to commence in the second half of 2013 and to be completed by the end of the year.

## 9.4 Share ownership structure

The shareholder structure as of 31 March 2013 is presented in detail in the following table:

Ownership	Ordinary shares Number	Voting rights %	Share capital %
Domestic ownership	6,184,451	33.28	33.18
State ownership total	4,704,032	25.32	25.24
out of which MNV Zrt.	4,703,921	25.32	25.24
out of which Municipality	111	0.00	0.00
Institutional investors	621,209	3.34	3.33
Retail investors	859,210	4.62	4.61
International ownership	12,292,196	66.16	65.96
Institutional investors	12,231,529	65.83	65.63
out of which Aberdeen Asset Mgmt. Plc.	2,444,369	13.16	13.12
out of which Skagen Kon-Tiki Verdipapirfond	997,104	5.37	5.35
Retail investors	60,667	0.33	0.33
Treasury shares (*)	56,277	0.00	0.30
Undisclosed ownership	104,562	0.56	0.56
Share capital	18,637,486	100.00	100.00

Note: \* Treasury shares include the combined ownership of the parent company and subsidiaries.

Data in the above table were compiled based on the share registry amended with information provided by KELER Zrt. as clearing company, global custodians and nominees.

## 9.5 Extraordinary announcements

On 25 February 2013 Gedeon Richter Plc. ('Richter') announced that it had signed a series of agreements with the owners of its marketing partner, Rxmidas Pharmaceuticals Co. Ltd. ('Rxmidas'), targeting a reshaped and stronger direct presence on the Chinese pharmaceutical market. Richter is going to have an initial 51 % majority stake in the newly formed joint venture and the agreement terms included an upfront payment together with milestone payments linked to any further increases in Richter's stake in the joint venture in the forthcoming years. Richter through the newly formed JV established its direct presence in China with 7 regional offices and more than 200 staff, executing the promotion and lifecycle management of both Richter's existing Rx products and licensed-in third party Rx products.

On 12 March 2013 Gedeon Richter Plc. and Orion Corporation announced that the two companies had entered into a comprehensive and long term collaboration agreement for the discovery and development of new chemical entities in the field of cognitive disorders. According to the agreement the partnership provides an opportunity whereby the two companies would jointly select and bring forward three discovery phase candidates and would share all the development related expenses on an equal base. Under the terms of the agreement the territory related marketing rights have not been determined as of the date of the agreement.

## 10. Historical exchange rates

### 10.1 At period end

	31.03.2013	31.12.2012	30.09.2012	30.06.2012	31.03.2012
EUR/HUF	304.30	291.29	283.71	288.22	295.60
US\$/HUF	237.36	220.93	219.17	229.13	221.60
CHF/HUF	249.96	241.06	234.51	239.88	245.33
EUR/US\$	1.28	1.32	1.29	1.26	1.33

### 10.2 Average

	2013 Q1	2012 M12	2012 M9	2012 H1	2012 Q1
EUR / HUF	296.1	289.1	291.3	295.2	296.2
US\$ / HUF	224.0	225.0	227.3	227.7	225.4
EUR / US\$	1.32	1.28	1.28	1.30	1.31

Company name: Gedeon Richter Plc.  
 Company address: 1103 Budapest, Gyömrői út 19-21., Hungary  
 Sector: Pharmaceutical  
 Reporting period: January-March 2013

Telephone: +36-1-431-5764  
 Fax: +36-1-261-2158  
 E-mail address: [investor.relations@richter.hu](mailto:investor.relations@richter.hu)  
 Investor relations manager: Katalin Ördög

## Balance Sheet

	31 March 2013 Unaudited HUFm	31 December 2012 Audited HUFm	Change %
<b>ASSETS</b>	<b>721,100</b>	<b>672,237</b>	<b>7.3</b>
Non-current assets	397,388	376,442	5.6
Property, plant and equipment	157,853	158,508	-0.4
Investment property	1,083	1,090	-0.6
Goodwill	32,767	31,602	3.7
Other intangible assets	150,402	149,308	0.7
Investments in associates	2,251	2,115	6.4
Other financial assets	44,172	25,426	73.7
Deferred tax assets	3,705	3,342	10.9
Loans receivable	5,155	5,051	2.1
Current assets	323,712	295,795	9.4
Inventories	69,213	64,149	7.9
Trade receivables	106,027	102,476	3.5
Other current assets	17,820	16,582	7.5
Investments in securities	9,943	9,966	-0.2
Current tax assets	840	1,117	-24.8
Cash and cash equivalents	119,869	101,505	18.1
<b>EQUITY AND LIABILITIES</b>	<b>721,100</b>	<b>672,237</b>	<b>7.3</b>
Capital and reserves	549,691	520,074	5.7
Share capital	18,638	18,638	0.0
Treasury shares	(1,730)	(1,716)	0.8
Share premium	15,214	15,214	0.0
Capital reserves	3,475	3,475	0.0
Foreign currency translation reserves	17,234	9,189	87.6
Revaluation reserve for available for sale investments	4,824	2,463	95.9
Retained earnings	488,548	469,498	4.1
Non-controlling interest	3,488	3,313	5.3
Non-current liabilities	113,916	94,365	20.7
Borrowings	91,646	73,163	25.3
Deferred tax liability	9,944	9,634	3.2
Other non-current liabilities	12,326	11,568	6.6
Current liabilities	57,493	57,798	-0.5
Borrowings	1	148	-99.3
Trade payables	34,658	40,033	-13.4
Current tax liabilities	98	123	-20.3
Other payables	20,415	15,015	36.0
Provisions	2,321	2,479	-6.4

Prepared in accordance with IAS 34 Interim Financial Reporting.

Company name: Gedeon Richter Plc.  
 Company address: 1103 Budapest, Gyömrői út 19-21., Hungary  
 Sector: Pharmaceutical  
 Reporting period: January-March 2013

Telephone: +36-1-431-5764  
 Fax: +36-1-261-2158  
 E-mail address: [investor.relations@richter.hu](mailto:investor.relations@richter.hu)  
 Investor relations manager: Katalin Ördög

## Consolidated statement of changes in equity

HUFm	Share capital	Share premium	Capital reserves	Treasury shares	Foreign currency translation reserves	Retained earnings	Revaluation reserve for available for sale investments	Attributable to owners of the parent	Non-controlling interest	Total
Balance at 31 December 2012	18,638	15,214	3,475	(1,716)	9,189	469,498	2,463	516,761	3,313	520,074
Net profit	-	-	-	-	-	19,050	-	19,050	0	19,050
Exchange differences arising on translation of foreign operations	-	-	-	-	8,045	-	-	8,045	175	8,220
Revaluation reserve for available for sale investments	-	-	-	-	-	-	2,361	2,361	-	2,361
Comprehensive income at 31 March 2013	-	-	-	-	8,045	19,050	2,361	29,456	175	29,631
Treasury shares issued and purchased	-	-	-	(14)	-	-	-	(14)	-	(14)
Balance at 31 March 2013	18,638	15,214	3,475	(1,730)	17,234	488,548	4,824	546,203	3,488	549,691

Company name: Gedeon Richter Plc.  
 Company address: 1103 Budapest, Gyömrői út 19-21., Hungary  
 Sector: Pharmaceutical  
 Reporting period: January-March 2013

Telephone: +36-1-431-5764  
 Fax: +36-1-261-2158  
 E-mail address: [investor.relations@richter.hu](mailto:investor.relations@richter.hu)  
 Investor relations manager: Katalin Ördög

## Income Statement

12 months to 31 Dec		3 months to March		
		2013 Unaudited	2012 Unaudited Restated*	Change
HUFm		HUFm	HUFm	%
326,702	Total revenues	85,844	82,006	4.7
(124,999)	Cost of sales	(30,932)	(31,504)	-1.8
201,703	Gross profit	54,912	50,502	8.7
(92,794)	Sales and marketing expenses	(26,751)	(22,280)	20.1
(20,179)	Administration and general expenses	(5,052)	(5,770)	-12.4
(38,847)	Research and development expenses	(10,991)	(9,637)	14.1
(1,162)	Other income and other expenses (net)	3,099	2,680	15.6
48,721	Profit from operations	15,217	15,495	-1.8
24,050	Finance income	11,735	11,479	2.2
(23,192)	Finance cost	(7,065)	(9,323)	-24.2
858	Net financial income	4,670	2,156	116.6
342	Share of profit of associates	136	286	-52.4
49,921	Profit before income tax	20,023	17,937	11.6
1,865	Income and deferred tax	(148)	(459)	-67.8
(2,706)	Local business tax and innovation fee	(825)	(869)	-5.1
49,080	Profit for the period	19,050	16,609	14.7
	Profit attributable to:			
49,265	Owners of the parent	19,050	16,752	13.7
(185)	Non-controlling interest	0	(143)	-100.0
Statement of comprehensive income				
49,080	Profit for the period	19,050	16,609	14.7
(12,874)	Exchange differences arising on translation of foreign operations	8,220	(9,869)	n.a.
2,495	Revaluation reserve for available for sale investments	2,361	1,724	36.9
(10,379)	Other comprehensive income	10,581	(8,145)	n.a.
38,701	Total comprehensive income	29,631	8,464	250.1
	Attributable to:			
39,251	Owners of the parent	29,456	8,823	233.9
(550)	Non-controlling interest	175	(359)	n.a.
<b>HUF</b>	<b>Earnings per share (EPS)</b>	<b>HUF</b>	<b>HUF</b>	<b>%</b>
2,660	Basic	1,025	905	13.3
2,643	Diluted	1,022	899	13.7

Note: \* Restated due to reclassification of innovation fee

Prepared in accordance with IAS 34 Interim Financial Reporting.

Company name: Gedeon Richter Plc.  
 Company address: 1103 Budapest, Gyömrői út 19-21., Hungary  
 Sector: Pharmaceutical  
 Reporting period: January-March 2013

Telephone: +36-1-431-5764  
 Fax: +36-1-261-2158  
 E-mail address: [investor.relations@richter.hu](mailto:investor.relations@richter.hu)  
 Investor relations manager: Katalin Ördög

## Income Statement

12 months to 31 Dec		3 months to March		
2012 Audited		2013 Unaudited	2012 Unaudited Restated*	Change
EURm		EURm	EURm	%
1,130.1	Total revenues	289.9	276.9	4.7
(432.4)	Cost of sales	(104.4)	(106.4)	-1.9
697.7	Gross profit	185.5	170.5	8.8
(321.0)	Sales and marketing expenses	(90.4)	(75.2)	20.2
(69.8)	Administration and general expenses	(17.1)	(19.5)	-12.3
(134.4)	Research and development expenses	(37.1)	(32.6)	13.8
(4.0)	Other income and other expenses (net)	10.5	9.1	15.4
168.5	Profit from operations	51.4	52.3	-1.7
83.2	Finance income	39.6	38.8	2.1
(80.2)	Finance cost	(23.9)	(31.5)	-24.1
3.0	Net financial income	15.7	7.3	115.1
1.2	Share of profit of associates	0.5	1.0	-50.0
172.7	Profit before income tax	67.6	60.6	11.6
6.5	Income and deferred tax	(0.5)	(1.5)	-66.7
(9.4)	Local business tax and innovation fee	(2.8)	(3.0)	-6.7
169.8	Profit for the period	64.3	56.1	14.6
	Profit attributable to:			
170.4	Owners of the parent	64.3	56.6	13.6
(0.6)	Non-controlling interest	0.0	(0.5)	-100.0
289.1	Average exchange rate (EUR / HUF)	296.1	296.2	0.0
<b>Statement of comprehensive income</b>				
169.8	Profit for the period	64.3	56.1	14.6
(44.5)	Exchange differences arising on translation of foreign operations	27.8	(33.3)	n.a.
8.6	Revaluation reserve for available for sale investments	8.0	5.8	37.9
(35.9)	Other comprehensive income	35.8	(27.5)	n.a.
133.9	Total comprehensive income	100.1	28.6	250.0
	Attributable to:			
135.8	Owners of the parent	99.5	29.8	233.9
(1.9)	Non-controlling interest	0.6	(1.2)	n.a.
<b>EUR</b>	<b>Earnings per share (EPS)</b>	<b>EUR</b>	<b>EUR</b>	<b>%</b>
9.20	Basic	3.46	3.06	13.1
9.14	Diluted	3.45	3.04	13.6

Note: \* Restated due to reclassification of innovation fee

Prepared in accordance with IAS 34 Interim Financial Reporting.

Company name: Gedeon Richter Plc.  
 Company address: 1103 Budapest, Gyömrői út 19-21., Hungary  
 Sector: Pharmaceutical  
 Reporting period: January-March 2013

Telephone: +36-1-431-5764  
 Fax: +36-1-261-2158  
 E-mail address: [investor.relations@richter.hu](mailto:investor.relations@richter.hu)  
 Investor relations manager: Katalin Ördög

## Cash flow Statement

12 months to 31 Dec		3 months to 31 March	
2012 Audited		2013 Unaudited	2012 Unaudited Restated*
HUFm		HUFm	HUFm
	Operating activities		
49,265	Net income attributable to owners of parent company	19,050	16,752
26,883	Depreciation and amortisation	7,167	6,470
3,781	Non cash items accounted through Total Comprehensive Income	98	1,108
(4,191)	Reassessment of borrowing	3,780	(3,114)
(3,155)	Net interest and dividend income	(612)	(519)
841	Income tax recognised through profit or loss	973	1,328
97	Changes in provision for defined benefit plans	-	-
1,251	Loss on disposal of property, plant and equipment and intangible assets	358	168
375	Impairment loss recognized on intangible assets	-	-
	Movements in working capital		
(4,698)	Increase in trade and other receivables	(4,789)	(3,541)
(712)	(Increase)/ decrease in inventories	(5,064)	1,356
(6,118)	Decrease in payables and other liabilities	(260)	(3,928)
(1,805)	Interest paid	(440)	(513)
(4,812)	Income tax paid	(1,124)	(1,186)
57,002	Net cash flow from operating activities	19,137	14,381
	Cash flows from investing activities		
(23,803)	Payments for property, plant and equipment	(2,486)	(2,351)
(5,874)	Payments for intangible assets	(669)	(348)
531	Proceeds from disposal of property, plant and equipment	41	86
(7,167)	Payments to acquire financial assets	(16,933)	(2,995)
25	Proceeds on sale of financial assets	1,943	-
(979)	Payments of loans	(104)	(447)
4,652	Interest and similar income	1,052	1,030
308	Dividend income	-	2
(42,328)	Net cash outflow on acquisition of subsidiaries	-	-
(74,635)	Net cash flow from investing activities	(17,156)	(5,023)
	Cash flows from financing activities		
2,797	Proceeds from (purchase of)/ disposal of treasury shares	(14)	(11)
(12,206)	Dividends paid	(1)	(1)
15,129	Proceeds from borrowings	14,541	14,646
5,720	Net cash flow from financing activities	14,526	14,634
(11,913)	Net increase/(decrease) in cash and cash equivalents	16,507	23,992
118,651	Cash and cash equivalents at beginning of year	101,505	118,651
(5,233)	Effect of foreign exchange rate changes on the balances held in foreign currencies	1,857	(6,377)
101,505	Cash and cash equivalents at end of period	119,869	136,266

Note: \* Restated due to reclassification of innovation fee  
 Prepared in accordance with IAS 34 Interim Financial Reporting.

## **II. Report by business segment**

## 1. Business segment information

The activities of Richter Group are presented in this Report along three operating segments. Those subsidiaries of the Group that are engaged in the core activities of research and development together with manufacturing and sale of pharmaceutical products have been classified as the Pharmaceutical segment. The performance of those distributor and retail subsidiaries that represent the distribution chain in some of our markets and facilitate our products reaching final buyers are presented under the Wholesale and Retail segment. Finally, the Other segment relates to the business of those group members that do not belong to any of the above segments. These companies provide services to group members belonging to the Pharmaceutical segment. (For a classification by segment of those companies belonging to the Group please consult the 2012 Annual Report on pages 112-115.)

In the following section we present key data by business segments.

HUFm	Pharmaceuticals		Wholesale and retail		Other		Eliminations		Group total	
	2013	2012*	2013	2012	2013	2012	2013	2012	2013	2012*
	3 months to March		3 months to March		3 months to March		3 months to March		3 months to March	
Total revenues	74,491	71,400	13,126	12,234	1,132	797	(2,905)	(2,425)	85,844	82,006
Gross profit	52,821	48,541	1,584	1,653	388	310	119	(2)	54,912	50,502
Profit from operations	15,105	15,314	(67)	164	96	34	83	(17)	15,217	15,495
Share of profit of associates	-	-	136	286	-	-	-	-	136	286
Number of employees at period end	9,419	9,053	1,466	1,438	358	353	-	-	11,243	10,844

Note: \* Restated due to reclassification of innovation fee

## 2. Pharmaceuticals sales report

Sales in the pharmaceutical segment in the first quarter 2013 totalled HUF 74,491 million (EUR 251.6 million), an increase of 4.3 % (4.4 % in Euro terms).

### 2.1 Pharmaceutical sales by region

	HUFm				EURm			
	2013	2012	Change	%	2013	2012	Change	%
	3months to March				3 months to March			
Hungary	8,918	8,536	382	4.5	30.1	28.8	1.3	4.5
EU (*)	22,875	22,819	56	0.2	77.2	77.1	0.1	0.1
Poland	6,193	6,329	-136	-2.1	20.9	21.4	-0.5	-2.3
Romania	2,235	2,340	-105	-4.5	7.5	7.9	-0.4	-5.1
EU 9	5,775	6,058	-283	-4.7	19.5	20.5	-1.0	-4.9
EU 15	8,672	8,092	580	7.2	29.3	27.3	2.0	7.3
CIS	34,259	34,095	164	0.5	115.7	115.1	0.6	0.5
Russia	24,202	26,082	-1,880	-7.2	81.7	88.1	-6.4	-7.3
Ukraine	5,509	4,555	954	20.9	18.6	15.4	3.2	20.8
Other CIS	4,548	3,458	1,090	31.5	15.4	11.6	3.8	32.8
USA	2,035	2,370	-335	-14.1	6.9	8.0	-1.1	-13.8
China	2,833	403	2,430	603.0	9.6	1.4	8.2	585.7
RoW	3,571	3,177	394	12.4	12.1	10.7	1.4	13.1
<b>Total</b>	<b>74,491</b>	<b>71,400</b>	<b>3,091</b>	<b>4.3</b>	<b>251.6</b>	<b>241.1</b>	<b>10.5</b>	<b>4.4</b>
Average exchange rate (EUR/HUF)					296.1	296.2	-0.1	-0.0

Note: \*All Member States of the EU, except for Hungary.

A list of products referred to in this report is presented in Appendix 1 on page 27.

#### 2.1.1 Hungary

In **Hungary** sales totalled HUF 8,918 million (EUR 30.1 million) in the first quarter 2013, an increase of 4.5 % both in HUF and in Euro terms when compared to the same period 2012. A number of products showed significant sales growth during the reported period, notably a range of **oral contraceptives, Aktiil, Aflamin, Telmisartan** and **Esmya®**.

Marginal changes to the price regulations system did not impact materially the Group's overall performance in the reported period. However, a new tender system introduced in 2011 aiming towards semestral price adjustments adversely affected several major Richter brands in Hungary. Price cuts to be applied with effect from 1 April 2013 are expected to amount to an annual revenue loss of approximately HUF 500 million during 2013.

In the first quarter 2013 the pharmaceutical market decreased by a 1.8% year-on-year, while retail sales of Richter products increased by 5.1% compared to the same period 2012. Richter is now the fourth player on the Hungarian pharmaceutical market with a 5.4 % share based on the latest available market audit (IMS) data for the three months to March 2013. When considering only the market for retail prescription drugs, Richter qualified for second place with a market share of 7.3 %.

## 2.1.2 Hungarian regulatory environment

There were no material changes to the regulatory environment in Hungary and thus the market could stabilise, albeit at significantly lower levels than two years ago. Extraordinary taxes levied on the industry are reclaimable at a maximum rate of 90% subject to adequate R&D expenditures and employment being incurred. Given its high level of such expenses Richter qualifies for this maximum allowance. Furthermore by virtue of the law, the Company is entitled to carry over such R&D linked allowances across calendar years.

## 2.1.3 European Union

Sales in the **European Union**, excluding Hungary, amounted to EUR 77.2 million in the first quarter of 2013, virtually flat when compared to the same period of 2012.

In **Poland**, the largest market for the company in the region, the Group recorded sales of PLN 87.0 million (EUR 20.9 million) in the first quarter of 2013, a decline of 3.7 % in PLN terms (2.3 % in EUR terms) compared to the same period of 2012. The primary reason for the sales decline was the termination of the licensing agreement for **Avonex**. A number of products showed significant sales growth during the reported period, notably **Groprinosin**, **Spironol**, **Aflamin**, **Lisonorm** and the **range of oral contraceptives**. Our original product, **Esmya**<sup>®</sup> also contributed to the above performance.

In **Romania** sales amounted to RON 33.0 million in the first quarter of 2013, a 4.2% year-on-year decrease compared with the same period in 2012. In EUR terms turnover amounted to EUR 7.5 million, 5.1 % lower than in the previous year. Turnover of a **range of oral contraceptives**, **Cavinton** (including **Cavinton Forte**), **Mydeton** and **Moduxin** contributed the most to sales levels achieved during the first quarter of 2013. Our original product, **Esmya**<sup>®</sup> also contributed to the sales levels achieved.

The Constitutional Court ruled in favour of the pharmaceutical companies who had objected to the inclusion of VAT in the basis of their claw-back obligations. Pharmaceutical companies also requested the recalculation of claw back amounts levied in past years.

In the **EU 9** region sales totalled EUR 19.5 million in the first quarter of 2013, 4.9 % lower than in the same period of last year. This region represented 25 % of total EU sales of the Group's pharmaceutical segment.

In the **Czech Republic** turnover in the first three months to March 2013 amounted to EUR 7.4 million, representing a small decrease of EUR 0.1 million compared to the sales levels achieved in the base period. Sales increases of **Amlator**, **Mertenil** and **Aflamil** were more than offset by the turnover decline of some of the oral contraceptives. In **Slovakia** turnover amounted to EUR 4.7 million in the first quarter 2013 EUR 1.3 million lower compared to the same period of 2012. Our original product, **Esmya**<sup>®</sup> received reimbursed status from 1 January 2013 and contributed to the turnover. Notwithstanding the overall decline sales of **Suprax**, **Moduxin** and **Amlator** recorded good performances during the reported period. In the **Baltic States** sales amounted to EUR 3.4 million in the first quarter 2013, EUR 0.2 million lower when compared to the same period 2012. In **Bulgaria** sales totalled EUR 3.9 million in the reported period, representing a growth of EUR 0.6 million when compared with turnover achieved in the same period of the previous year.

In the 'traditional' 15 EU Member States sales amounted to EUR 29.3 million in the first three months to March 2013, 7.3 % higher than in the corresponding period 2012. This region contributed 38 % of total EU pharmaceutical sales.

In **Germany** Richter Group reported sales of EUR 14.6 million in the first quarter of 2013, 9.5 % higher than in the base period. In **France** the Group's turnover amounted to EUR 3.6 million in the first quarter 2013. Sales in **Italy** reached EUR 2.1 million while sales in **Spain** totalled EUR 2.0 million in the reported period. Turnover in both **Austria** and **Belgium** amounted to EUR 1.5 million each.

#### 2.1.4 CIS

Sales to the **CIS** in the first three months of 2013 totalled EUR 115.7 million virtually flat when compared to the sales levels achieved in the same period 2012. Significant sales growth was achieved in Ukraine, Kazakhstan and Belarus offsetting the turnover decline recorded in Russia in the reported period.

Sales to **Russia** totalled RUB 3.3 billion (EUR 81.7 million) in the first quarter 2013, 6.0 % (in EUR terms 7.3 %) lower than in the base period. As we stated in our 2012 M12 Report, the licensing agreement for **Suprax** was terminated in 2012 and this resulted in a significant, RUB 0.5 billion (EUR 11.9 million) sales reduction year- on year. This more than offset good sales performances achieved by the range of **oral contraceptives**, **Panangin**, **Lisonorm**, and **Aflamin**.

In line with the Pharma 2020 strategy announced by the Russian Government which has as its objective the manufacturing of most essential medicines in Russia by 2016 Richter has been carrying out a multi-phase project which will further increase its Russian manufacturing and warehousing capacities.

Sales to **Ukraine** amounted to US\$ 24.6 million (EUR 18.6 million) in the first three months 2013, a substantial growth rate of 21.8 % (20.8 % in EUR terms) to that reported over the same period of 2012. Turnover of **Cavinton**, **Lisopress**, **Lisonorm** and a range of **oral contraceptives** contributed the most to the sales growth recorded.

Sales in **Other CIS republics** totalled US\$ 20.3 million (EUR 15.4 million) in the first quarter of 2013, excellent growth of 31.8 % (32.8 % in Euro terms) compared to the same period of 2012. Good performance achieved in **Kazakhstan** and in **Belarus** contributed the most to the sales levels reported in this region.

#### 2.1.5 USA

Sales in the **USA** totalled US\$ 9.1 million (EUR 6.9 million) in the first three month of 2013, a decline of 13.3 % in US\$ terms (13.8 % in EUR terms). As indicated in previous reports revenues in connection with the drospirenone related profit sharing agreements declined further due to increased generic competition. Turnover of matured gynaecological products also showed a decline year on year while in addition a significant sales decline of the finished form emergency contraceptive **Plan B OneStep** was recorded during the reported period.

## 2.1.6 China

As a result of expanding our market presence in this country, we have commenced the reporting of Chinese sales separately with effect from 1 January 2013. Sales to **China** amounted to EUR 9.6 million (US\$ 12.6 million) in the first three months of 2013, EUR 8.2 million (US\$ 10.8 million) higher than the same period 2012. Turnover of **Panangin**, **Cavinton**, and **Bromocriptin** contributed to the sales levels recorded.

## 2.1.7 Rest of the World

Sales in these countries amounted to EUR 12.1 million (US\$ 15.9 million) in the first three months 2013, an increase of 13.1 % (12.8 % in US\$ terms) when compared to the same period 2012.

## 2.2 New product launches

In line with the strategic aim of renewing the product portfolio in all markets Richter introduced the following new products in the first quarter 2013:

Country	Product	Active pharmaceutical ingredient	Therapeutic area
Poland	<b>Curidol</b>	tramadol	Central nervous system, analgesic
Slovakia	<b>Curiosin gel</b>	zinc hialuronate	Anti-acne
	<b>Mistra</b>	dienogest + 30 mcg EE*	Gynaecology, oral contraceptive
Russia	<b>Amdoal</b>	aripiprazole	Central nervous system, antipsychotic
	<b>Nexazol</b>	letrozole	Oncology, anticancer
	<b>Ekvator</b>	lisinopril + amlodipine	Cardiovascular, antihypertensive
	<b>Airtal cream</b>	aceclofenac	Non-steroid anti-inflammatory
Bulgaria	<b>Dironorm</b>	lisinopril + amlodipine	Cardiovascular, antihypertensive
	<b>Moduxin</b>	trimetazidine	Cardiovascular, cardiac therapy
Ukraine	<b>Silhouette</b>	dienogest + 30 mcg EE*	Gynaecology, oral contraceptive
	<b>Perindopril-Richter</b>	perindopril	Cardiovascular, antihypertensive
	<b>Singlon</b>	montelukast	Respiratory, antiasthmatic
Other CIS	<b>Lordestin</b>	desloratadine	Respiratory, antiallergic (antihistamine)
	<b>Singlon</b>	montelukast	Respiratory, antiasthmatic
	<b>Mertenil</b>	rosuvastatin	Cardiovascular, cholesterol lowering
	<b>Dimia</b>	drospirenone + 20 mcg EE*	Gynaecology, oral contraceptive
Serbia	<b>Gynazol</b>	butoconazole nitrate	Gynaecology, antifungal

Note: \* ethinyl estradiol

## 2.3 Female Healthcare

In recognition of the strategic importance to the Company of this therapeutic area a brief presentation of the Female Healthcare (FH) franchise is presented below. This therapeutic area includes the following product groups and therapeutic indications: oral contraceptives (OC), emergency contraceptives (EC), contraceptive devices (CD); menopausal care, pregnancy care and obstetrics, gynaecological infections and other gynaecological conditions. Please refer to Appendix 2 on page 28 for a comprehensive list of major products belonging to this therapeutic field.

### 2.3.1 Female Healthcare sales by region

	HUFm				EURm			
	2013	2012	Change		2013	2012	Change	
	3 months to March				3 months to March			
				%				%
Hungary	1,423	1,289	134	10.4	4.8	4.3	0.5	11.6
EU (*)	10,079	9,270	809	8.7	34.0	31.3	2.7	8.6
Poland	1,228	1,077	151	14.0	4.1	3.6	0.5	13.9
Romania	380	521	-141	-27.1	1.3	1.8	-0.5	-27.8
EU 9	1,754	2,021	-267	-13.2	5.9	6.8	-0.9	-13.2
EU 15	6,717	5,651	1,066	18.9	22.7	19.1	3.6	18.8
CIS	7,415	6,171	1,244	20.2	25.0	20.8	4.2	20.2
Russia	5,767	4,884	883	18.1	19.5	16.5	3.0	18.2
Ukraine	849	670	179	26.7	2.8	2.2	0.6	27.3
Other CIS	799	617	182	29.5	2.7	2.1	0.6	28.6
USA	1,825	2,182	-357	-16.4	6.2	7.4	-1.2	-16.2
China	499	104	395	379.8	1.7	0.4	1.3	325.0
RoW	1,797	1,375	422	30.7	6.1	4.6	1.5	32.6
<b>Total</b>	<b>23,038</b>	<b>20,391</b>	<b>2,647</b>	<b>13.0</b>	<b>77.8</b>	<b>68.8</b>	<b>9.0</b>	<b>13.1</b>
Average exchange rate (EUR/HUF)					296.1	296.2	-0.1	-0.0

Note: \* All Member States of the EU, except for Hungary.

### 2.3.2 Sales

Female healthcare sales totalled EUR 77.8 million in the first quarter 2013, representing an increase of 13.1 % compared to the levels reported in the same period 2012. Turnover arising from the OC portfolio acquired in 2010 amounted to EUR 11.9 million, 7.2 % above the base period figure.

#### 2.3.2.1 Hungary

In **Hungary** FH sales totalled HUF 1,423 million (EUR 4.8 million) in the first quarter 2013, representing an increase of 10.4 % (in Euro terms 11.6 %) compared to the levels reported in the same period 2012. Having received reimbursed status on a 90% reimbursement basis, sales of **Esmya**® were initiated in Hungary in February 2013.

#### 2.3.2.2 European Union

FH sales in the **European Union**, excluding Hungary, amounted to EUR 34.0 million in the three months to March 2013, representing an increase of EUR 2.7 million (8.6 %) when compared to the same period 2012.

Sales of **Esmya®**, our original product, was EUR 2.4 million during the reported period.

Sales of FH products represented 44 % of the turnover in this region during the three months to March 2013.

FH sales in **Romania** decreased by RON 2.1 million and amounted to RON 5.6 million (EUR 1.3 million) in the first quarter 2013, while in **Poland** turnover increased by PLN 1.9 million totalling PLN 17.3 million (EUR 4.1 million) during the same period. In the **EU 9** region FH sales totalled EUR 5.9 million in the three months to March 2013, 13.2 % lower when compared to the same period in the previous year. With respect to FH sales the EU9 countries altogether represented 17 % of the Group's EU sales.

In the '**traditional**' **15 EU Member States** FH sales amounted to EUR 22.7 million in the three months to March 2013, showing a EUR 3.6 million growth over the levels recorded in the same period of the previous year. This region contributed 67 % of total EU FH sales. The year on year increase was primarily due to higher sales levels of the latest OCs launched in Western Europe.

In **Germany** Richter Group reported gynaecological sales of EUR 11.8 million, representing a EUR 1.3 million increase compared to the same period 2012.

In **France** the Group's turnover arising from FH products amounted to EUR 2.7 million in the first quarter 2013.

### **2.3.2.3 CIS**

FH sales to the **CIS** in the first quarter 2013 totalled EUR 25.0 million representing an increase of EUR 4.2 million over the sales levels achieved in the same period of the previous year.

Turnover of gynaecological products represented 22 % of total CIS sales in the reported period.

### **2.3.2.4 USA**

FH sales in the **USA** totalled US\$ 8.1 million (EUR 6.2 million) in the first quarter 2013, a 15.8 % decline in US\$ terms (16.2 % in EUR terms) when compared to the same period of the previous year.

Sales of FH products, including the profit sharing related to drospirenone, represented 90 % of US sales.

### **2.3.2.5 China**

Following the acquisition of majority stakes in our existing Chinese distribution business and the establishment of a second trading company we proceeded to report our Chinese sales separately with effect from 1 January 2013. Sales of FH totalled EUR 1.7 million in the reported period, EUR 1.3 million higher than in the first quarter 2012.

### **2.3.2.6 Rest of the World**

FH sales in these countries amounted to EUR 6.1 million (US\$ 8.0 million) in the first quarter 2013, an increase of EUR 1.5 million (US\$ 1.9 million) compared to the same period in 2012.

## **2.3.3 Expanding the female healthcare product portfolio**

### **2.3.3.1 Original research and product launch – Esmya®**

Esmya® reported total sales of EUR 2.6 million in the three months to March 2013.

Esmya® received marketing authorization for Russia during the reported period. In addition to certain Western European markets where reimbursement status was granted to Esmya® during 2012, it was also included on the reimbursement lists in Sweden and Hungary during February 2013 being eligible for 90% reimbursement in the latter.

In order to expand the indication to meet the needs of a wider range of affected women Richter initiated Phase III clinical studies in the third quarter 2012 to establish the long term (on-off) usage of Esmya® targeting a substantial recession of fibroid tumours and consequently making surgical interventions unnecessary. The studies are expected to be completed by the second quarter 2014.

### **2.3.3.2 Development – generic product launches**

In line with the strategic aim of renewing the product portfolio in all markets OC **Mistra** was launched in Slovakia, **Silhouette** in Ukraine and **Dimia** in Moldavia during the first quarter 2013.

### 3. Pharmaceuticals – Operating profit and margin

Operating profit for the Group originated primarily from the Pharmaceuticals segment. Operating profit for this business segment amounted to HUF 15,105 million during the three months to March 2013 a decline of 1.4 % when compared to the same period of the previous year. Operating margin decreased to 20.3 % from the 21.4 % realized in the same quarter 2012. Following the acquisitions made in 2010 the amortization of both *Esmya* and the acquired OC portfolio were incurred as new cost items in the reported period and amounted to HUF 1,694 million.

### 4. Wholesale and retail sales report

	HUFm				EURm			
	2013	2012	Change		2013	2012	Change	
	3 months to March				3 months to March			
				%				%
Hungary	86	112	-26	-23.2	0.3	0.4	-0.1	-25.0
EU (*)	9,118	8,811	307	3.5	30.8	29.7	1.1	3.7
Poland	-	-	-	-	-	-	-	-
Romania	9,118	8,811	307	3.5	30.8	29.7	1.1	3.7
EU 9	-	-	-	-	-	-	-	-
EU 15	-	-	-	-	-	-	-	-
CIS	3,191	2,483	708	28.5	10.7	8.4	2.3	27.4
Russia	-	-	-	-	-	-	-	-
Ukraine	36	72	-36	-50.0	0.1	0.2	-0.1	-50.0
Other CIS	3,155	2,411	744	30.9	10.6	8.2	2.4	29.3
USA	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-
RoW	731	828	-97	-11.7	2.5	2.8	-0.3	-10.7
<b>Total</b>	<b>13,126</b>	<b>12,234</b>	<b>892</b>	<b>7.3</b>	<b>44.3</b>	<b>41.3</b>	<b>3.0</b>	<b>7.3</b>
Average exchange rate (EUR/HUF)					296.1	296.2	-0.1	-0.0

Note: \* All Member States of the EU, except for Hungary.

The principal aim of the Wholesale and Retail companies is to support the sales levels of our products on the Group's selected traditional markets.

Sales amounted to EUR 44.3 million in the three months to March 2013, an increase of 7.3 % compared to the same period of the previous year.

Our Romanian subsidiaries realised 69 % of the turnover in the Wholesale and Retail segment (RON 33.0 million), with the remainder primarily being invoiced by our subsidiaries in the CIS region. The sales decline in Romania was 4.2 % in RON terms (an increase of 3.7 % in EUR terms) in the first quarter 2013. The Romanian pharma market continues to be characterised by excessive payment delays (up to 360 days or more) to pharmaceutical companies due to continuing delays in payments to pharmacists from the National Health Insurance House.

## 5. Wholesale and retail – Operating profit and margin

The combined amount of operating profit from subsidiaries and the stakeholding proportional amount of income from associates operating in the Wholesale and retail segment totalled HUF 69 million income during the reported period.

The consolidated operating profit of subsidiaries belonging to this segment was a HUF 67 million loss, when compared to an operating profit of HUF 164 million realized in the first quarter of the previous year.

### Disclosures

I, the undersigned declare, that Gedeon Richter Plc. takes full responsibility, that the interim management report published today, which contains the Group's first quarter 2013 results is prepared in accordance with the applicable accounting standards and according to the best of our knowledge. The report above provides a true and fair view of the financial position of Gedeon Richter Plc., comprises the subsidiaries included in the consolidation, contains an explanation of material events and transactions that have taken place during the reported period and their impact on the financial position of Gedeon Richter Plc. and its subsidiaries included in the consolidation.

Budapest, 9 May 2013

Erik Bogsch  
Managing Director

The financial statements in this report cover the activities of Gedeon Richter Group ('The Group' or 'Richter Group') and Gedeon Richter Plc. ('The Company' or 'Richter'). These interim condensed financial statements are prepared in accordance with IAS 34 Interim Financial reporting. EUR and US\$ amounts have been converted from HUF at average exchange rates for indicative purposes only. Financial statements for the three months period ended 31 March 2013 and 2012 are unaudited. Financial statements for the twelve months period ended 31 December 2012 are audited. The Company has adopted the same accounting policies during the preparation of this interim report as for the preparation of the most recent annual financial report.

## Appendix 1

### Products and active ingredients

The following products are referred to in this report:

Product	Active pharmaceutical ingredients	Therapeutic area
Airtal cream*	aceclofenac	Non-steroid anti-inflammatory
Aflamil */ Aflamin* / Biofenac*	aceclofenac	Non-steroid anti-inflammatory
Aktil*	amoxicillin + clavulanic acid	Antibiotic
Amdoal	aripiprazole	CNS, antipsychotic
Amlator / Duplecor	amlodipine + atorvastatin	Cardiovascular, antihypertensive + cholesterol lowering
Avonex*	interferon beta-1a	CNS, Multiple sclerosis
Bromocriptin	bromocriptin mesilate	Gynaecology, prolactin inhibitor
Cavinton	vinpocetine	CNS, nootropic
Cavinton Forte	vinpocetine	CNS, nootropic
Curidol	tramadol	CNS, analgesic
Curiosin gél	zinc hialuronate	Anti acne
Dimia	drospirenone + 20 mcg EE*	Gynaecology, oral contraception
Dironorm / Ekvator / Lisonorm	lisinopril + amlodipine	Cardiovascular, antihypertensive
Esmya®	ulipristal acetate	Gynaecology, uterine myoma
Groprinosin	inosine pranobex	Antiviral
Gynazol	butoconazole nitrate	Gynaecology, antifungal
Lisopress	lisinopril	Cardiovascular, antihypertensive
Lordestin	desloratadine	Respiratory, antiallergic
Mertenil	rosuvastatin	Cardiovascular, cholesterol lowering
Mistra / Mistral / Siluette	dienogest + 30mcg EE**	Gynaecology, oral contraception
Moduxin	trimetazidine	Cardiovascular, cardiac therapy
Mydeton / Mydocalm	tolperisone	Muscle relaxant
Nexazol	letrozole	Oncology, anti cancer
Panangin	asparaginates	Cardiovascular, cardiac therapy
Perindopril-Richter	perindopril	Cardiovascular, antihypertensive
Plan B OneStep	levonorgestrel	Gynaecology, emergency contraception
Singlon	montelukast	Respiratory, antiasthmatic
Spironol / Verospiron	spironolactone	Cardiovascular, diuretic
Suprax*	cefixime	Antibiotic

Notes: \* Licensed-in products.

\*\* ethnyl estradiol.

## Appendix 2

### Female healthcare products and active ingredients

Brand name	Active ingredients	Product type
<b>Oral contraceptives (OC)</b>		
Volina / Midiana / Aranka / Maitalon 30	DRP+30mcg EE	Fourth generation
Symicia / Daylette / Volina Mite / Rezia / Maitalon 20 / Darylia / Dimia / Liladros / Arankelle	DRP+20mcg EE	Fourth generation
Regulon / Desorelle / Desmin 30	DSG+30mcg EE	Third generation
Novynette / Desmin 20	DSG+20mcg EE	Third generation
Azalia / Lactinette	DSG	Third generation
Lindynette 20 / Karissa	GST+20mcg EE	Third generation
Lindynette 30	GST+30mcg EE	Third generation
Milligest / Tristin / Perlean	GST+EE	Third generation
Rigevidon	LVG+EE	Second generation
Tri-Regol	LVG+EE	Second generation
Belara / Chariva / Lybella / Balanca / Belarina	CLM+EE	
Neo-Eunomin	BCLM+EE	
Eve 20	norethisterone+EE	First generation
Silhouette / Mistral / Mistra	dienogest + 30 mcg EE	Fourth generation
<b>Emergency contraceptives (EC)</b>		
Postinor / Rigesoft / Levonelle-2 / Plan B	LVG (2x)	
Escapelle / Levonelle One-Step / Plan B One Step	LVG (1x)	
Ellaone*	ulipristal acetate	
<b>Contraceptive device (CD)</b>		
Goldlily / Silverlily	Cu+Au, Cu+Ag	IUD
<b>Menopausal care</b>		
Tulita / Minivel	norethisterone+estradiol	Hormone replacement therapy
Femseven*	estradiol hemihydrate	Hormone replacement therapy (patch)
Femseven Combi*	LVG+estradiol	Hormone replacement therapy (patch)
Triaklim	norethisterone+estradiol	Hormone replacement therapy
Pausogest	norethisterone+estradiol	Hormone replacement therapy
Goldar*	tibolone	Hormone replacement therapy
Estrimax	estradiol	Hormone replacement therapy
Ossica	ibandronate	Osteoporosis
Sedron / Ostalon / Siranin / Beenos	alendronate	Osteoporosis
Calci-Sedron-D / Ostalon Calci D	alendronate+Ca, vitamine D	Osteoporosis
<b>Pregnancy care and Obstetrics</b>		
Gravida*	vitamins	Pregnancy care
Oxytocin	oxytocine	Labour induction (injection)
Bromocriptin	bromocriptin mesilate	Prolactin inhibitor
<b>Gynaecological infections</b>		
Mycosyst	fluconazole	Antifungal
Gyno Femidazol	miconazole nitrate	Antifungal
Gynofort / Gynazol-1*	butoconazole nitrate	Antifungal (cream)
Klion D	metronidazole+miconazole	Antifungal
<b>Other Gynaecological conditions</b>		
Esmya®	ulipristal acetate	Uterine myoma
Norcolut	norethisterone	Premenstruation syndrome, mastodynia, dysfunctional uterine bleeding, endometriosis
<b>Bulk Products</b>		Oral contraception

Note: \* Licenced-in products.

#### Abbreviations used:

LVG: Levonorgestrel  
 EE: Ethinyl estradiol  
 CLM: Chlormadinone

DRP: Drospirenone  
 GST: Gestodene  
 DSG: Desogestrel  
 BCLM: Biphasic-chlormadinone