REPORT AT 31 MARCH 2010

Madrid, 29 April 2010

MILESTONES

- Consolidated revenues increased 49.2% year-on-year to 32.9 million euro.
- R&D expenditure amounted to 11.2 million euro.
- EBITDA improved 106% as a result of biopharmaceutical sales.
- Net income attributable to the parent company improved 50% with respect to 1Q09.

- Yondelis® sales increased 110% with respect to 1Q09.
- Yondelis® received 13 new approvals for STS and ovarian cancer outside the European Economic Area.

- An upcoming Phase IIb trial to test efficacy is being designed for NYPTA® (NP-12) in Alzheimer's disease.
- Phase II clinical trials in Europe and the US are under way for NYPTA® (NP-12) in Progressive Supranuclear Palsy (PSP).

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FIGURES TO MARCH 2010

Period	FY '10	FY '09	Δ%	Q1 '10	Q1 '09	Δ%
Net Revenue (€ 000)						
Consumer Chemicals	14,271	12,245	*16.55%*	14,271	12,245	*16.55%*
Biopharmaceuticals	18,469	9,673	*90.93%*	18,469	9,673	*90.93%*
Unallocated	206	172	*19.77%*	206	172	*19.77%*
Total Group	**32,946**	**22,090**	***49.14%***	**32,946**	**22,090**	***49.14%***
Cost of goods sold (€ 000)	-8,604	-6,980	*23.27%*	-8,604	-6,980	*23.27%*
Gross Income	24,342	15,110	*61.10%*	24,342	15,110	*61.10%*
Gross Margin	73.88%	68.40%	**---**	73.88%	68.40%	**---**
EBITDA (€ 000)						
Consumer Chemicals	1,491	376	*296.54%*	1,491	376	*296.54%*
Biopharmaceuticals	391	108	*262.04%*	391	108	*262.04%*
Unallocated	-1,814	-1,593	*13.87%*	-1,814	-1,593	*13.87%*
Total Group	**68**	**-1,109**	***106.13%***	**68**	**-1,109**	***106.13%***
R&D Expenditure						
Oncology	-7,696	-8,163	*-5.72%*	-7,696	-8,163	*-5.72%*
CNS	-2,612	-3,322	*-21.37%*	-2,612	-3,322	*-21.37%*
Other	-901	-940	*-4.15%*	-901	-940	*-4.15%*
Group Total	**-11,209**	**-12,425**	***-9.79%***	**-11,209**	**-12,425**	***-9.79%***
Marketing & Commercial Expenses						
Consumer Chemicals	-4,290	-4,340	*-1.15%*	-4,290	-4,340	*-1.15%*
Biopharmaceuticals	-4,762	-3,707	*28.46%*	-4,762	-3,707	*28.46%*
Other	-130	-2	*6400.00%*	-130	-2	*6400.00%*
Total Group	**-9,182**	**-8,049**	***14.08%***	**-9,182**	**-8,049**	***14.08%***

	31-march-2010	31-dec-2009
Cash & cash equivalents + current financial investments	**60,150**	**63,296**
Short term interest-bearing debt	**34,987**	**32,776**
Long term interest bearing debt	**97,655**	**91,703**
Bank debt	63,716	57,449
Govt. agencies: R&D funding (interest free debt)	25,939	26,254
Others	8,000	8,000

Net revenues

Group net revenues totalled 32.9 million euro in 1Q10, 49.2% more than in 1Q09 (22.1 million euro).

Revenues at the consumer chemicals subsidiaries totalled 14.3 million euro (12.2 million euro in 1Q09). Those companies accounted for 43.3% of the Group's total revenues in 1Q10 (55.4% in 1Q09).

Revenues in the Biopharmaceutical business amounted to 18.5 million euro (9.7 million euro in 1Q09): 16.6 million euro at PharmaMar from Yondelis® sales (8.3 million euro in 1Q09) and 1.9 million euro at Genómica (1.4 million euro in 1Q09). Sales in this sector accounted for 56.1% of Group net revenues (43.8% in 2009).

EBITDA

Group EBITDA improved by 106.1% year-on-year. EBITDA amounted to 0.068 million euro in the first quarter of 2010, vs. -1.1 million euro in the same period last year. The improvement was due basically to net sales in biopharmaceuticals, which amounted to 18.5 million euro (of which 16.6 were Yondelis® sales). In the first quarter of 2009 the amount credited by Taiho Pharmaceutical Co. from the license agreement of Yondelis for the Japan region, for the amount of 7.8 million was included in other operating revenues.

(EBITDA: earnings before interest, taxes, depreciation and amortisation, provisions, and capitalised R&D expenditure).

R&D expenditure

R&D expenditure declined by 9.8% year-on-year. A total of 11.2 million euro was spent on research and development in the first three months of 2010, broken down as follows: PharmaMar 7.7 million euro (8.2 in 1Q09), Noscira 2.6 million euro (3.3 in 1Q09), Sylentis 0.6 million euro (0.7 million euro in 1Q09) and Genómica 0.2 million euro (0.2 million euro in 1Q09).

Marketing and commercial expenses

Marketing and commercial expenses amounted to 9.2 million euro in 1Q10, 14.1% more than in 1Q09 (8 million euro).

The Consumer Chemicals division accounted for 4.3 million euro in 1Q10, on par with the 1Q09 figures.

Within the Biotechnology segment, 4.8 million euro was spent developing the Yondelis® sales network in Europe (3.7 million euro in 1Q09).

Cash

The net cash position—defined as cash and cash equivalents, plus current financial assets (60.2 million euro) minus short-term financial debt (35 million euro)—totalled 25.2 million euro at 31 March 2010. Long-term debt amounted to 97.7 million euro, of which 25.9 million euro was in the form of research and development loans from official bodies which are repayable over 10 years, interest free, with a three-year grace period.

BUSINESS PERFORMANCE.

Below is an overview of the group companies' business performance in the first quarter of 2010.

A) Consumer chemicals:

Xylazel

Xylazel obtained net sales amounting to 3.42 million euro in 1Q10, up 3% with respect to 1Q09 (3.33 million euro). In view of the decline in paint and varnish sector activity, stagnation in home construction, and adverse weather conditions in Spain throughout the quarter (making outdoor restoration and repair work practically impossible), the quarterly figures are highly satisfactory.

Weighted average procurement prices of our component supplies fell 0.7% in 1Q10. However, the price of petroleum-derived products increased between 6% and 8% and could rise further in the coming months as oil prices increase.

We maintain our cost-containment policy. In 1Q10, we reduced fixed costs by 5.3%, while variable costs rose by 1.6% (by less than the 3.4% increase in our revenues). Overall, costs were reduced by 2% with respect to 1Q09.

As a result, EBITDA in 1Q10 increased 4% with respect to the same period last year to 318 thousand euro, i.e. 9.5% of net revenues.

Net income in the period was 138 thousand euro (4.2% of net revenues). Although the first quarter income is non-material in the context of the year as a whole, it does represent an increase of 150% compared with 1Q09 (55 thousand euro).

Zelnova

Both Zelnova and its Italian subsidiary Copyr performed exceptionally compared with the same period last year: consolidated revenues increased 1.9 million euro (21.6%) to 10.8 million euro.

All areas of the business line performed well, especially private label products and exports and, to a lesser extent, third-party brands; these results are especially positive given the widespread weakness in consumer spending both in Spain and in Italy.

The table below shows the change in revenues in the various channels.

(thousand euro)	2009	2010	Change	
Domestic (*)	7,672	9,243	+1,571	+ 20.5%
Exports	1,244	1,603	+ 359	+ 28.9%
Total net sales	8,916	10,846	+1,930	+ 21.6%

(*) Domestic: Spain and Italy

The price of oil derivatives such as butane and solvents continued the upward trend that began in late 2009, whereas other costs did not experience an upswing.

As a result, Zelnova and Copyr's combined EBITDA for 1Q10 increased to 1.5 million euro (0.4 million euro in 1Q09).

The outlook for the rest of 2010 is that business levels will be remain on par with 2009 levels, i.e. both sales and ordinary profit will perform well.

B) Biopharmaceutical sector:

PharmaMar:

Gross sales in the quarter amounted to 17,8 million euro, up 110% with respect to 1Q09.
New approvals of Yondelis® have been obtained outside of the EU. Yondleis has now been approved in 56 countries®.®

Yondelis®

Active recruitment continues on schedule for the Phase III trial for patients with chromosomal translocation-related sarcomas for the Phase II trial in breast cancer, and for the Phase I trial in combination with cisplatin.

In cooperation with the Spanish Sarcoma Research Group, recruitment continues for the randomised open multicentre prospective Phase II trial of doxorubicin vs. Yondelis® + doxorubicin as first-line treatment in patients with advanced or metastatic soft tissue sarcoma. Recruitment also continues for the recently-commenced observational Phase IV trial in patients with soft tissue sarcoma.

Recruitment for a paediatric Phase I trial to determine the recommended dose and safety profile in children was concluded satisfactorily; the trial is headed by the National Cancer Institute in the US. Data is currently being analysed and a paper is being drafted.

Aplidin®

The development of Aplidin® on different solid and haematological tumours continues.

- Peripheral T-cell lymphoma: Recruitment of patients with Hodgkin lymphomas and with mature noncutaneous T-cell non-Hodgkin lymphomas has commenced for a trial in combination with gemcitabine at centres in France and the US. Recruitment is expected to be completed at the end of 2010. This combination trial commenced as a result of notable activity exhibited by our compound as monotherapy in these types of lymphomas.

- Multiple Myeloma: The request for authorisation of the pivotal (registration) clinical trial for Aplidin® in combination with dexametasone for patients with relapsed or refractory multiple myeloma was submitted to the competent authorities and ethics committees in Austria, Spain, the UK and France. Recruitment is expected to commence in the first half of 2010.

Myelofibrosis: Drafting of the protocol for Phase II/III has been completed and the US and European centres and researchers participating in the trial have been selected; recruitment is expected to commence in the second half of 2010.

Zalypsis®

Recruitment commenced in early 2010 for a new Phase II trial of Zalypsis® as second-line treatment in patients with relapsed or refractory multiple myeloma, which was presented before the Spanish Agency in 4Q09. The new trial's endpoint is to determine the recommended dose and evaluate the drug's anti-tumour activity as monotherapy in this indication. To date, ethics committees at three different Spanish hospitals have given the trial the green light, and two more hospitals are expected to join.

Patient recruitment is on schedule for the Phase II clinical trial of Zalypsis® as monotherapy in endocervical and endometrial cancer, which commenced in the third quarter of 2009. Seven hospitals in the US are currently participating in this trial.

Active recruitment continued in first quarter of 2010 for the dose escalating stage of the Phase I trial of Zalypsis® in combination with carboplatin. Two hospitals in Spain are participating in this trial.

Irvalec®

Active recruitment for the two trials under way continued during the first quarter of 2010, specifically, the Phase I trial with Irvalec® + Erlotinib (Tarceva) and the Phase I trial with Irvalec® + carboplatin or gemcitabine.

Work continues with the Translational Oncology Unit (CSIC/UAM/La Paz University Hospital) to identify markers to predict the response to Irvalec® using biopsies from patients with colon cancer and non-small cell lung carcinoma.

PM01183

The Phase I trial with PM01183 in patients with solid tumours under way in Spain and the US has identified the recommended dose. Once the data is analysed, Phase II clinical trials will commence this year.

Noscira

NP-12/NYPTA – Alzheimer's disease

The database for the Phase IIa trial consisting of 20 weeks of treatment with escalating doses of NYPTA (NP-12) in patients with Alzheimer's disease was closed®; preliminary data on safety and efficacy were analysed. The safe dose has been established and the side-effect profile has been defined. The drug's effects on patients' cognitive performance are promising; as a result, a new trial is being designed to continue clinical development in patients with Alzheimer's disease.

The complete results of the Phase IIa trial will be presented at the International Conference on Alzheimer's Disease on 10-15 July 2010.

We presented a Scientific Advice/follow-up request to the European Medicines Agency for the design of the new trial. As a result, we held a briefing meeting in London. We expect the Agency's report in the coming months. This briefing meeting was considered a continuation of the meeting held in 2008, when we discussed the design of the trial that has just concluded.

NP-12/NYPTA – PSP

The "Tauros" multicentre trial, which will determine the efficacy of the compound in patients with Progressive Supranuclear Palsy, commenced in Europe (Germany, Spain, the UK) in December. The number of centres in those countries has gradually been expanded, and recruitment advanced at a good pace in the quarter.

The Investigational New Drug request submitted to the Federal Drug Administration (FDA) for NYPTA ® (NP-12) was recently approved; approval is a requirement for commencing the US branch of the trial. We are in the process of signing the final contracts with the US centres, which will commence recruitment shortly.

We presented a Scientific Advice Request to the European Medicines Agency with regard to efficacy analyses to be performed. Considering that NYPTA has orphan drug status for PSP, we aim to ascertain

the scope for early registration of the compound once we have the final results of the trial, which we expect will be positive. To that end, we held a briefing meeting in London with the EMA in March 2010 to present our data. We expect the Agency's report in the coming months.

NP-61

The report on the second Phase I trial with this compound has been completed at the Clinical Pharmacology unit of MDS in Belfast. We are now looking for a partner to develop this compound, which will enable us to focus on our development efforts on the two therapeutic uses of NP-12.

Genómica:

Genómica obtained 1.858 million euro in revenues in 1Q10 (a 30% increase with respect to 1Q09), to which both of its business lines, Forensic Genetics and Clinical Diagnostics, made a significant contribution.

Forensic Genetics accounted for 25% of revenues, i.e. 472 thousand euro, an increase of 39% compared with 1Q09 (341 thousand euro).

Revenues from the Clinical Diagnostics line (the bulk of which came from outside Spain) totalled 455 thousand euro, up 64% with respect to 1Q09 (278 thousand euro). Sales of our CLART products increased considerably in South America, primarily in Mexico.

Sales in Spain totalled 854 thousand euro, up 33% with respect to 1Q09.

Notable growth in sales, together with cost optimisation, enabled Genómica to end the quarter with EBITDA of 346 thousand euro, 18% of the revenues.

Sylentis:

The company advanced its R&D lines in the first quarter of 2010, working to develop new structures and formulations for compounds based on RNAi technology. Recruitment for a Phase I trial with healthy volunteers at Navarra University Clinic was completed in March for the company's most advanced product, SYL040012, for glaucoma. Regulatory preclinical trials with the compound SYL1001 have commenced for treating eye discomfort associated with dry eye syndrome.

BALANCE SHEET *(Thousand euro)*	31-mar-10	31-dic-09
ASSETS		
Non-current assets	**84,584**	**84,928**
Property, plant & equipment	38,243	39,062
Investment properties	6,014	6,014
Intangible assets	12,763	12,528
Deferred tax assets	22,609	22,379
Long-term financial assets	2,407	2,397
Goodwill	2,548	2,548
Current assets	**131,402**	**126,386**
Inventories	26,977	24,039
Customer and other receivables	37,941	33,857
Other current assets	2,631	2,055
Receivable from public authorities	3,703	3,139
Current financial assets	26,133	26,050
Cash & cash equivalents	34,017	37,246
Non-current assets held for sale	**0**	**0**
TOTAL ASSETS	**215,986**	**211,314**

BALANCE SHEET *(Thousand euro)*	31-mar-10	31-dic-09
EQUITY		
Shareholders' equity	**40,479**	**41,136**
Share capital	11,110	11,110
Share premium	323,286	323,286
Treasury shares	(10,489)	(11,993)
Revaluation and other reserves	12	5
Retained earnings and other reserves	(283,440)	(281,272)
Minority interest	**0**	**0**
TOTAL EQUITY	**40,479**	**41,136**
LIABILITIES		
Non-current liabilities	**104,474**	**98,272**
Financial debt	97,655	91,703
Deferred tax liabilities	5,646	5,459
Non-current deferred revenues	798	833
Other non-current liabilities	375	277
Current liabilities	**71,033**	**71,906**
Supplier and other accounts payables	27,445	30,183
Financial debt	34,987	32,776
Provisions for other liabilities & expenses	3,934	4,939
Current deferred revenues	1,600	1,896
Other current liabilities	3,067	2,112
TOTAL LIABILITIES	**175,507**	**170,178**
TOTAL LIABILITIES AND EQUITY	**215,986**	**211,314**

INCOME STATEMENT			
Thousand euro	**31-march-2010**	**31-march-2009**	**Chg. (%)**
Net revenues	32,946	22,089	49.2%
Cost of sales	(8,604)	(6,980)	23.3%
Gross income	**24,342**	**15,109**	61.1%
Other operating revenues	1,740	10,090	-82.8%
Marketing & commercial organisation expenses	(9,182)	(8,049)	14.1%
General and administration expenses	(5,081)	(4,387)	15.8%
Research & development expenses	(11,209)	(12,425)	-9.8%
Capitalised in-house work	214	105	103.8%
Other operating expenses	(1,914)	(2,863)	-33.1%
Net operating profit (loss) (EBIT)	**(1,090)**	**(2,420)**	-55.0%
Net financial results	(868)	(1,494)	-41.9%
Loss before taxes	**(1,958)**	**(3,914)**	-50.0%
Corporate income tax in the period	0	0	
Loss for the year	**(1,958)**	**(3,914)**	-50.0%
Attributable to minority interest	0	0	
Attributable to equity holders of the parent	**(1,958)**	**(3,914)**	-49.97%

Net operating profit (loss) (EBIT)	(1,090)	(2,420)	-55.0%
Amortisation and depreciation	(1,372)	(1,416)	
Capitalised in-house work	214	105	
EBITDA	**68**	**(1,109)**	-106.1%

CONSOLIDATED CASH FLOW STATEMENT	31-march-2010
NET CASH FLOW FROM ORDINARY ACTIVITIES	**(11,139)**
Profit/(loss) before tax	**(1,958)**
Adjustements for:	**3,021**
Amortisation and depreciation	1,329
Other adjustements	1,692
Variation in working capital	**(11,246)**
Other net cash flow	**(956)**
Financial expenses	(1,118)
Financial revenues	250
Other adjustements	(88)
NET INVESTMENT CASH FLOW	**(511)**
Purchases of property, plant & equipment and intangible assets	(531)
Other financial assets	20
CASH FLOW IN FINANCING ACTIVITIES	**8,421**
Sales of treasury shares	258
Debt with credit entities (+)	7,630
Repayment from debt with credit entities (-)	(1,558)
Other net financing activities cash flow	2,091
NET DECREASE/INCREASE IN CASH AND CAHS EQUIVALENTS	**(3,229)**
STARTING BALANCE OF CASH AND CASH EQUIVALENTS	**37,246**
ENDING BALANCE OF CASH AND CAHS EQUIVALENTS	**34,017**

NET CASH POSITION	
CASH AND CASH EQUIVALENTS	34,017
CURRENT FINANCIAL ASSETS	26,133
FINANCIAL DEBT	(34,987)
TOTAL NET CASH POSITION	**25,163**