

Regulated information

Nazareth (Belgium)/Rotterdam (The Netherlands), 12 April 2019 – 7am CET

Fagron continued strong turnover growth in first quarter 2019

Fagron achieved turnover growth of 13.1%

Key points

- Turnover increased by 13.1% to € 123.4 million
- Organic turnover growth of 7.1% CER¹, mainly driven by strong growth in North and South America
- Brands realized organic turnover growth of 14.8% CER
- Further growth of turnover and profitability expected in 2019

Rafael Padilla, CEO of Fagron: *“Fagron had an outstanding start of 2019, with turnover growth of 13.1% and organic turnover growth of 7.1%. The North America and South America segments continued to perform very well, while the European segment’s turnover development, as previously announced, is still being influenced by the temporarily reduction of the capacity at one of our compounding facilities in the Netherlands. The compounding activities at this facility were restarted in early April and we expect the facility to be fully operational during the second half of 2019. In contrast, Brands had a strong development in Europe, partly driven by the successful start of Fagron Genomics.*

In North America, there was double-digit turnover growth in all activities. In addition to strong turnover growth at the Wichita compounding facilities, good progress was also made in the continued expansion of the product range and the automation of the manufacturing process. The sterile compounding facilities in Wichita are on track to achieve the previously stated turnover target.

In South America, Fagron managed to take advantage of the continued positive market developments by ensuring good product availability and further continued to differentiate itself through the development and introduction of innovative Brands.

With our healthy organic growth and disciplined acquisition strategy, we will continue to expand our leading market positions in Europe, North America and South America over the coming years. We see ample opportunities in the market for personalized medicine, and I am confident that our strategic focus puts us in a strong position to seize those opportunities. This is supported by positive developments in the first months of 2019, and we expect to continue to grow further in turnover and profitability in 2019.”

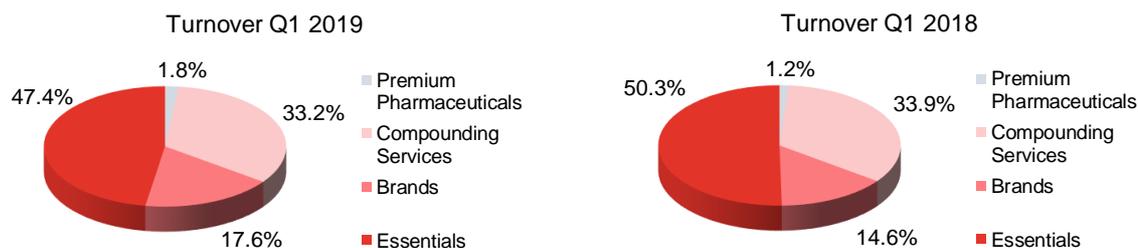
¹ CER = Constant Exchange Rates.



Key figures per segment

Fagron (excluding HL Technology)

(x € 1,000)	Q1 2019	Q1 2018	Total growth	Total growth CER	Organic growth	Organic growth CER
Turnover	121,681	107,342	+13.4%	+12.9%	+7.2%	+7.3%



Fagron's turnover (excluding HL Technology) increased by 13.4% (+12.9% at constant exchange rates) in the first quarter of 2019 to € 121.7 million. Organic turnover growth was 7.2% (+7.3% at constant exchange rates).

The table below summarizes the turnover development and currency effects for Fagron (excluding HL Technology) in the first quarter of 2019.

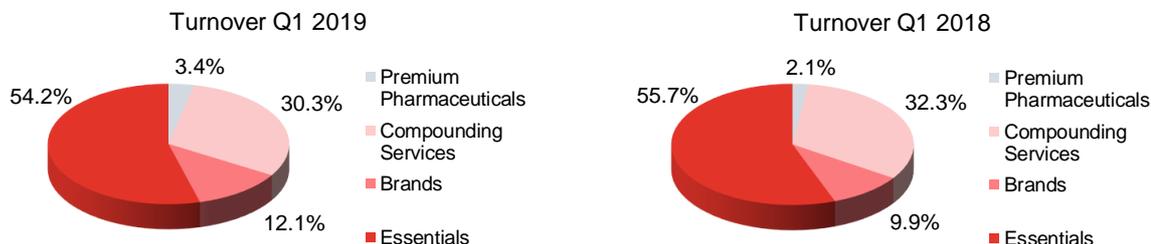
(x € 1,000)	Impact
Turnover in Q1 2018	107,342
Development Europe ²	+280
Development South America	+3,150
Development North America	+4,448
Currency effect BRL/Euro	-1,778
Currency effect USD/Euro	+1,995
Currency effect other	-314
Contribution of acquisitions	+6,559
Turnover in Q1 2019	121,681

Fagron Europe³

(x € 1,000)	Q1 2019	Q1 2018	Total growth	Total growth CER	Organic growth	Organic growth CER
Turnover	63,499	63,524	0.0%	+0.4%	0.0%	+0.4%

² The Europe segment comprises Fagron's activities in Europe, South Africa and Australia.

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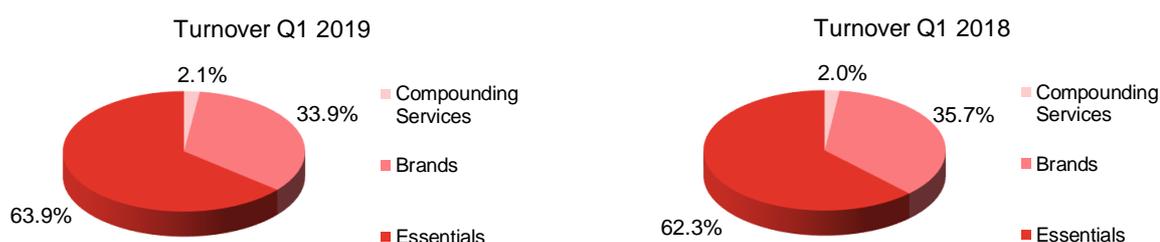


Organic growth at constant exchange rates of the Europe segment was 0.4% compared to the first quarter of 2018. Temporarily reducing capacity at one of the Dutch compounding facilities had an estimated negative effect of € 1.5 million on turnover in the first quarter of 2019, which translates into a negative effect of around 2.4% on turnover growth. The compounding facility is expected to be fully operational again in the course of the second half of 2019.

Focus on Brands also led to strong turnover growth in this segment in the first quarter of 2019, partly thanks to the successful launch of Fagron Genomics at the end of 2018. Over 12% of turnover in Europe is achieved with Brands in the first quarter of 2019, compared to 9.9% in the first quarter of 2018. The decline in turnover from Compounding Services is the result of temporarily reducing capacity at the compounding facility in the Netherlands and the registration of several non-sterile compounds in the Netherlands. The turnover generated from these registered products are now reported under Premium Pharmaceuticals.

Fagron South America

(x € 1,000)	Q1 2019	Q1 2018	Total growth	Total growth CER	Organic growth	Organic growth CER
Turnover	25,210	23,846	+5.7%	+13.2%	+5.7%	+13.2%



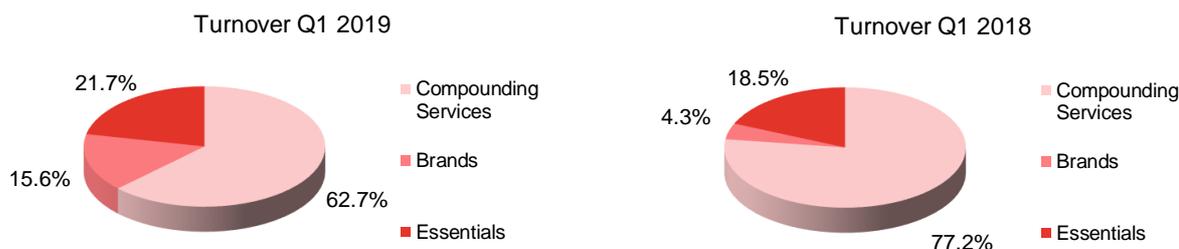
Turnover of the South America segment increased by 5.7% in the first quarter of 2019 (+13.2% at constant exchange rates) to € 25.2 million. Turnover at constant exchange rates of Brands and Essentials in Brazil grew by 13.2% in the first quarter of 2019 compared to the first quarter of 2018. The strategic focus on the development and introduction of innovative Brands and good product availability of Essentials enables Fagron to differentiate itself from the competition and further strengthen its market leadership.

The Compounding Services activities in Colombia continued their strong growth in the first quarter of 2019. Turnover growth at constant exchange rates was 12.3% in the first quarter of 2019.



Fagron North America

(x € 1,000)	Q1 2019	Q1 2018	Total growth	Total growth CER	Organic growth	Organic growth CER
Turnover	32,973	19,972	+65.1%	+52.3%	+32.3%	+21.9%



The turnover of the North America segment increased by 65.1% (+52.3% at constant exchange rates) in the first quarter of 2019 to € 33.0 million. Adjusted for the Humco acquisition, organic turnover growth was 32.3% (+21.9% at constant exchange rates).

In the United States, Fagron is active in Compounding Services with the Fagron Sterile Services and AnazaoHealth brands, operating four compounding facilities. Fagron Sterile Services in Wichita focuses on the growing outsourcing trend of sterile compounding by hospitals, while AnazaoHealth responds to the increasing focus of consumers on prevention and lifestyle.

Compounding Services performed in line with expectations and achieved turnover growth of 34.1% (+23.9% at constant exchange rates) in the first quarter of 2019. Fagron Sterile Services achieved turnover growth of 55.9% (+44.1% at constant exchange rates). AnazaoHealth achieved turnover growth of 22.5% (+13.2% at constant exchange rates).

Brands and Essentials turnover grew by 168.4% in the first quarter of 2019 (+148.1% at constant exchange rates) compared to the first quarter of 2018. Organic growth, excluding Humco which was acquired in April 2018, was 24.6% (+15.2% at constant exchange rates). Humco's integration is proceeding according to plan.

HL Technology

(x € 1,000)	Q1 2019	Q1 2018	Total growth	Total growth CER	Organic growth	Organic growth CER
Turnover	1,723	1,729	-0.3%	-3.2%	-0.3%	-3.2%

The turnover of HL Technology, the segment focused on developing, manufacturing and introducing innovative precision components and orthopaedic tools for the dental, medical and watch industries, declined by 0.3% (-3.2% at constant exchange rates) in the first quarter of 2019 compared to the strong first quarter of 2018 to € 1.7 million. On the basis of a solid order book, HL Technology is expected to return to growth in the second quarter of 2019.



Conference Call

Rafael Padilla (CEO) and Karin de Jong (CFO) will elaborate upon the trading update on the first quarter of 2019 during a conference call today. The conference call starts at 9:30am CET. From 10 minutes in advance, you will be able to call in using the numbers and confirmation code below:

Belgium: +32 (0)2 404 0659
Netherlands: +31 (0)20 703 8211
Spain: +34 91 419 2307
United Kingdom: +44 (0)330 336 9125
United States: +1 323 794 2093
Confirmation code: 6813451

The presentation to be used during the conference call will be available from 9:00 a.m. CET on [Fagron's website](#).

Financial calendar 2019

13 May	Annual General Meeting
5 August	Half-year results 2019
11 October	Trading update, third quarter 2019

The results and trading updates will be published at 7:00 a.m. CET.

In the event of differences between the English translation and the Dutch original of this press release, the latter prevails.

For more information

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Fagron profile

Fagron is a leading global company active in pharmaceutical compounding, focusing on delivering personalized medicine to hospitals, pharmacies, clinics and patients in 35 countries around the world.

The Belgian company Fagron NV is located in Nazareth and is listed on Euronext Brussels and Euronext Amsterdam under the ticker symbol 'FAGR'. Fagron's operational activities are driven by the Dutch company Fagron BV. Fagron BV's head office is located in Rotterdam.

Forward-looking statements – important reservations

Certain statements in this press release could be considered to be forward looking. Such forward-looking statements are based on current expectations and are influenced by various risks and uncertainties. Consequently, Fagron cannot provide any guarantees that such forward-looking statements will in fact materialise and cannot accept any obligation to update or revise any forward-looking statement as a result of new information, future events or for any other reason.