

ESTEVE announces a restructuring of its pharmaceutical activity

Esteve Pharmaceuticals submits a reduction in force (RIF) which will affect 103 jobs in Spain

Barcelona, 30 October 2018.- Esteve Pharmaceuticals, the society that brings the Group's pharmaceutical activity together, has announced the submission of a reduction in force (RIF) in Spain that will involve the termination of maximum 103 jobs out of the 1,290 people currently employed by this company (7% of staff).

The changes in the competitive environment where the Group develops its three major activities —pharma, chemistry and generics— have greatly affected the Group's profitability and sustainability. The limited growth of the Spanish pharmaceutical market, the need for high investment to further the development of the products presently in clinical phases or the impacts on its US subsidiary due to the delay in new product authorization by the FDA have significantly eroded the company's operating margins. This hard, yet thoughtful decision meets the objective of adapting the dimension of Esteve Pharmaceuticals to the new market situation.

At this time, the Company's responsible persons have already entered into negotiations with the employees' representatives with the will to reach an agreement as satisfactory as possible to both parties.

This decision was made after drastic austerity measures were taken to reduce expenses and investment and after the implementation of other measures in all ESTEVE activities (early retirements and elimination of temporary employment) in an attempt to stop and recover operating losses endured by the company since 2017.

This necessary readjustment is accompanied by a new strategic plan approved by the Board of Directors. This plan marks the future roadmap whose main objective is to focus Esteve's efforts on developing and commercializing innovative specialty pharma products on a global level.

ESTEVE (www.esteve.com) is a global pharmaceutical group headquartered in Barcelona. Founded in 1929, it currently employs more than 2,600 people, has an important presence in Europe and the US, and had a sales revenue of 803 million Euros in 2017. Research being ESTEVE's hallmark, a portfolio of highly innovative projects covering different medical specialties aims to respond to unmet medical needs.

For more information, please contact:

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