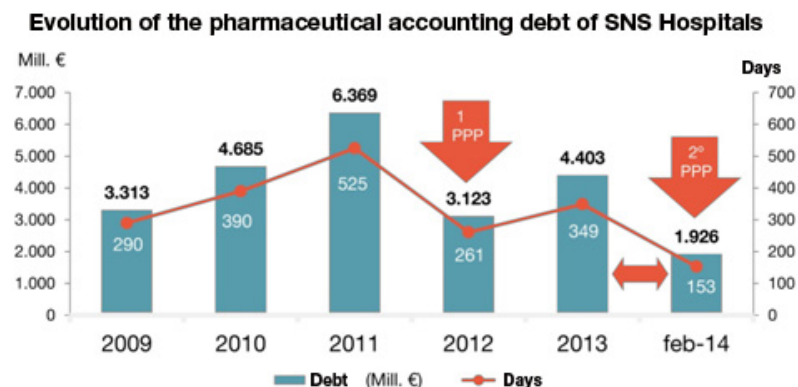


Since the Government's Payments Plan for Suppliers has been set up, the Average Payment Timeline has registered historical minimum.

Madrid, March 20th 2014.- Pharmaceutical companies have received from the Government's Payments Plan for Suppliers (PPP about 2,300 M €), between February 18th and 21st. This has allowed to settle almost the totality of the debt for the supply of medicines to hospital on the Spanish National Health System (SNS), previous to May 31st 2013.

After this settlement operation, the SNS's overdue debt with pharmaceutical companies has been reduced to reach 1,522 M € at the end of February 2014, of which 404 M € of current debt should be added (with a due date of less than 30 days).

Therefore, the SNS's average payment timeline for the supply of medicines to hospitals has been set at 153 days, which represents the lowest payment period ever registered.



FARMAINDUSTRIA appreciates this important initiative from the Government, which was worked on by the Ministry of Finance and Public Administrations, with full support from the Ministry of Health, Social Services and Equality, which have attained this great operation becoming a success, as well as the efforts made by other Regions to align their payment timelines with those Regions adhered to the Plan. The industry has also contributed to the sustainability of the SNS renouncing to about 260 M € of interests for late payment.

Notwithstanding, in order for this operation to really accomplish its objective – seeing Spain get to the average level of European countries where late payments are concerned, in the public sector through the compliance with the European Directive – it is essential to avoid new debt accumulating as a consequence of the insufficient financing that have been dragging down the public health system..

Thus, it is essential to budget adequately to real expenditure, and the subsequent compliance of the budgetary stability objectives, as well as the effective application of new laws of control of commercial debt and impulse electronic invoicing, both elements which will play a key role to achieve a structural solution to the problem of debt. However, it should be reminded that, nowadays, these instruments, together with the Regional Liquidity Fund (FLA), are not yet sufficient to contain the growth of commercial debt in some Regions, so new settlement operations in the future should not be discarded –though in a much lesser amount than in the past-, at the time that Regional financing is revised, including a sufficient financing for such a basic service as Health is.