



BUSINESS PERFORMANCE IN 1H09

1. Key events in 1H09

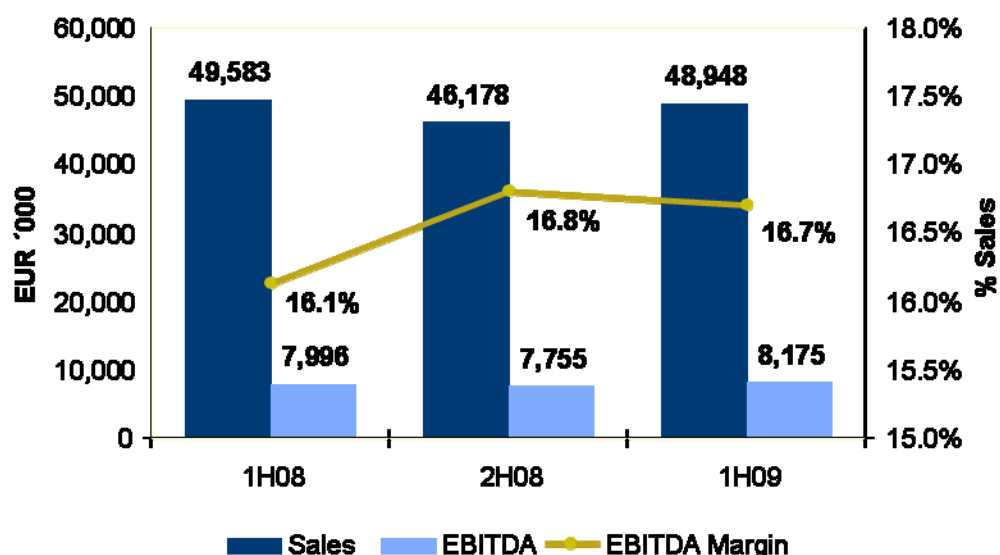
- ✓ **Revenues** amounted to **48.95 million euro**, an increase of **+1.3%** due to sustained demand from public sector customers.
- ✓ **EBITDA** improved **+2.2%** to **8.17 million euro** and the **EBITDA margin** was **16.7%**.
- ✓ **Net profit** totalled **4.66 million euro**, i.e. **8.8%** less than in 1H08, affected by the contraction in financial revenues.
- ✓ **Net debt** amounted to **11.69 million euro**, i.e. just **21%** of equity.

In an increasingly complicated context in which the world's leading countries (Spain in particular) are suffering an acute deterioration in economic activity, PRIM obtained satisfactory results with a minor decline in sales and an improvement in operating profit.

Although parent company revenues declined with respect to 1H08, they outstripped 2H08, and 1H09 EBITDA exceeded the 1H08 and 2H08 figures.

PRIM's efforts to maintain a sound financial position and weather liquidity issues at the various Group companies due to the tough economic times are evidenced in its particularly low indebtedness levels.

Half-yearly Performance



Unaudited data

2. Operating environment

Spain's economy experienced intense deterioration in the first half of 2009 in line with the internal adjustment under way since 2008. Specifically, at the end of the second quarter of 2009, real GDP was down -4.2% year-on-year and -1.1% quarter-on-quarter, i.e. the fourth consecutive quarter of negative growth. The slump in economic activity is still attributable to the sharp contraction in domestic demand, whereas the foreign sector made a positive contribution despite a pronounced weakening in both imports and exports.

On the supply side, added value declined in all segments of the economy (and in industry in particular), as job destruction was exacerbated. According to the National Statistics Institute, unemployment in Spain in the second quarter of 2009 reached 17.92% (i.e. 4,137,500 people out of work), the highest rate in the comparable historical series which dates back to 2001; looking back even further and using non-comparable series, unemployment has not been this high since the fourth quarter of 1998, when it reached 17.99%. Less activity has led prices to fall considerably, to the extent that the year-on-year CPI for July dipped to -1.4%, a new record low and the eleventh consecutive decline. While all components of the CPI decelerated, energy was affected particularly by the baseline effect caused by higher oil prices the previous year.

The outlook is anything but promising. The International Monetary Fund (IMF) recently revised its estimate for Spain's GDP to a decline of 4% this year, and it expects a contraction of 0.8% for 2010; it was the largest decline in the IMF's forecasts among the developed countries. The downgrade is even more dramatic considering that the Fund revised its forecast for global growth in 2010 upward to 2.5% as a result of an improved financial system and the tempering of the recession, while global activity is forecast to contract by 1.4% in 2009, the largest slump since World War II. The Fund updated its growth forecasts, affirming positive signs worldwide. However, it warned that the recession is not yet over and that recovery will be protracted given that the financial system has not normalised and fiscal and monetary stimuli will be gradually phased out.

Against this backdrop, global financial markets have continued to improve since early March, encouraged by the above-mentioned signs of a slower contraction in economic activity worldwide and a slight stabilisation of banks. A number of US banks have paid back government funds received as part of the TARP. Additionally, there has been a slight improvement in liquidity and investment grade non-financial corporate debt issues have made a comeback. At the end of June, the IBEX-35 had accumulated gains of 6.4%, outstripping both the EuroStoxx50 (1.9%) and the S&P500 (1.8%).

3. Income Statement Analysis

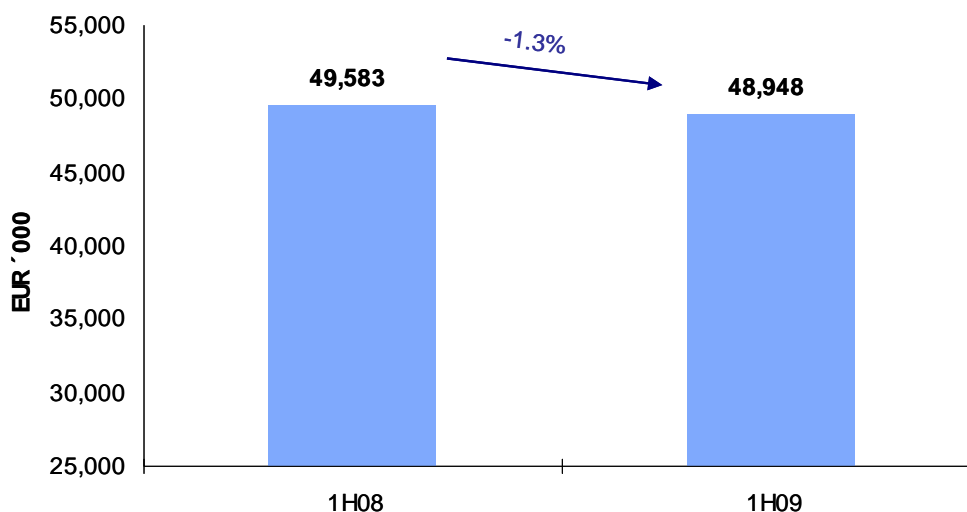
Prim's key figures in 1H09 are shown below:

thousand euro	1H09	1H08	Var.	% Var.
Sales	48,948	49,583	-635	-1.3%
EBITDA	8,175	7,996	178	2.2%
% a/sales	16.7%	16.1%		0.6pp
EBIT	6,979	6,775	204	3.0%
% a/sales	14.3%	13.7%		0.6pp
Income before taxes	6,687	7,329	-642	-8.8%
Net Income for the year	4,658	5,105	-447	-8.8%
% a/sales	9.5%	10.3%		-0.8pp

Unaudited data

Revenues amounted to 48.95 million euro, down 1.3% with respect to the previous year. The good performance of sales to public sector customers partially offset difficulties with sales to private sector customers (much more exposed to the sharp deterioration of the Spanish economy and to the credit crunch), which account for the bulk of Group subsidiaries' business.

Sales



Unaudited data

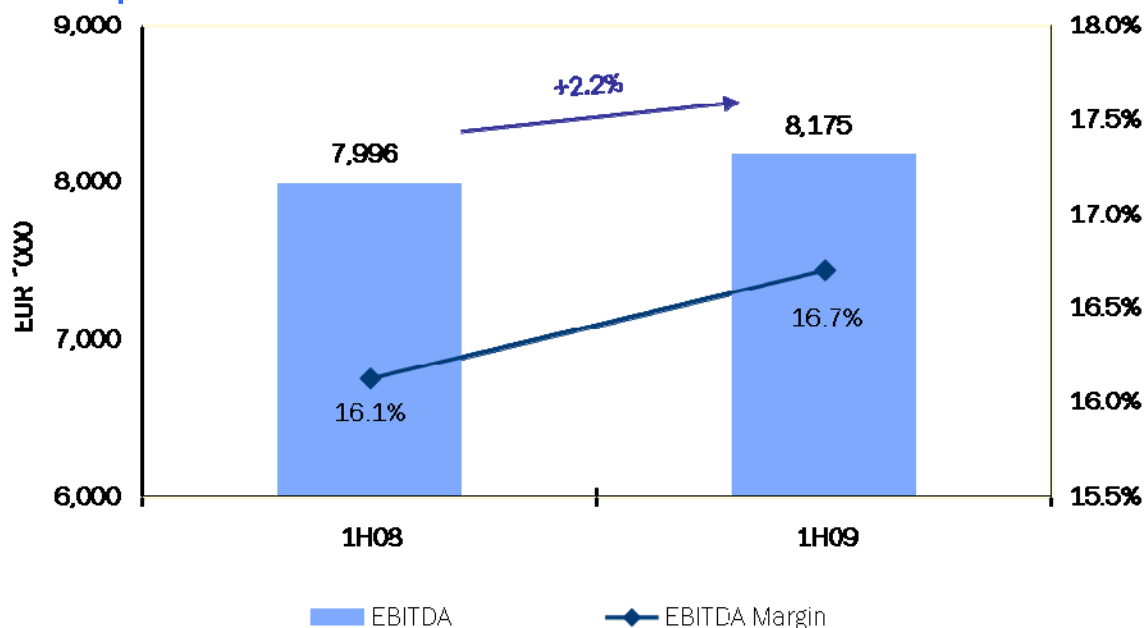
PRIM's cost containment policy, implemented to weather the current economic situation, significantly reduced **procurement costs**, which shrank 6.8% in the period to 19.59 million euro, accounting for 40% of revenues, compared with 42% last year.

The **"Other operating costs"** item declined by 6.8% to 8.47 million euro, accounting for 17% of revenues, compared with 18% in 2008.

The group reduced its average workforce to 505, 5.6% less than in 1H08 (535); however, **personnel costs** increased +2.8%.

The widespread efforts to cut costs improved **EBITDA** by 2.2% to 8.17 million euro. This increased the EBITDA margin to 16.7%, 0.6 points more than last year (16.1%) and in line with the second half of 2008 (16.8%)

EBITDA performance



Unaudited data

Depreciation and amortisation declined in the period by 2% to 1.19 million euro, with the result that **EBIT** improved by 0.2 million euro to 6.98 million euro (+3% compared with the same period last year). The **EBIT margin** also improved 0.6 points to 14.3% (13.7% in 1H08).

Financial revenues declined by 66% with respect to 1H08 due to less default interest received from the Social Security in the period (183,793 euro, compared with 935,364 euro in 1H08); this decline was not offset by the positive performance of financial expenses (down 41% with respect to the same period in 2008).

The decline in financial results impacted **EBT**, which fell 0.64 million euro to 6.69 million euro, i.e. 87% less than last year's figure. The tax rate remained steady at 30%; as a result, **net income attributable to the parent company** declined 8.8% to 4.66 million euro.

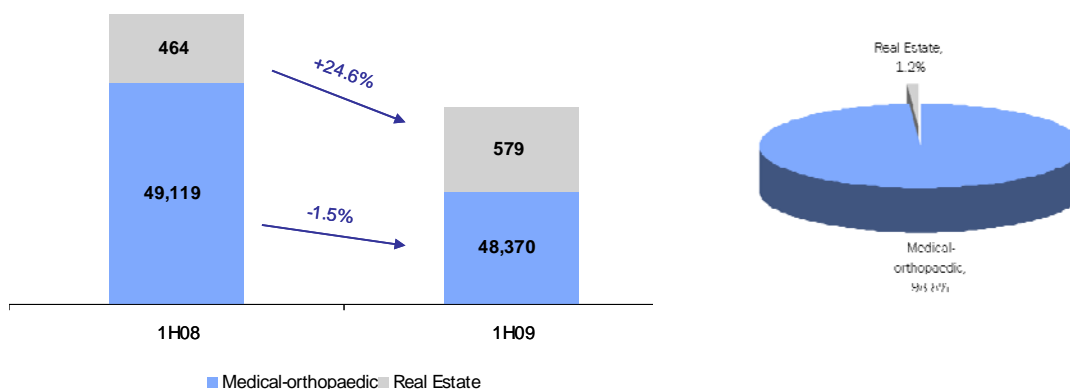
4. Revenue performance by line of business and geographic area

The **medical supply business**, which accounts for 98.8% of total Group revenue and includes hospital and orthopaedic supplies, together with income from the various investees, saw sales decline just 1.5% to 48.37 million euro. This is due primarily to the drop in demand from private sector customers (with which the Group's subsidiaries do business) due to the severe deterioration of the economic situation and to difficulties those customers face in obtaining credit. In contrast, sustained demand from public sector customers (mainly hospitals) partially offset this negative impact.

As regards the **real estate** activity (including the lease of the group's former offices on Avenida Llano Castellano, in Madrid), revenues totalled 0.58 million euro, a sizeable +24.6% increase, due essentially to attainment of 100% occupancy.

At all events, this item still accounted for a very small portion of total revenues in the period (i.e. 1.2%).

Revenues by Activity 1H09

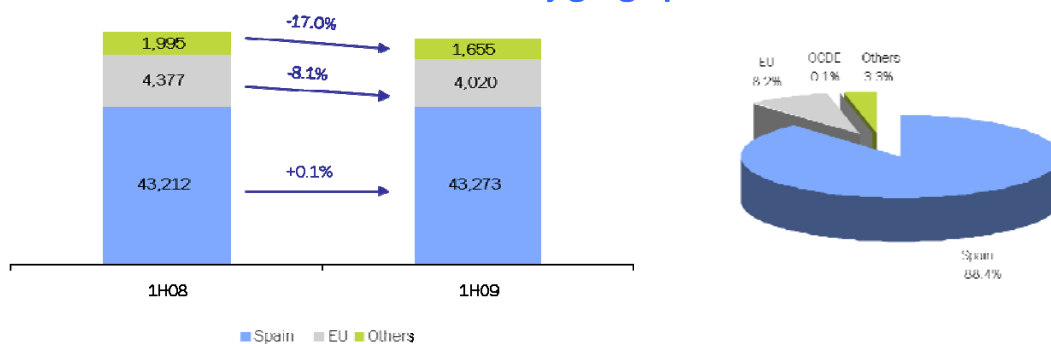


Unaudited data

Spain, which accounts for 88.4% of total group revenues, performed positively despite the deterioration of its economy. Revenues in Spain remained stable in the first six months of the year, totalling 43.27 million euro (up +0.1% with respect to the same period last year).

In contrast, foreign sales were hit the hardest by the drop in demand from private customers. As a result, revenues fell 8.1% in the European Union and 17% in other geographic markets in the period, which was the main reason for the 1.3% decline in total Group revenues in 1H09. As a result, exports fell to 11.6% of total Group revenues, down from 12.8% in the same period last year.

Breakdown of sales by geographical area 1H09

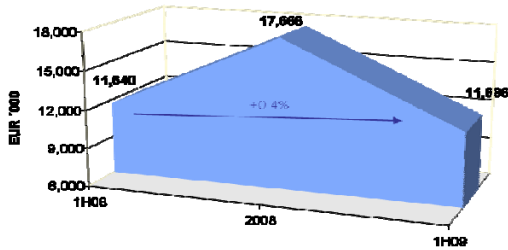


Unaudited data

5. Consolidated balance sheet

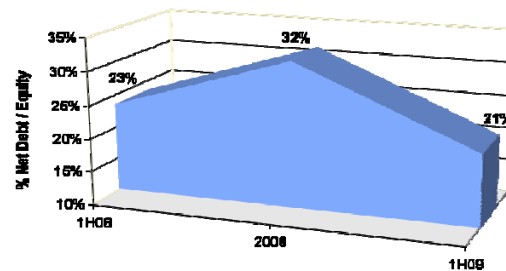
PRIM maintains a very solid financial structure to avoid potential liquidity problems that may arise as a result of the negative economic situation affecting the various Group companies. **Net debt** amounted to 11.69 million euro, up +0.4% compared with 1H08, but well below the figure at the end of 2008 (17.7 million euro). **Leverage** was 21%, compared with 23% in 1H08 and 32% at the end of 2008.

Net debt



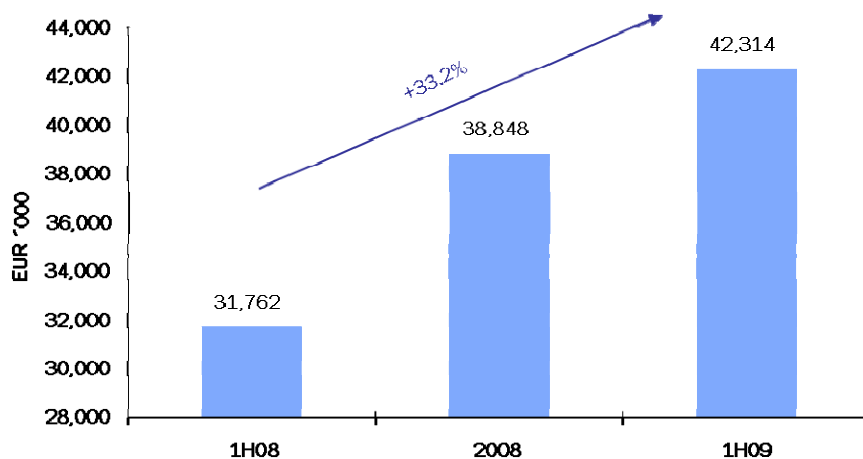
Unaudited data

Leverage



Working capital increased by +33.2%, due primarily to the fact that short-term customer receivables increased +27.5% to 45.74 million euro. This increase is the result of collection in 1H09 of the long-standing debt owed by the Andalusia and Valencia regions, as a result of which the company modified estimates (which didn't take into account customer balances maturing at over 1 year).

Working capital



Unaudited data

Treasury stock increased 3.48 million euro to end the half-year with 405,719 shares (2.34% of the company's capital).

6. Regulatory disclosures to the CNMV in the period

On 12 January, the company paid an interim dividend of 0.05 euro gross per share.

On 18 May, the company held an Extraordinary Shareholders' Meeting which annulled the resolution approved at the previous Shareholders' Meeting of 21 June 2008 to increase capital out of revaluation reserves.

On 20 June, the Shareholders' Meeting approved the distribution of a supplementary dividend of 0.125858 euro gross per share, to be paid on 10 July.

On 25 June, the company acquired an additional 10% of LUGA Suministros Médicos S.L., increasing its stake to 90%. The transaction cost 488,000 euro.

7. Subsequent events

An interim dividend out of 2008 income amounting to 0.125858 euro gross per share was paid on 10 July.

Annex 1. Consolidated Income Statement (IFRS)

Miles de euros	1 S09	1 S08	Var.	% Var.
Importe neto de la cifra de negocio	48.948	49.583	-635	-1,3%
Otros ingresos	192	183	8	4,6%
Var. Existencias de productos terminados y en curso	-362	542	-904	-166,9%
Aprovisionamientos	-19.593	-21.024	1.431	-6,8%
Gastos de personal	-12.538	-12.199	-339	2,8%
Otros gastos	-8.473	-9.090	617	-6,8%
EBITDA	8.175	7.996	178	2,2%
<i>% s/ ventas</i>	<i>16,7%</i>	<i>16,1%</i>		
Dotación a la amortización	-1.195	-1.220	25	-2,0%
EBIT	6.979	6.775	204	3,0%
<i>% s/ ventas</i>	<i>14,3%</i>	<i>13,7%</i>		
Ingresos financieros	367	1.086	-720	-66,2%
Gastos financieros	-382	-648	267	-41,1%
Otras ganancias o pérdidas	-277	116	-393	-338,3%
Beneficio antes de impuestos	6.687	7.329	-642	-8,8%
Impuestos	-1.999	-2.175	176	-8,1%
Beneficio despues de impuestos	4.688	5.154	-466	-9,0%
Intereses minoritarios	-30	-49	19	-38,2%
Beneficio neto	4.658	5.105	-448	-8,8%
<i>% s/ ventas</i>	<i>9,5%</i>	<i>10,3%</i>		

Unaudited data

Annex 2. Consolidated Balance Sheet (IFRS)

Miles de euros	1 S09	1 S08	Var.	% Var.
Inmovilizado material	11,357	11,011	346	3.1%
Inversiones inmobiliarias	4,249	4,538	-289	-6.4%
Fondo de comercio	2,229	2,497	-268	-10.7%
Otros activos intangibles	108	139	-31	-22.3%
Activos financieros no corrientes	3,077	1,136	1,941	170.8%
Inversiones financieras por método de participación	5,590	5,248	342	6.5%
Otros activos no corrientes	0	6,109	-6,109	-100.0%
Activos no corrientes	26,610	30,678	-4,068	-13.3%
Existencias	21,720	21,636	84	0.4%
Deudores comerciales	45,738	35,864	9,874	27.5%
Otros activos financieros corrientes	216	1,662	-1,446	-87.0%
Otros activos corrientes	1	111	-111	-99.5%
Efectivo y otros medio líquidos equivalentes	2,751	2,186	565	25.9%
Activos corrientes	70,426	61,459	8,967	14.6%
Total Activo	97,036	92,137	4,899	5.3%
Capital	4,337	3,943	394	10.0%
Prima de emisión	1,227	1,227	0	0.0%
Reservas	49,633	41,712	7,921	19.0%
Resultado ejercicio atribuido a sociedad dominante	4,658	5,105	-447	-8.8%
Autocarera	-3,484	-2,409	-1,075	44.6%
Dividendo a cuenta	0	0	0	n.d.
Patrimonio neto atribuidos a los accionistas de sociedad dominante	56,371	49,578	6,793	13.7%
Intereses minoritarios	0	1	-1	-51.2%
Patrimonio neto	56,371	49,579	6,792	13.7%
Deudas con entidades de crédito	10,859	10,950	-91	-0.8%
Pasivos por impuestos diferidos	713	289	424	146.7%
Otros pasivos no corrientes	981	1,622	-641	-39.5%
Pasivos no corrientes	12,552	12,861	-309	-2.4%
Deudas con entidades de crédito	3,578	2,876	702	24.4%
Acreedores comerciales	21,614	26,825	-5,211	-19.4%
Otros pasivos corrientes	2,920	-4	2,924	n.d.
Pasivos corrientes	28,112	29,697	-1,585	-5.3%
Total Pasivo y Patrimonio Neto	97,036	92,137	4,899	5.3%
Deuda Financiera Neta	11,686	11,641	44	0.4%

Unaudited data

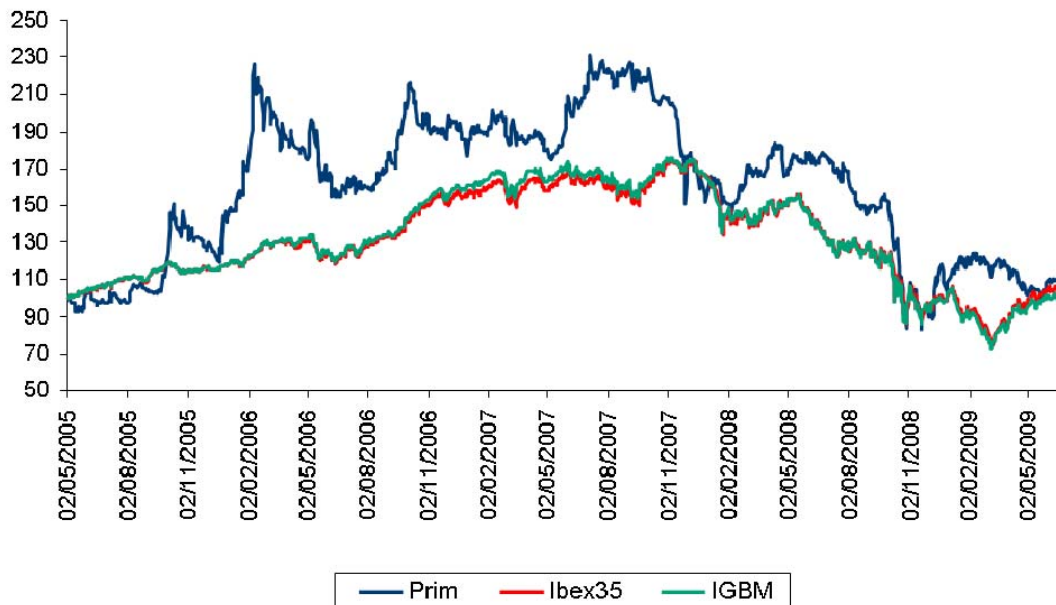
Annex 3. Consolidated Cash Flow Statement (IFRS)

Miles de euros	1 S09	1 S08	Var.	% Var.
Cobros de explotación	52.655	46.979	5.676	12,1%
Pagos a proveedores y al personal por gastos de explotación	-42.061	-43.223	1.162	-2,7%
Pago de intereses	-22	-45	23	-52,0%
Pago de dividendos y remuneraciones de otro inst. patrimonio	0	0	0	n.d.
Cobros de dividendos	34	26	8	29,0%
Cobro de intereses	214	1.009	-795	-78,7%
Cobros (Pagos) por impuesto sobre beneficios	-621	-565	-56	10,0%
Otros cobros (pagos) de actividades de explotación	-2.566	-820	-1.746	212,9%
Flujos de efectivo de las actividades de explotación	7.634	3.361	4.273	127,1%
Pagos por inversiones	-1.768	-1.778	10	-0,5%
Cobros por desinversiones	12	131	-119	-90,6%
Otros flujos de efectivo de actividades de inversión	0	0	0	n.d.
Flujos de efectivo de las actividades de inversión	-1.756	-1.647	-109	6,6%
Cobros y pagos por instrumentos de patrimonio	-120	-881	761	-86,4%
Cobros y pagos por instrumentos de pasivo financiero	-3.166	-1.003	-2.163	215,7%
Pagos por dividendos	-843	-717	-126	17,6%
Otros flujos de efectivo de actividades de financiación	0	0	0	n.d.
Flujos de efectivo de las actividades de financiación	-4.129	-2.601	-1.529	58,8%
Efecto de las variaciones de tipo de cambio	89	-321	410	-127,7%
Aumento/ disminución neto de efectivo y equivalentes	1.838	-1.208	3.046	-252,1%
Efectivo y equivalentes al inicio del periodo	913	3.394	-2.481	-73,1%
Efectivo y equivalentes al final del periodo	2.751	2.186	565	25,8%

Unaudited data

Annex 4. Share Price Performance

Prim's stock price vs Ibex35
(Base 100, since May 1st 2005 to June 30th 2009)



Daily price of Prim shares since May 2005

Share price at 30/06/09	
Market Cap	110.848.122
# shares	17.347.124
Share price	6,39
Max-Min	7,15 - 5,78

Performance	PRM	Ibex-35	IGBM	Average Daily Volume	
				# shares	€
2001	117,8%	-7,8%	-6,4%	2.905	3.268
2002	14,0%	-27,6%	-22,6%	4.112	6.555
2003	75,5%	26,6%	26,0%	6.298	12.166
2004	142,9%	18,0%	19,2%	6.605	31.440
2005	74,3%	18,2%	20,6%	20.805	188.362
2006	36,1%	12,6%	14,0%	48.675	757.063
2007	-14,2%	7,3%	5,6%	36.802	462.123
2008	-28,9%	-39,4%	-40,6%	14.927	129.074
1H09	3,1%	6,4%	4,2%	13.905	90.423

* May 2005 starts trading at continue market