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For Further Information  
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***Strong Sell Recommendation***

***General Nutrition Companies, Inc ("GNCI") (Price: \$21.00)***

***Asensio and Company strongly recommends selling. GNCI's success is based on the belief that vitamins and nutritional supplements are beneficial to an individual's health. The conclusive findings of two important studies released today shatter this belief. Furthermore, even before today's material negative developments, GNCI's fundamentals had already begun to significantly deteriorate and key officers were aggressively selling their stock.***

- The National Cancer Institute issued today the results of two studies that are highly negative to the use of vitamins.

Investigators conducting the Beta Carotene and Retinal Efficacy trials, a large, long term study on the effects of the combination of beta carotene and vitamin A as preventive agents for lung cancer, terminated the intervention last week after instructing the 18,314 participants to stop taking their vitamins. Interim studies indicate that the supplements provide no benefit and may be causing harm.

Investigators in another trial, the Physicians' Health Study, conducted by The Harvard Medical School and Brigham and Women's Hospital of Boston said that their study of 22,071 U.S. male physicians ended on schedule December 31, 1995, after more than 12 years of treatment. The study showed no significant evidence of benefit from beta carotene on cancer or cardiovascular disease.

The results of the CARET and the Physician's Health Study provide strong evidence of no benefit from beta carotene supplements and raise questions about their safety for the general public. "The National Cancer Institute has never had a recommendation for Americans to take supplements," said Peter

Greenwald, M.D., Dr.P.H., director of NCI's Division of Cancer Prevention and Control.

- As the largest retailer of vitamins, GNC has the most to lose.
- A much less negative vitamin study published in April 1994 hurt the overall industry and GNC's sales and caused the stock price to decline sharply.
- In addition, GNC's stock which is trading at a P/E of 29, is fundamentally overvalued .
- GNC has a over \$ 200 million of debt , tangible net worth of just \$2 million and a market value of \$1.8 billion.
- GNC has already saturated the market with 2400 stores in almost every mall in the country.
- GNC has a very low average store sales of \$450,000.
- The Company has already stated that their fourth quarter results will be less than anticipated. The Company's earnings growth declined in Fiscal 1996 versus the growth of 1995 and 1994.
- GNC has been the target of a number of negative investigative reports, an FDA lawsuit and hundreds of product liability lawsuits.
- The stock has run up in 1995 from a January low of \$ 11 1/4 to \$ 26 1/2, with the help of unanimous buy recommendations from 8 major firms. Over 30 institutional accounts already hold over 1 million shares.
- In November there was heavy, rapid and aggressive insider stock selling at \$22 to \$24 per share. The **President & CEO sold 80% of his holdings and two Vice Presidents sold 100%** of their holdings.

Watts, William E, Pres., sells 130,000 on 11/09/95

Mancini, Louis, V.P., sells 88,000 from 11/09/95-11/10/95

Larrimer, Curtis J, V.P., sells 20,200 from 11/09/95-11/15/95

Kozlowski, Edwin J, V.P., sells 15,000 from 11/09/95- 11/15/95

Horn, Jerry D, Chairman, sells 30,000 on 11/09/95.

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.