


**K-V Pharmaceutical Company****KVA NYSE****Pharmaceuticals - Generic / Specialty**

Market Capitalization USD:

\$65.79 mm**CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated.
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Gregory J. Divis**Age: 45****CEO Since: 2010**

	2009	2010	2011
Base Salary	\$1,087,917		\$638,750
Discretionary Bonus	\$0		\$130,000
Annual Cash Incentive	\$0		\$0
Benefits and Perquisites	\$711,968		\$3,331
TOTAL ANNUAL COMPENSATION	\$1,799,885		\$772,081
Increase in Post-Retirement Benefits	\$0		\$0
Stock Option Awards	\$0		\$204,189
Stock Awards	\$1,778		\$0
TOTAL COMPENSATION	\$1,801,663		\$976,270
Median of Other Named Executive Officers Total Compensation	\$613,347		\$518,610
Value Realized on Exercise of Stock Option	\$0		\$0
Value Realized on Vesting of Stock	\$0		\$0
TOTAL REALIZED EQUITY COMPENSATION	\$0		\$0

Proxy Date: 26 Jul 2012

Annual Meeting Date: 13 Sep 2012

Equity Reserves: 42.93%

Stock Option Run Rate: 2.23%

K-V Pharmaceutical Company

KVA NYSE

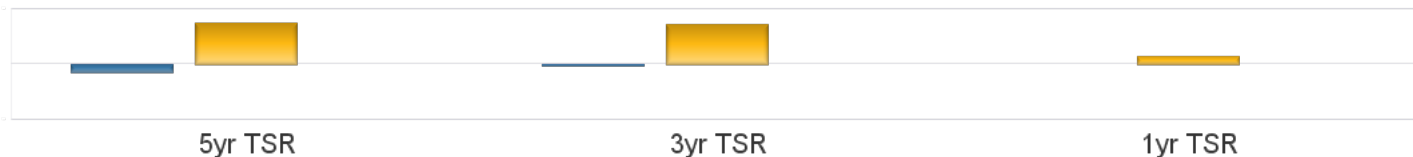
Pharmaceuticals - Generic / Specialty

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Performance Comparison

■ S&P500 ■ Industry ■ KVA



Peer Comparisons (TRBC) =Pharmaceuticals - Generic / Specialty

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
KVA	K-V Pharmaceutical Company	\$1,801,663		\$976,270	\$65,785,464
AMPE	Ampio Pharmaceuticals, Inc.		\$559,512		\$191,000,322
XOMA	XOMA Ltd.		\$1,519,049	\$1,312,655	\$188,479,395
VICL	Vical Incorporated	\$1,110,162	\$1,894,099	\$1,722,891	\$178,161,126
OMPI	Obagi Medical Products, Inc.	\$719,866	\$2,326,018	\$1,813,255	\$168,696,431
CRTX	Cornerstone Therapeutics Inc.	\$934,720	\$1,469,073	\$1,103,503	\$166,115,878
SNTA	Synta Pharmaceuticals Corp.	\$869,229	\$1,226,411	\$1,610,630	\$160,858,824

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps.

Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

NA

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
David Sidranskv	Chairman	52	Male	2	Outside
Ana I. Stancic	Member	55	Female	2	Outside
David S. Hermelin	Member	45	Male	8	Outside Related
Mark A. Dow	Member	62	Male	2	Outside
Robert E. Baldini	Member	81	Male	2	Outside