

Almirall H1 results 2016: Growth in Total Revenues and Net Sales driven by Dermatology

- Solid first half 2016 performance, in line to achieve yearly guidance
- Total Revenues and Net Sales accelerating vs Q1 16 and same period last year
- Growth driven by Dermatology (+13.3%), which now accounts for 43% of sales vs. 41% in H1 15
- Continued pipeline progress, reinforced with recent transaction: Patagonia Pharmaceuticals
- US launches of Veltin and Altabax in early July 2016
- Dividend paid on June 1st 2016 at 0.19 per share

Barcelona, 26th July 2016

Financial highlights (€ rounded million)

	H1 2016	H1 2015	Variation
Total Revenues	428.1	407.9	5.0%
• Net Sales	388.3	359.4	8.0%
• Other Income	39.8	48.5	(17.9%)
Gross Profit	273.2	248.3	10.0%
• % of sales	70.4%	69.1%	
EBITDA	123.5	123.4	0.1%
Net income	80.5	58.8	36.9%

Eduardo Sanchiz, CEO, commented:

"We have delivered a solid set of results in first half of 2016, boosted by Dermatology which puts us on track to achieve our yearly guidance. As we anticipated at the beginning of the year, Total Revenues and Net sales have accelerated in Q2, helped by the contribution of new businesses. Dermatology sales have grown by 13.3%, and now represent 43% of group Net Sales. The company's performance will be boosted in H2 by Veltin and Altabax, which were launched at the beginning of July 2016 in the US. We are very pleased with the recently announced transaction of Patagonia Pharmaceuticals, which reinforces our pipeline and brings an additional potential growth driver to Almirall, as we continue to position ourselves as a leading Dermatology player."

Barcelona, 26th July, 2016 - Almirall, the global pharmaceutical company based in Barcelona, has announced its results for the first half of 2016.

Performance on track to achieve yearly guidance

As of July 26th, **Total Revenues** were €428.1 MM, representing an increase of +5.0%.

Total Revenues comprised **Net Sales** of €388.3 MM (+8.0%) driven by Dermatology (+13.3%) and **Other Income** of €39.8 MM.

Gross Profit YTD came in at €273.2 MM, which represents 70.4% of Net Sales (versus 69.1% in H1 2015).

The company's **Net Cash Position** was at €76.5 MM at the end of H1, whereas the **Financial Debt** was €320 MM, representing 12% of the total liabilities.

Both R&D and SG&A expenses in this period are more reflective of a Specialty Pharma model.

Research & Development expenses accounted for €44 MM, or 11.3% of sales in the first half of 2016, representing a slight increase as a percentage of sales, compared with the same period of 2015.

Selling, General & Administrative expenses meanwhile came in at €196.3 MM remaining stable versus H1 2015.

As a result of the above, **EBITDA** increased to €123.5 MM (+0.1%).

Net Income was €80.5 MM (+36.9%), a significant increase in comparison to last year, and positively affected by the divestment of the Mexican affiliate during the second quarter of the year.

Shareholders Equity represented 56.6% of Total Assets.

Strong Dermatology sales growth

The **Dermatology** franchise boosted sales growth by 13.3% in H1 2016. This therapeutic area now accounts for 43% of total Net Sales vs 41% H1 2015. This was due to a strong performance of Dermatology in Europe, where sales increased by +27% vs the same period of last year (driven by the actinic keratosis franchise, Solaraze[®] and Actikerall[®], and Ciclopoli[®]).

As anticipated, there is a tougher operating environment in the US and H1 sales decreased by 2.5%. The US Dermatology franchise will be boosted by the recent launches of **Veltin[®]** and **Altabax[®]**.

R&D and pipeline

Our clinical stage projects continue to make good progress.

Recently, Almirall entered into a global licensing agreement with Patagonia LLC for the development and commercialization of a novel medicinal treatment to enter Phase 2 clinical studies in patients with Congenital Ichthyosis.

Dividend payment

A dividend payment of 33 million euros or 0.19 euros per share was paid on 1st June 2016.

Vision for the future

Almirall will be a leading specialty pharmaceutical company with a strong focus on improving lives of Dermatology and Aesthetics patients.

The company will use its strong cash position to fund growth opportunities in this direction.

Guidance for 2016

Guidance is reiterated: Almirall expects Total Revenues, Net Sales and EBITDA all to grow at high single digit level (CER) in 2016.

Investor Calendar 2016

- Q3 2016 Financial Results – 7th November

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About Almirall

Almirall is a global company based in Barcelona dedicated to providing valuable medicines and medical devices through its R&D, agreements and alliances. Our work covers the whole of the drug value chain. A consolidated growth allows us to devote our talent and efforts towards specialty areas and particularly to further grow as a leading Dermatology player. We are a specialist company, enabling us to accomplish the purpose of taking our innovative products wherever they are needed.

Founded in 1943, Almirall is listed on the Spanish Stock Exchange (ticker: ALM) and it has become a source of value creation for society due to its vision and the commitment of its long-standing major shareholders. In 2015, its revenues totalled 769 million euros and, with 1,800 employees, it has gradually built up a trusted presence across Europe, as well as in the US.

For more information, please visit: www.almirall.com.

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