

Barcelona,  
 July, 30<sup>th</sup> 2018

# Strong H1 2018 business results

## Upgrading EBITDA Guidance

- Strong H1 2018 performance leads to an upgrade in EBITDA Guidance FY 2018, c. 30% growth (versus c. 20% previously given)
- Total Revenues and Net Sales increased by 6.5% CER<sup>1</sup>. EBITDA increased by 78.2% year-on-year CER<sup>1</sup>
- Almirall continues building its psoriasis franchise. Our first biologic, ILUMETRI<sup>®</sup> (tildrakizumab), recently received the positive opinion from the EU CHMP and Skilarence<sup>®</sup> EU rollout according to plan
- Almirall's R&D pipeline is progressing well with positive phase III readouts for KX2-391 (actinic keratosis) and P3074 (androgenic alopecia)

### Financial highlights (€ rounded million)<sup>2</sup>

	YTD Jun 2018	YTD Jun 2017	Variation	Variation (CER <sup>1</sup> )
<b>Total Revenues</b>	<b>398.3</b>	<b>378.9</b>	5.1%	6.5%
• Net Sales	367.4	349.3	5.2%	6.5%
• Other Income	30.9	29.6	4.4%	6.4%
<b>Gross Profit</b>	<b>252.6</b>	<b>233.0</b>	8.4%	10.3%
• % of sales	68.8%	66.7%		
<b>EBITDA</b>	<b>105.5</b>	<b>58.6</b>	80.0%	78.2%
<b>Net Income</b>	<b>52.0</b>	<b>(73.1)</b>	<i>nm</i>	<i>nm</i>

<sup>1</sup> CER (Constant Exchange Rates): Excluding the effects of exchange rate fluctuations

<sup>2</sup> IFRS 15 implemented

*“We are pleased with our continued positive business results during Q2 of 2018, with a strong EBITDA and Net Income delivery. These positive results enable us to upgrade our Guidance in terms of EBITDA. We are now confident of achieving year-on-year growth c. 30% in 2018 (versus our original EBITDA forecast of c. 20% growth), and confirm our Total Revenue Guidance.*

*Medical dermatology in Europe continues to perform well and we are building a solid psoriasis franchise, with the recent positive CHMP opinion of our first biologic, ILUMETRI® (tildrakizumab). Moreover, we were pleased with two phase III positive results in actinic keratosis and androgenic alopecia, respectively. This confirms our strategy to focus on addressing unmet needs of patients with an increasingly innovation-driven model. It is key to be bold in the field of innovation, both in R&D and commercially, in order to become a leader in medical dermatology.*

*Our solid results demonstrate that we are on track with our focused commitment to dermatology while leveraging our core strengths. Looking ahead at the remainder of 2018, we feel confident about the business outlook and delivering long-term profitable growth for our shareholders.”*

**Peter Guenter, CEO**

Almirall, S.A. (ALM), a specialty pharmaceutical company based in Barcelona, has announced its first-half year 2018 results.

## Results summary

- **Net Sales** of €367.4 MM grew by 6.5% in CER vs. H1 2017, representing a significant acceleration from Q1 as we benefited from new launches and a solid performance of the base business. **Total Revenues** reached €398.3 MM in H1 2018 (+6.5% in CER).
- **Gross Profit** growth of 10.3% in CER (€252.6 MM vs €233.0 MM in H1 2017) reflected a constant currency gross margin increase, driven mainly by improved product mix.
- **Research & Development** costs were €38.2 MM in H1, representing 10.4% of Net Sales (vs. 9.8% of Net Sales in Q1 2018) and are expected to continue accelerating in H2 2018.
- **Selling, General & Administrative** expenses, excluding depreciation, declined by 7.7% in CER in H1 2018, despite investment in new launches.
- **EBITDA** experienced an important growth and came in at €105.5 MM (+78.2% growth in CER) at close of H1 2018, mainly driven by Net Sales increase, gross margin improvement and cost reduction.
- **Net Income** of €52.0 MM experienced very strong growth in comparison to H1 2017 (- €73.1 MM).
- **Cash Flow from Operating Activities** was €69.7 MM, while our **Cash Position** is €63.2 MM. **Financial Debt** came to a total of €100.1 MM, representing 5.1% of Total Assets.
- **Shareholders Equity** represented 59.0% of Total Assets.

## Continued strong performance of key brands in Europe and expanding psoriasis franchise

We are reinforcing our position within the medical dermatology space, which is a strategic area for the company. In H1 2018, dermatology sales amounted to €126.9 MM. **The European dermatology market represented a key driver with sales of €94.8 MM (80.1% of total Rx Dermatology)**, boosted by **Skilarence®** and the products from our acquisition of Poli Group, such as **Ciclopoli®**. This product, Ciclopoli®, accounted for €22.5 MM of sales.

Psoriasis is a disease that affects more than 125 million people worldwide<sup>3</sup> and continues to be a strong growth category due to the significant unmet needs that continue to exist. Almirall's goal remains to become a leader and reliable source of treatments for patients and information for medical professionals in this field.

The company is focused on providing a wide range of treatment options in this field. Almirall's dimethyl fumarate (EU approved brand name Skilarence®) is the first and only European Commission approved fumaric acid ester for the treatment of adult patients with moderate-to-severe chronic plaque psoriasis. **Since its launch in Q4 2017, it is performing strongly in its roll-out in countries like UK and Germany**, accounting for sales of €8 MM in H1 2018 and boding well for the expected roll outs in other key European countries during the second half of 2018. The rollout of Skilarence® is progressing according to plan. After its recent marketing in The Netherlands, the next countries to launch will be Spain and Italy.

In addition tildrakizumab, an investigational IL-23p19 inhibitor being evaluated for the treatment of moderate-to-severe plaque psoriasis received a CHMP positive opinion on July 27<sup>th</sup> and its approval by the EC is expected by the beginning of October 2018, with launch to follow shortly thereafter under the brand name of ILUMETRI®. Combined, we expect peak sales of Skilarence® and ILUMETRI® in Europe to be over €250 MM.

While we maintain our focus on medical dermatology, we complement our portfolio with other therapeutic divisions, such as central nervous system, cardiovascular and gastrointestinal, amongst others. This includes our key brand **Sativex®**, an endocannabinoid system modulator indicated as a treatment for patients with moderate to severe spasticity related to multiple sclerosis, that has generated **sales of €13.5 MM, (growth of 15.7% vs H1 2017)**, and OTC products such as **Airtal® and Almax®, both growing in double-digits in H1 2018 vs H1 2017**.

## R&D progression. Positive readings of phase III programs.

Breakthrough innovation and alliances with partners are key in Almirall's R&D strategy, with a pipeline entirely dermatological, that is progressing well. We continue to target an investment of approximately 13% of Net Sales in the mid-to-long term.

In addition to Skilarence® (dimethyl fumarate) and ILUMETRI® (tildrakizumab), we have other clinical trials in late stages, which are progressing as planned. Recent readings of top-line results of phase III of KX2-391 (actinic keratosis) were positive. Top-line results of phase III of P3074 (androgenic alopecia) were also encouraging and showed a statistical significance of the primary end-point change of TAHC (target area hair count) at week 24. P3058 (onychomycosis) trials continue on track in Europe and results are expected in Q4 2018.

<sup>3</sup> Greb JE, Goldminz AM, Elder JT, et al. Psoriasis. Nat Rev Dis Primers. 2016;2:16082.

Program	Indication	Phase
<b>Tildrakizumab</b> (EU brand name ILUMETRI®)	Psoriasis	Registration
<b>Dimethyl fumarate</b> (EU brand name Skilarence®)	Psoriasis	Registration (Other countries)
<b>P3058</b>	Onychomycosis	Phase III
<b>P3074</b>	Androgenic alopecia	
<b>KX2-391</b>	Actinic keratosis	
<b>ADP12734</b>	Psoriasis	Early Development
<b>ADP12778</b>	Atopic dermatitis	

## Dividend payment (Scrip)

A dividend payment of €0.19 per share was paid on June 1<sup>st</sup>.

## Upgraded Guidance update for 2018

Guidance given on a CER basis.

<b>Total Revenues</b>	→	<i>Mid-single-digit growth (vs. 2017)</i> <i>Net Sales to grow mid-to-high single digit</i> <i>Other Income to decline double-digit</i>
<b>EBITDA</b>	→	<i>c. 30% growth (versus c. 20% growth previously)</i>

## Investor Calendar 2018

- Q3 2018 Financial Results – 12<sup>th</sup> November 2018

### About Almirall

Almirall is a leading skin-health focused global pharmaceutical company that partners with healthcare professionals, applying Science to provide medical solutions to patients & future generations. Our efforts are focused on fighting against skin health diseases and helping people feel and look their best. We support healthcare professionals in its continuous improvement, bringing our innovative solutions where they are needed.

The company, founded almost 75 years ago and with headquarters in Barcelona, is listed on the Spanish Stock Exchange (ticker: ALM). Almirall has become a key element of value creation to society according to its commitment with its major shareholders and its decision to help others, to understand their challenges and to use Science to provide them with solutions for real life. Total revenues in 2017 were 755.8 million euros. More than 1,830 employees are devoted to Science.

For more information, please visit [almirall.com](http://almirall.com)

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