

Cipla announces Q4 and FY19 results
Reflects strong performance across key markets and EBITDA margin expansion over FY18

	Income from Operations	EBITDA		PAT
Q4:	INR 4404 Cr	INR 972 Cr	22.1% to Sales	INR 367 Cr
FY:	INR 16362 Cr	INR 3171 Cr	19.4% to Sales	INR 1528 Cr

Mumbai, May 22, 2019: Cipla Limited (BSE: 500087, NSE: CIPLA) today announced its audited consolidated financial results for quarter and full year ended March 31, 2019.

Key highlights of the quarter and year

- **Continued growth momentum** in private market [non-tender] segments continues across India, South Africa and key Emerging Markets
- **US business - New launches drive significant growth**
 - Q4: **41% YoY** and **38% QoQ** growth
 - FY19: **18% YoY** growth
- **Quality Focus:**
 - Indore post-approval inspection from May 13 to May 17 ended with zero observations
 - EIR received for the Jan'19 US FDA inspection at Goa plant
 - Response submitted for the inspection at Kurkumbh
- **Focus on maintaining balance sheet health** with strong cash flow generation through capex optimization and inventory management

"FY'19 ended on a strong note for Cipla. While our home markets of India and South Africa continued to lead the way, our US business established robust base growth from differentiated direct-to-market launches. Our planned build-up of respiratory pipeline in the US remains on track. Challenges in the tender businesses and certain volatile markets played out as guided previously. Most importantly, in FY'19, we made important strides in broadening our offerings to patients around the world through health campaigns, innovative products, strategic acquisitions and digital healthcare solutions. From a sustainable growth and direction perspective, we are well-poised for FY20."

Umang Vohra
MD and Global CEO, Cipla Ltd

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India¹

- Cipla continued its outperformance in FY19; grew by 11.2% vs market growth of 10.5%
- Strong execution supported by superior prescription generation and market beating growth across key therapies; in-licensed products ramping up
- Chronic therapies: Cipla became the 2nd biggest player growing over 18% vs market growth of 13%
- Strategic partnership with LG Life Sciences for Women Health Portfolio

Therapy	Market Rank	Market Share	Cipla Growth	Market Growth
Respiratory	1	21.80%	19%	11%
<i>Respiratory Inhalation</i>	1	67.40%	20%	18%
Urology	1	15.10%	19%	17%
Cardiology	4	5.60%	18%	12%
Central Nervous System	5	3.20%	16%	10%

SAGA - SOUTH AFRICA, SUB-SAHARAN AFRICA AND GLOBAL ACCESS

- As per IQVIA (IMS) MAT Mar'19, South Africa business grew at more than three times the market at 10.4% in the private market
- South Africa private market business (ex of animal health, including Mirren) grew at 30% YoY in Q4 and 12% YoY in FY19 in local currency
- Expanded offering to the patients in South Africa beyond medicines, acquired 30% stake in Brandmed, a connected health solutions company.

NORTH AMERICA

- In Q4, delivered strong growth of 41% on a year on year basis and 38% on a sequential basis; FY19 full year growth at 18%
- Post R&D EBITDA positive as ramp-up across key Direct-to-Market launches drive continued quarterly growth
- Filed 18 in-house and 2 in-licensed assets in FY19

EUROPE & EMERGING MARKETS

- Biosimilars franchise in the EM: Added Peg-filgrastim for Australia, New Zealand, Colombia and Malaysia
- Europe:
 - Strong ramp-up in key respiratory products post the resolution of supply issues
 - FPSM market share ramping- up steadily

1. IQVIA (IMS) MAT Mar'19

CONSOLIDATED PROFIT & LOSS STATEMENT

In INR Cr	Q4FY19	Q4FY18	Y-o-Y Growth	FY19	FY18	Y-o-Y Growth
Total Revenue from Operations	4,404	3,698	19%	16,362	15,219	8%
EBITDA	972	557¹	75%	3,171	2,826¹	12%
% of Income from Operations	22.1%	15.1%		19.4%	18.6%	
PAT	367	179	106%	1,528	1,411	8%
% of Income from Operations	8.3%	4.8%		9.3%	9.3%	

1. Without the impact of exceptional items in Q4FY18

BUSINESS-WISE SALES PERFORMANCE

Business (In INR Cr.)	Q4FY19	Q4FY18	Y-o-Y Growth	FY19	FY18	Y-o-Y Growth
India (Rx + Gx)	1,500	1,353	11%	6,272	5,867	7%
North America	1,143	746	53%	3,421	2,659	29%
SAGA[#]	823	816	1%	3,190	3,337	-4%
South Africa[^]	513	529	-3%	2,154	2,033	6%
Emerging Markets	406	394	3%	1,740	1,683	3%
Europe	236	136	73%	702	623	13%
API	174	135	29%	701	626	12%
Others[*]	122	117	4%	337	426	-21%
Total	4,404	3,698	19%	16,362	15,219	8%

Includes South Africa, Sub-Saharan and Cipla Global Access business, excludes SA Animal Health

^ Excluding SA Animal Health

* Includes CNV business, Vet (India and SA Animal Health) and other elements of Revenue

BALANCE SHEET

Key Balance Sheet Items (In INR Cr.)	Mar-19	Mar-18
Equity	15,344	14,582
Total Debt	4,316	4,098
Inventory	3,965	4,045
Cash and Cash Equivalents[*]	2,735	2,058
Trade Receivables	4,151	3,102
Net Tangible Assets	5,507	5,829
Goodwill & Intangibles	4,777	5,103

* Includes current investment and excluding unclaimed dividend balances

EARNINGS CONFERENCE CALL

The Company will host an Earnings conference call at 1600 hrs IST (1830 hrs SST/HKT, 1130 hrs BST, 0630 hrs US ET), during which the leadership team will discuss the financial performance and take questions. A transcript of the conference call will be available at www.cipla.com. Kotak Institutional Equities will host the call.

Earnings Conference Call Dial-in Information Date and Time	May 22, 2019 at 1600 – 1700 hrs IST 1830 – 1930 hrs SST/HKT 1130 – 1230 hrs BST 0630 – 0730 hrs US
Dial-in Numbers	
Universal Access	Primary Access: (+91 22 6280 1214) (+91 22 7115 8115)
Local Access	Available all over India: (+91 7045671221)
Toll-free Number	USA: 1 866 746 2133 UK: 0 808 101 1573 Hong Kong: 800 964 448 Singapore: 800 101 2045

ABOUT CIPLA LTD

Established in 1935, Cipla is a global pharmaceutical company focused on agile and sustainable growth, complex generics, and deepening portfolio in our home markets of India, South Africa, North America, and key regulated and emerging markets. Our strengths in the respiratory, anti-retroviral, urology, cardiology and CNS segments are well-known. Our 44 manufacturing sites around the world produce 50+ dosage forms and 1,500+ products using cutting-edge technology platforms to cater to our 80+ markets. Cipla is ranked 3rd largest in pharma in India (IQVIA MAT Dec'18), 3rd largest in the pharma private market in South Africa (IQVIA YTD Dec'18), and is among the most dispensed generic players in the US. For over eight decades, making a difference to patients has inspired every aspect of Cipla's work. Our paradigm-changing offer of a triple anti-retroviral therapy in HIV/AIDS at less than a dollar a day in Africa in 2001 is widely acknowledged as having contributed to bringing inclusiveness, accessibility and affordability to the centre of the movement. A responsible corporate citizen, Cipla's humanitarian approach to healthcare in pursuit of its purpose of 'Caring for Life' and deep-rooted community links wherever it is present make it a partner of choice to global health bodies, peers and all stakeholders. For more, please visit www.cipla.com, or click on [Twitter](#), [Facebook](#), [LinkedIn](#).

Disclaimer: Except for the historical information contained herein, statements in this document may constitute "forward looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, cash flow projections, our exposure to market risks as well as other risks. Cipla Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.