Cipla

6th November, 2019

(1) BSE Limited
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Scrip Code: 500087

(2) National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th floor,
Plot no. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Code: CIPLA

(3) SOCIETE DE LA BOURSE DE LUXEMBOURG
Societe Anonyme
35A Boulevard Joseph II,
L-1840 Luxembourg

Sub: Press Release

Dear Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Press Release dated 6th November, 2019.

This is for your information and record.

Thanking you,

Yours faithfully,
For **Cipla Limited**

CIPLA LIMITED MUMBAI

Rajendra Chopra
Company Secretary

Encl: as above

Prepared by: Mandar Kurghode

Cipla announces Q2 FY20 results

Strong performance across key businesses drives revenue growth of 10% and EBITDA growth of 21%

	Income from Operations	EBITDA		PAT
Q2:	INR 4396 Cr	INR 909 Cr	~21% to Sales	INR 471 Cr

Mumbai, November 06, 2019: Cipla Limited (BSE: 500087, NSE: CIPLA) today announced its unaudited consolidated financial results for quarter ended September 30, 2019.

Key highlights of the quarter

- **Growth and Profitability:** Growth across key business drives overall revenue growth of 10% with EBITDA growing ~21% over last year
- **India:** Both prescription and trade generic businesses grew strongly to deliver 29% sequential growth in the quarter; prescription business grew 13% year on year and the trade business grew by 61% sequentially
- **South Africa private business** delivers growth of 13% on a year on year basis in local currency; continues to outpace the market significantly
- **US business** delivers $135mn to grow at 25% on a year on year basis
- **R&D investments** stand at INR 295 crores or ~7% of sales
- Continued focus on maintaining balance sheet heath; **loan of US$ 110mn repaid** during the quarter, one year ahead of schedule

"I am pleased with the strong recovery across our businesses during the quarter. Our home markets continued to bode well - India Business recorded robust performance in trade generics and across all key therapies in branded business while in South Africa, the private market business outpaced the market significantly. Our growth accelerators remain on track. We strengthened our anti-microbial stewardship with the commercialisation of Zemdri in the US. In an endeavour to help millions of Asthmatic & COPD patients, we took our Breathfree journey forward with Berok Zindagi, Cipla's flagship patient-focused initiative in respiratory. I continue to be energized to deliver on our promise of Caring for Life"

Umang Vohra
MD and Global CEO, Cipla Ltd

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India

- Strong recovery in the trade generics business with growth of 61% on a sequential basis
- The branded business grew 13% on a YoY basis driven by performance across both chronic and acute therapies.
- Chronic therapies continue to drive a significant share of growth for us and grew 15% as per IQVIA MAT Sept'19 vs 12% market growth
- Amongst our key therapies, in Respiratory, Cipla grew by 15% vs market growth of 10%, in Cardiology, Cipla grew 17% vs market growth of 12%, in Urology, Cipla grew 15% vs market growth of 14%.
- Launch of Berok 2.0 – Second edition of Cipla's flagship patient-focused initiatives in Respiratory

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

- Overall South Africa business grew strongly at 12% on a year on year basis in local currency; private market business recovered strongly from Q1 to drive ~13% year on year growth
- Private market continued the momentum growing over 3 times the market at 7% as per IQVIA MAT Sept'19
- With Mirren portfolio growing strongly, Cipla is now the 3rd largest player in the OTC market, capturing a market share of 6.8%

NORTH AMERICA

- Continue to retain share in Cinacalcet despite multiple competitors launching the product; contribution in value terms substantially normalized
- Launch of Pregabalin and Daptomycin

Pipeline Update:

- Progressing well on trials for Respiratory products
- Patient randomization completed for Advair; Albuterol as a launch in the first half FY21

US Specialty:

- Targeting submission of IV Tramadol NDA later in the year via Avenue Therapeutics.
- Resumed supplies of Plazomicin in the market

EUROPE & EMERGING MARKETS

- **Strengthening portfolio offering in key markets:**
  - In Sri Lanka, entered into a strategic partnership with Novartis for marketing and distribution of Ultibro Breezhaler
  - Signed a strategic partnership with Novartis, effective October 1, to market their Respiratory portfolio in Australia

CONSOLIDATED PROFIT & LOSS STATEMENT

In INR Cr	Q2FY20	Q2FY19	Y-o-Y Growth	Q1FY20	Q-o-Q Growth
Total Revenue from Operations	**4,396**	**4,012**	*10%*	**3,989**	*10%*
EBITDA	**909**	**753**	*21%*	**905**	*1%*
% of Income from Operations	*20.7%*	*18.8%*		*22.7%*	
PAT	**471**	**377**	*25%*	**478**	*-1%*
% of Income from Operations	*10.7%*	*9.4%*		*12.0%*	

BUSINESS-WISE SALES PERFORMANCE[$]

Business (In INR Cr.)	Q2FY20	Q2FY19	Y-o-Y Growth	Q1FY20	Q-o-Q Growth
India (Rx + Gx)	1,745	1,644	*6%*	1,355	29%
North America	953	758	*26%*	1,119	-15%
SAGA[#]	740	754	*-2%*	691	7%
South Africa^	*546*	*503*	*9%*	*532*	*3%*
Emerging Markets	451	472	*-4%*	279	62%
Europe	190	141	*35%*	201	-6%
API	157	172	*-9%*	182	-14%
Others*	159	71	*123%*	160	-1%
Total	**4,396**	**4,012**	***10%***	**3,989**	**10%**

$ Financials are rounded-off
 # 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.)	Sept-19	Jun-19
Equity	15,910	15,787
Total Debt	3,557	4,129
Inventory	4,486	4,443
Cash and Cash Equivalents*	2,217	3,250
Trade Receivables	3,920	3,760
Net Tangible Assets	5,668	5,778
Goodwill & Intangibles	4,921	4,915

** Includes current investment and excluding unclaimed dividend balances*

EARNINGS CONFERENCE CALL

The Company will host an Earnings conference call at 1700 hrs IST (1930 hrs SST/HKT, 1230 hrs BST, 0730 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.

Earnings Conference Call Dial-in Information Date and Time	**November 6, 2019 at** 1700 – 1800 hrs IST 1930 – 2030 hrs SST/HKT 1230 – 1330 hrs BST 0730 – 0830 hrs US ET
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, anti-infective and CNS segments are well-known. Our 46 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 Sept'19), 3rd largest in the pharma private market in South Africa (IQVIA MAT Sept'19), and is among the most dispensed generic players in the U.S. 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 HIV 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.