



Trading update

London, 10 November 2016 – Hikma Pharmaceuticals PLC (“Hikma” or “the Group”) (LSE: HIK) (NASDAQ Dubai: HIK) (OTC: HKMPY), (rated Ba1 Moody’s / BB+ S&P, both stable), the fast growing multinational pharmaceutical group, is today updating the market on its current trading.

Group

We are generating good revenue growth and expect Group revenue for the full year to grow by approximately 35% to around \$2 billion in constant currency.

Injectables

In the year to date, our Injectables business has been performing well, benefiting from the investments we have made across our geographies to broaden our portfolio and strengthen our manufacturing capabilities. In the US, good demand across a number of products and new product launches has more than offset increased competition for certain products. We remain on track to deliver global Injectables revenue growth in the mid to high-single digits in 2016. Due to a favourable product mix, we now expect core operating margin to be around 39%, up from our previous guidance of around 38%.

Generics

Since August, it has been more challenging than initially expected to drive volume growth in certain products within our portfolio. We expect this to continue through the remainder of 2016 and we now expect Generics revenue to be around \$600 million for the full year. We continue to expect full year core operating profit to be in the range of \$30 to \$40 million, reflecting cost savings, including the optimisation of R&D expenses.

In 2017, we expect our enlarged Generics business to deliver revenue of around \$800 million. We will be focused on improving the mix of sales through market share gains of high value products, portfolio rationalisation and pipeline execution. We have estimated that certain new launches will contribute around 15% of Generics revenue in 2017.

Branded

We have seen a steady improvement in Branded revenue during the second half of the year in constant currency. Due to our focus on higher quality sales and a more challenging environment in the GCC, overall growth has been slightly lower than our expectations. For the full year, on a reported basis, the Branded results will be impacted by currency headwinds, which have become more challenging following the recent devaluation of the Egyptian pound. On a constant currency basis, we expect Branded revenue growth to be in the mid-single digits and our focus on strategic products and operating efficiencies is expected to deliver a significant improvement in core operating margin.

Said Darwazah, Chairman and Chief Executive Officer of Hikma said:

“Across the Group, we are improving the quality of sales and focusing on profitability. Our global Injectables business is delivering good growth and extremely strong margins. In MENA, our focus on strategic products and greater operating efficiencies is helping to absorb strong currency headwinds. In Generics, the integration of the West-Ward Columbus acquisition is progressing well and we are rapidly implementing cost savings. Although revenue from West-Ward Columbus is ramping up more slowly than originally anticipated, we remain highly confident in the future prospects of the business.

More broadly, by continuing to leverage our operations in the MENA region, expanding our portfolio of global Injectables products and integrating the West-Ward Columbus business into our US operations, we are increasingly well positioned to capture a range of attractive future growth opportunities.”

A conference call for analysts and investors will be held today at 09:30 UK time. To join the call please dial: +44 (0) 203 139 4830; UK toll free: 0808 237 0030; US: +1 718 873 9077; US toll free: +1 866 928 7517. The participant pin is: 30524494#. An audio replay of the conference call will remain available for 30 days and can be accessed by dialling: +44 (0) 203 426 2807; UK toll free: 0808 237 0026; US toll free: +1 866 535 8030. The pin number is: 679167#.

Hikma is hosting a Meet the Management Day in London on Tuesday, 15 November 2016. The event will be hosted by Said Darwazah, CEO and Chairman, with members of management from Hikma’s businesses in the Middle East and North Africa, the United States and Europe. If you are interested in attending or would like to join via webcast please contact Ciara Martin on 020 3727 1838 or via email to ciara.martin@fticonsulting.com to register your interest and for further details.

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Enquiries

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About Hikma

Hikma Pharmaceuticals PLC is a fast growing multinational group focused on developing, manufacturing and marketing a broad range of both branded and non-branded generic and licensed products. Hikma operates through three businesses: “Injectables”, “Branded” and

"Generics", based principally in the United States, the Middle East and North Africa ("MENA") and Europe. In 2015, Hikma achieved revenue of \$1,440 million and profit attributable to shareholders of \$252 million.