



AGM Trading Update

Hikma reiterates guidance for 2016

London, 12 May 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, will hold its Annual General Meeting today where the following statement will be made regarding its current trading.

Hikma has made a good start to the year and we are pleased to reiterate our guidance for 2016 for the Group overall and for each of our business segments.

Group

We continue to expect full year Group revenue to be in the range of \$2.0 billion to \$2.1 billion, including the contribution of ten months of revenue from Roxane, with continuing momentum into 2017.

Injectables

Our Injectables business is performing well. We are making good progress transferring the products acquired from Bedford Laboratories to our manufacturing facilities in New Jersey, Germany and Portugal and we have received three approvals for former Bedford products so far this year, making a total of six Bedford products approved since the acquisition.

We remain on track to deliver global Injectables revenue growth in the mid to high-single digits in 2016, with competition on marketed products being more than offset by new product launches from our R&D, business development and Bedford pipelines. We continue to expect core operating margin to return to a more normalised level of around 36%, due primarily to a change in product mix and higher R&D expenses.

Branded

Our Branded business is also continuing to perform well. Growth in the year to date is being driven by higher sales in Algeria, Egypt, Iraq and Jordan. We continue to expect full year 2016 Branded revenue to be in line with historical trends, on a constant currency basis, driven by our focus on strategic products and the strength of our sales and marketing teams. Improvement in the Branded core operating margin is expected to be driven by revenue growth and operational leverage.

Since reporting our preliminary results in March, negative movements in exchange rates have persisted, particularly in the Algerian Dinar, Egyptian Pound and Sudanese Pound. Assuming these rates prevail, we would expect a further impact on Branded revenue and operating profit. As in previous years, we expect Branded revenue to be stronger in the second half, reflecting the usual seasonality of this business.

Generics

The integration of the Roxane is proceeding swiftly and we are very happy with the progress our teams have made. In April, we received notification from the U.S. Food and Drug Administration (FDA) that our abbreviated new drug application (ANDA) for fluticasone propionate and salmeterol inhalation powder (the generic version of GlaxoSmithKline's Advair Diskus®) has been accepted for filing. The FDA has provided a GDUFA goal date of May 10, 2017. We are very pleased to have achieved this important milestone in the development of generic Advair Diskus®. Our team has worked closely with the FDA to ensure the quality of the ANDA submission and we are confident that we have developed a robust, patient friendly, (AB-rated) substitutable generic product for Advair Diskus®.

As anticipated, revenue in our legacy Generics business has declined compared to the same period in 2015, due to the divestiture of certain legacy products associated with the acquisition of Roxane and to the expected decline of certain market opportunities.

We continue to expect 2016 revenue for the combined Generics to be in the range of \$640 million to \$670 million, including ten months of contribution from Roxane and taking into account the divestiture of certain legacy products. We also continue to expect the core Generics operating margin to be in the low double-digits.

On a Group level, as previously guided, our statutory results in 2016 will be impacted by a number of exceptional, non-cash and other charges including the amortisation of intangible assets, an inventory step up, the revaluation of the fair value of future royalty payments and one-off acquisition and integration costs. In aggregate, these charges are currently estimated to impact net income by around \$115 million.

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

“Hikma has made a good start to the year. We have performed well in each of our businesses and we are pleased to be reiterating our 2016 guidance for the Group overall and for each of our business segments.

Our focus this year is on integrating Roxane and delivering high value, differentiated product launches. Moving forward, we expect the benefits from the investments that we have made in recent years – in R&D, M&A, co-development partnerships and licensing agreements – to accelerate. We have an exciting pipeline across our business segments that will drive accelerated and sustainable future growth.”

We will announce our interim results for the six months to 30 June 2015 on 24 August 2016.

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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 in-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 revenues of \$1,440 million and profit attributable to shareholders of \$252 million.