



Solutions with you in mind

Guidance Update

July 10th 2017

Significant Challenges in US Market



Recent marketplace actions will adversely impact Almirall's earnings outlook

- We have seen in H1 2017 some largely unexpected marketplace actions that have negatively impacted our year-to-date earnings and will have a meaningful impact on our outlook for 2017

Inventory reduction

- Has continued in Q2 2017

Savings Cards/Coupons

- Inappropriate use of Patient Assistance Programs (PAP) by certain Pharmacies

Launch of a generic version of Acticlate™

- Mitigating actions being implemented

US inventory update and actions undertaken



Issue

- Inventory destocking has continued during Q2

Impact

- Our current assessment is an adverse stocking impact in H1 2017 of approx. EUR 25-30 mn.

Actions undertaken

- We have strengthened our supply chain management

Aqua PAP update and market environment



Issue

- We have observed a significant level of inappropriate adjudication of Patient Assistance Program cards at certain Pharmacies

Impact

- This has resulted in a material deterioration of the Gross to Net within a market context of increasing pressure

Actions undertaken

- Tightened the rules of the program, to closely monitor its proper use
- Initiated legal action against certain Pharmacies
- Increased visibility with a new system and controls

Competitor launch of a generic of Acticlate™



Issue

- Launch of a generic version of Acticlate™ (doxycycline hyclate immediate release tablets, 75 mg and 150 mg) in US initially at a discount of 10% to Acticlate™ list price

Impact

- We assume Acticlate™ sales in 2017 of c. EUR 30 mn affected by all 3 elements (destocking, PAP, and authorised generic)

Actions undertaken

- Teva Pharmaceuticals has launched in parallel our authorised generic of Acticlate™
- We are adjusting our go to market model

Rest of business on track

- Solid underlying demand YTD on Aqua's portfolio
- Expected growth in Thermi for full year, despite a slow start
- Business performing in line with expectations in Europe and RoW
- Upside in Other Income thanks to AZ performance and improved probability on key milestones
- Skilarence® approved and to be launched in Europe in Q3
- Tildrakizumab registration process on track
- Exciting projects in the R&D pipeline and new leadership in place
- Strong focus on inorganic growth; healthy financial position to support new transactions

2017 New Guidance and Update *



Total Revenues

Low double digit decline vs. 2016

Net Sales

Low double digit decline vs. 2016

EBITDA

Between EUR140-170 mn

Revenues _{mn} → Grow at low to mid single digit

Net Sales → Grow at low to mid single digit

EBITDA → Grow at mid single digit

Previous Guidance

** Excluding potential one-time Aqua-related goodwill impairments*



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