

## Piramal Enterprises Limited Announces Consolidated Results for the Full Year & Fourth Quarter ended 31 Mar 2019

- Strong performance during the quarter and full year -

**Mumbai, India, April 26, 2019:** Piramal Enterprises Limited ('PEL', NSE: PEL, BSE: 500302) today announced its consolidated results for Full Year and Fourth Quarter ended 31<sup>st</sup> March 2019.

### Financial Highlights

- **Revenue:**  
Up 23% at INR 3,680 Crores during Q4 FY2019 vs INR 2,991 Crores in Q4 FY2018  
Up 24% at INR 13,215 Crores during FY2019 vs INR 10,639 Crores in FY2018
- **Normalised Net Profit\*:**  
Net profit up 25% to INR 470 Crores in Q4 FY2019 vs. INR 375 Crores in Q4 FY2018  
Net profit up 25% at INR 1,936 Crores during FY2019 vs INR 1,551 Crores in FY2018
- **Cash Profit:**  
Up 93% to INR 661 Crores in Q4 FY2019 vs. INR 343 Crores in Q4 FY2018  
Up 42% to INR 2,600 Crores in FY2019 vs. INR 1,829 Crores in FY2018
- The Company has delivered a 7 year Revenue CAGR of 28% and 7 year normalised net profits CAGR of 50%.
- The Company has been delivering 20%+ growth in Revenues and Net Profit, consistently over past 15 quarters.
- The Board recommended dividend of INR 28 per share for FY2019. Dividend pay-out ratio is 29%.

*Note\*: 1) Excluding non-recurring and non-cash accounting charge towards Imaging assets for Q1 FY2019 & non-recurring exceptional items in Q4 FY2019 2) Excluding synergies on account of merger of subsidiaries in financial services segment for Q4 FY2018*

### Operational Highlights

#### Financial Services

- Total Loan Book grew by 34% YoY to INR 56,624 Crores
- The Financial Services segment recorded an ROE of 19% (considering cash tax and other synergies from the reverse merger)
- Gross NPA ratio (based on 90 dpd) was at 0.9%, provisioning stood at 1.93% of loan book
- Wholesale RE (excluding hospitality and Lease rental discounting) exposure has significantly declined from 83% in March 2015 to 63% in March 2019
- Housing Finance Loan book grew 32% Vs. Q3 FY2019 to INR 5,188 Crores, representing 9% of overall loan book
- Raised ~INR 16,500 Crores via NCDs and bank loans from Sept'18 to March'19
- Commercial Paper borrowings reduced by 50% to INR 8,900 Cr since Sept'18
- Nearly INR 5,400 Crores in the form of cash and several unutilized bank lines

## Pharma

- Pharma revenue grew 11% YoY to INR 1,477 Crores for the quarter and 11% YoY to INR 4,786 Crores for the full year
- Global Pharma EBITDA grew at 3 year CAGR of 24% to cross INR 1,000 Crores with EBITDA margins increasing to 23% for the year
- Successfully cleared 44 regulatory inspections (including 2 USFDA) and 163 customer audits during FY2019

## Healthcare Insights & Analytics

- Revenue grew by 16% YoY to INR 270 Crores for Q4 FY2019 and 10% YoY to INR 1,332 Crores for FY2019

**Mr. Ajay Piramal, Chairman, Piramal Enterprises Ltd. (PEL) said,** “We are pleased to announce that Piramal Enterprises has recorded another year of robust performance across both revenues and profitability. The Company has delivered 24% growth in revenues to INR 13,215 Crores and a 26% growth in profit before tax (before exceptional items) to INR 2,478 Crores for FY 2019. Our loan book has grown by 34% despite volatility in the NBFC sector. We also significantly diversified our borrowings by raising long-term funds of INR 16,500 crores since September 2018. Our differentiated business model in Pharma has enabled sustained revenue growth in spite of the pricing pressures and regulatory concerns that impacted the industry. We remain committed to deliver improved performance year-on-year, strengthen our market leadership and consistently create long-term value for our stakeholders.”

## Consolidated Financial Performance

(in INR Crores or as stated)

Particulars	Quarter IV Ended			Full year ended		
	31-Mar-19	31-Mar-18	% Change	31-Mar-19	31-Mar-18	% Change
Net Sales	3,680	2,991	23%	13,215	10,639	24%
Non-operating other income	85	37	133%	313	260	21%
Total income	3,765	3,028	24%	13,528	10,899	24%
Other Operating Expenses	1,738	1,610	8%	6,121	5,479	12%
OPBIDTA	2,027	1,417	43%	7,407	5,419	37%
Interest Expenses	1,316	831	58%	4,410	2,978	48%
Depreciation	135	115	18%	520	477	9%
Profit before tax & exceptional items	576	472	22%	2,478	1,964	26%
Exceptional items Expenses/(Income)	13	-	-	466	-	
Income tax	224	(3,380)		861	(2,876)	
Profit after tax (before MI & Prior Period items)	338	3,852	-91%	1,151	4,840	-76%
Minority interest	-	-	-	-	-	-
Share of Associates <sup>1</sup>	118	92	28%	319	280	14%
Net Profit after Tax	456	3,944	-88%	1,470	5,120	-71%
Net Profit Margin %	12%	132%	-	11%	48%	
Normalised Net Profit <sup>2</sup>	470	375	25%	1,936	1,551	25%

Normalised Net Profit Margin %	13%	13%		15%	15%	
Diluted EPS (Rs./share)	22.9	203.4	-89%	73.9	281.7	-74%
Normalised EPS (Rs./share) <sup>2</sup>	23.6	19.3	22%	97.2	85.4	14%

Notes: 1) Income under share of associates primarily includes our share of profits at Shriram Capital and our share of profit under JV with Allergan, as per the new accounting standards; 2) Normalised Net Profit after Tax for FY2019 excludes non-recurring and non-cash accounting charge towards Imaging assets in Q1 FY2019 & exceptional items in Q4 FY2019

### Consolidated Revenues

Consolidated revenues grew by 23% to INR 3,680 Crores for Q4 FY2019 and 24% to INR 13,215 Crores for FY2019. The Company has delivered a strong revenue performance with growth across Financial Services and Pharma businesses. 40% of our FY2019 consolidated revenues were earned in foreign currency.

### Normalised Net Profit

The Normalised Net Profit was up 25% to INR 470 Crores in Q4 FY2019 as compared with INR 375 Crores in Q4 FY2018. Normalized net profit was up 25% to INR 1,936 Crores in FY2019 as compared with INR 1,551 Crores in FY2018. The strong growth in profitability was on account of revenue growth across all segments.

### Interest Expenses

Interest expenses for Q4 FY2019 were higher primarily on account of the increase in borrowings for growing the lending business.

### Share of Associates

Income under share of associates for Q4 FY2019 & FY2019 primarily includes our share in the profits at Shriram Capital and under JV with Allergan.

### Business-Wise Revenue Performance

(in INR Crores or as stated)

Net Sales break-up	Quarter IV ended			% Sales for Q4	Full year ended			% Sales for FY19
	31-Mar-19	31-Mar-18	% Change		31-Mar-19	31-Mar-18	% Change	
Financial Services	1,933	1,395	39%	53%	7,063	4,981	42%	54%
Pharma	1,477	1,330	11%	40%	4,786	4,322	11%	36%
Global Pharma	1,388	1,245	12%		4,452	3,976	12%	
India Consumer Products	89	85	4%		334	346	-3%	
Healthcare Insight and Analytics	270	234	16%	7%	1,332	1,209	10%	10%
Others	0	32	-	-	34	127	-	-
<b>Total</b>	<b>3,680</b>	<b>2,991</b>	<b>23%</b>	<b>100%</b>	<b>13,215</b>	<b>10,639</b>	<b>24%</b>	<b>100%</b>

Note: 1) Pharma Includes Global Pharma and Consumer product division

2) Figures in previous periods might have been regrouped or restated, wherever necessary to make them comparable to current period.

To download the results presentation and for further information on our financials, please visit our website:

[www.piramal.com](http://www.piramal.com)

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**About the Piramal Group**

The Piramal Group, led by Ajay Piramal, is one of India's foremost business conglomerates with a global footprint. Valued at USD 10 billion with offices in 30 countries, the Piramal Group is one of India's leading global business conglomerates with interests in pharma, financial services, healthcare information management, glass packaging and real estate. Driven by its core values, the Group steadfastly pursues inclusive growth, while adhering to ethical and value driven practices.

Piramal Foundation (a Section 8 Company effective March 2018), the philanthropic arm, develops innovative solutions to resolve issues that are critical roadblocks towards unlocking India's economic potential. Its sustainable development programmes in healthcare, education and clean drinking water across 21 Indian states, largely in partnership with the central and state governments has impacted over 90 Million lives, till date.

**About Piramal Enterprises Ltd:**

Piramal Enterprises Limited (PEL) is one of India's large diversified companies, with a presence in Financial Services, Pharmaceuticals and Healthcare Insights & Analytics. PEL's consolidated revenues were over US\$1.6 billion in FY2018, with around 46% of revenues generated from outside India.

In Financial Services, Piramal Capital & Housing Finance Ltd is registered as a housing finance company with National Housing Bank (NHB) and engaged in various financial services businesses. It provides both wholesale and retail funding opportunities across sectors. In real estate, the platform provides housing finance and other financing solutions across the entire capital stack ranging from early stage private equity, structured debt, senior secured debt, construction finance, and flexi lease rental discounting. The wholesale business in non-real estate sector includes separate verticals - Corporate Finance Group (CFG) and Emerging Corporate Lending (ECL). CFG provides customized funding solutions to companies across sectors such as infrastructure, renewable energy, roads, industrials, auto components etc. while ECL focuses on lending towards Small and Medium Enterprises (SMEs). PCHFL through its group companies provides customized strategies for institutional and retail investors such as Mumbai Redevelopment Fund and Apartment Fund focused (through Piramal Fund Management) and strategic partnerships with leading global pension funds such as CPPIB, APG and Ivanhoe Cambridge. The division has also launched a Distressed Asset Investing platform with Bain Capital Credit - IndiaRF that will invest in equity and/or debt in assets across sectors (other than real estate) to drive restructuring with active participation in turnaround. PEL also has long term equity investments worth ~US\$1 billion in Shriram Group, a leading financial conglomerate in India.

In Pharma, through an end-to-end manufacturing capabilities across 13 global facilities and a large global distribution network to over 100 countries, PEL sells a portfolio of niche differentiated Pharma products and provides an entire pool of Pharma services (including in the areas of injectable, HPAPI etc.). The Company is also strengthening its presence in the Consumer Product segment in India.

PEL's Healthcare Insights & Analytics business is the premier provider of healthcare analytics, data & insight products and services to the world's leading pharma, biotech and medical technology companies and enables them to take informed business decisions.

PEL is listed on the BSE Limited and the National Stock Exchange of India Limited in India.

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