

## Piramal Enterprises Limited Announces Consolidated Results for the Second Quarter & Half Year ended September 30, 2018

**- Strong Revenue and Profitability Performance for the Quarter -**

**Mumbai, India, October 25, 2018:** Piramal Enterprises Limited ('PEL', NSE: PEL, BSE: 500302) today announced its consolidated results for Second Quarter (Q2) and Half Year (H1) ended 30 September, 2018.

### Financial Highlights

- **Revenue:**  
Up 24% at INR 3,144 Crores during Q2 FY2019 vs INR 2,536 Crores in Q2 FY2018  
Up 26% at INR 6,047 Crores during H1 FY2019 Vs INR 4,790 Crores in H1 FY2018
- **Net Profit:**  
Net profit up 25% to INR 480 Crores in Q2 FY2019 vs. INR 384 Crores in Q2 FY2018  
Normalised Net profit<sup>1</sup> up 26% at INR 863 Crores during H1 FY2019 vs INR 686 Crores in H1 FY2018
- **Cash Profit:**  
Up 27% to INR 631 Crores in Q2 FY2019 vs. INR 497 Crores in Q2 FY2018  
Up 38% to INR 1,172 Crores in H1 FY2019 vs. INR 848 Crores in H1 FY2018

*Note: 1) Excluding non-recurring and non-cash accounting charge towards Imaging assets in Q1 FY2019*

### Operational Highlights

- Total Loan Book grew by 59% to INR 52,793 Crores as on 30 September 2018 vs INR 33,261 Crores as on 30 September 2017
- The Financial Services segment recorded an ROE of 19.6% (considering Cash Tax and other synergies from the reverse merger) for H1 FY2019
- Gross NPA ratio (based on 90 dpd) was at 0.5%, total provisioning at 1.74%
- Robust liquidity position, with more than Rs. 7,500 Crores in the form of cash and several unutilized bank lines
- The Company successfully cleared 21 regulatory inspections (including 1 US FDA) and 89 customer audits during the half year
- Global Pharma services order book witnessed a significant growth over H1FY2018
- Healthcare Insight & Analytics revenue grew by 14.1% to INR 292 Crores in Q2 FY2019, primarily driven by continuing growth in data & analytics segment
- Ms. Arundhati Bhattacharya, former Chairperson of State Bank of India has been appointed as Non-Executive Independent Director on the Board of the Company, subject to approval from shareholders

**Mr. Ajay Piramal, Chairman, Piramal Enterprises Ltd. (PEL) said, "We continue to deliver strong performance quarter on quarter. For Q2 FY2019, PEL's revenues grew by 24% to INR 3,144 Crores and net profit by 25% to INR 480 Crores, led by strong performance in our Financial Services business.**

**Despite the tightening of liquidity in the Financial Services industry, the Company delivered robust performance with our loan book growing 59% to INR 52,793 Crores. Our continued focus on risk management resulted in 0.5% gross NPA and 19.6% ROE. Consistently improving our performance across key metrics, both on asset and borrowings, continues to keep us well positioned, with the Company having been able to get sufficient liquidity even in the current volatile environment.**

**We have further strengthened our Board of Directors with the addition of Ms. Arundhati Bhattacharya, former Chairperson of State Bank of India, as an Independent Non-Executive Director.”**

## Consolidated Financial Performance

(in INR Crores or as stated)

Particulars	Quarter II Ended			Half Year Ended		
	30-Sep-18	30-Sep-17	% Change	30-Sep-18	30-Sep -17	% Change
Net Sales	3,144	2,536	24%	6,047	4,790	26%
Non-operating other income	56	75	(25%)	125	159	(22%)
Total income	3,200	2,611	23%	6,171	4,949	25%
Other Operating Expenses	1,491	1,266	18%	2,921	2,458	19%
OPBIDTA	1,709	1,345	27%	3,250	2,491	30%
Interest Expenses	1,016	725	40%	1,925	1,398	38%
Depreciation	123	129	(5%)	252	252	-
Profit before tax & exceptional items	570	491	16%	1,073	841	28%
Exceptional items (Expenses)/Income	-	-	-	(452)	-	-
Income tax						
Current tax and Deferred tax	163	190	(14%)	344	292	18%
Deferred tax on account of merger of subsidiaries	-	-	-	-	-	-
Profit after tax (before MI & Prior Period items)	407	301	35%	277	549	(50%)
Minority interest	-	-	-	-	-	-
Share of Associates <sup>1</sup>	73	82	(11%)	134	137	(2%)
Net Profit after Tax	480	384	25%	411	686	(40%)
Net Profit Margin %	15%	15%	-	7%	14%	
Normalised Net Profit <sup>2</sup>	480	384	25%	863	686	26%
Normalised Net Profit Margin %	15%	15%		14%	14%	
EPS (INR/share) <sup>3</sup>	24.2	22.2	9%	20.8	39.6	(48%)
Normalised EPS (INR/share) <sup>3</sup>	24.2	22.2	9%	43.5	39.6	10%

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 H1FY2019 excludes non-recurring and non-cash accounting charge towards Imaging assets in Q1 FY2019.

### Consolidated Revenues

Consolidated revenues increased by 24% to INR 3,144 Crores for Q2 FY2019 and 26% to INR 6,047 Crores for H1 FY2019. The Company has delivered a strong revenue performance with growth in all business segments. 39% of our H1 FY2019 consolidated revenues were earned in foreign currency.

### Net Profit

The Net Profit was up 25% to INR 480 Crores in Q2 FY2019 as compared to INR 384 Crores in Q2 FY2018. Normalised net profit (excludes non-recurring and non-cash accounting charge towards Imaging assets in Q1 FY2019) was up 26% to INR 863 Crores in H1 FY2019 as compared with INR 686 Crores in H1 FY2018. The strong growth in profitability was on account of revenue growth across all businesses, especially in the Financial Services Business.

### Interest Expenses

Interest expenses for Q2 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 Q2 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 II ended			% Sales	Half Year ended		
	30-Sep-18	30-Sep-17	% Change		30-Sep-18	30-Sep-17	% Change
Financial Services	1,732	1,186	46.7%	54.4%	3,290	2,270	45.3%
Pharma	1,109	1,083	2.5%	35.6%	2,153	1,970	9.3%
Global Pharma	1,029	963	6.8%	33.2%	2,007	1,809	11.0%
India Consumer Products	81	119	(32.2%)	2.4%	145	161	(9.8%)
Healthcare Insight and Analytics	292	256	14.1%	9.4%	570	508	12.3%
Others	11	12	-	0.6%	34	43	-
<b>Total</b>	<b>3,144</b>	<b>2,536</b>	<b>24.0%</b>	<b>100%</b>	<b>6,047</b>	<b>4,790</b>	<b>26.2%</b>

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

Our company shall also be uploading a results presentation on our website. To download the 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. With operations in 30 countries and brand presence in over 100 countries, the Group's turnover is ~\$2 billion in FY2018. The Group's diversified portfolio includes presence in industries like healthcare, financial services, healthcare information management, glass packaging and real estate.

Driven by the core values of knowledge, action, care and impact, 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, has initiatives running across healthcare, water, education and women empowerment in 21 states of India.

### 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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