AUROBINDO

Date: February 13, 2017

| To | To |
|---|---|
| Listing Department,<br>**NATIONAL STOCK EXCHANGE OF INDIA LIMITED**<br>Exchange Plaza,<br>Bandra Kurla Complex, Bandra (E),<br>**MUMBAI -400 051**<br><br>**Company Code No. AUROPHARMA** | The Corporate Relations Department<br>**BSE LIMITED**<br>Phiroz Jeejeebhoy Towers,<br>25th floor, Dalal Street,<br>**MUMBAI -400 001**<br><br>**Company Code No. 524804** |

Dear Sirs,

**Sub: Presentation to the Investors / Analysts.**

Please find attached the Investor Presentation which will be used in an investor conference in Mumbai on 13th and 14th February, 2017.

The presentation is also being uploaded on the website of the Company –

http://www.aurobindo.com/investor-relations/investors/investor-presentation

Please take the information on record.

Thanking you,

Yours faithfully,
**For AUROBINDO PHARMA LIMITED**

B.Rc..

**B.ADI REDDY**
**Company Secretary**

AUROBINDO PHARMA LTD. HYD.

AUROBINDO

# INVESTOR PRESENTATION

**February 2017**

# Disclaimer

This presentation contains statements that constitute “forward looking statements” including and without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance.

While these forward looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that we have indicated could adversely affect our business and financial performance.

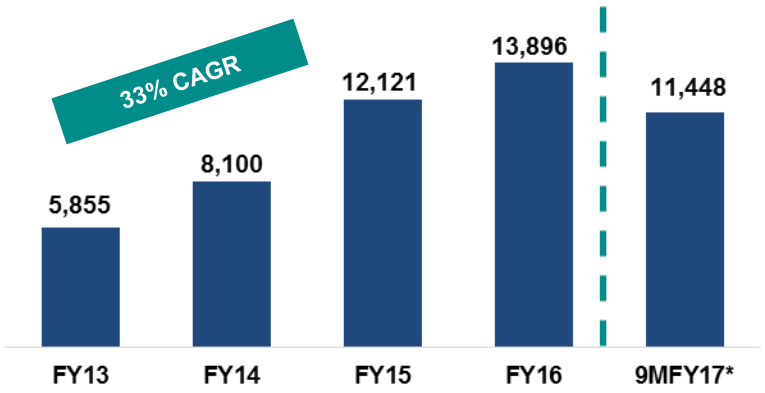
Aurobindo Pharma undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

For updates and specific queries, please visit our website **www. aurobindo.com**

# Company Overview

- Among the Top-5 listed pharmaceutical companies from India by sales[1] and market capitalization[2]
- 7th largest generic company by volume in the US; IMS TRx represents greater than 35% growth year over year[3]
- Broad portfolio of diversified dosage forms including Rx and OTC oral solids, liquids, injectables and ophthalmics
- One of the highest rates of vertical integration, incorporating in-house API in 70% of total formulations, and greater than 90% of oral solids
- Global presence, with critical mass in US and EU markets
- Well entrenched US portfolio of 421[4] filed ANDAs with 262[4] final approvals
- Diversified manufacturing footprint spread across multiple regions and sites, offering extended capability and capacity

**Operating Income (INR Cr)**




**Top 10 Therapy Segments**

| Category | Size (US$ Bn) | APL's presence |
|---|---|---|
| Oncology | 74.5 | ✓ |
| Anti-diabetics | 63.6 | ✓ |
| Pain / acute | 59.8 | ✓ |
| CNS | 47.5 | ✓ |
| Anti-bacterials | 40.3 | ✓ |
| Respiratory | 39.6 | ✓ |
| Mental health | 39.1 | ✓ |
| Anti-viral | 35.9 | ✓ |
| Lipid Regulator | 28.4 | ✓ |
| Dermatology | 28.2 | X |

**Top 10 Generics Markets**

| Markets | % share | APL's presence - FDF | APL's presence - API |
|---|---|---|---|
| USA | 40% | ✓ | ✓ |
| Japan | 10% | X | ✓ |
| France | 6% | ✓ | ✓ |
| Germany | 6% | ✓ | ✓ |
| Italy | 4% | ✓ | ✓ |
| Spain | 3% | ✓ | ✓ |
| UK | 3% | ✓ | ✓ |
| China | 3% | X | ✓ |
| Brazil | 2% | ✓ | ✓ |
| Mexico | 2% | ✓ | ✓ |

1) FY16 Sales; 2) As on 30th Dec, 2016; 3) Source: IMS National Prescription Audit, 12 months ending December 2016; 4) As on 31 December 2016; *As per Ind AS including excise duty

Source: IMS Health, Industry Reports

# The Journey So Far…

**1992-2006**

- Commencement of export of APIs
- Initial Public Offering ('95)
- Entered into formulation business ('02)

**Pre-2006**

**API Focus**

**2006-08**

- Acquired UK based Milpharm
- Acquired formulations facility in US
- Investment in building manufacturing, marketing & IPR capabilities

**2010-12**

- Commenced operations of Unit VII and Aurolife facilities
- First Controlled Substance product approved in US
- Entered into Peptide business

**2006 - 2012**

**Formulation Focus + Establishing Global Footprint**

**2013**

- Commenced marketing specialty injectables in USA
- Building capabilities in Penem and Oncology

**2014**

- Acquired Western European commercial operations from Actavis
- Acquired Natrol

**2015-17**

- Focus on differentiated technology platforms
- Entered into Biosimilars and Vaccines

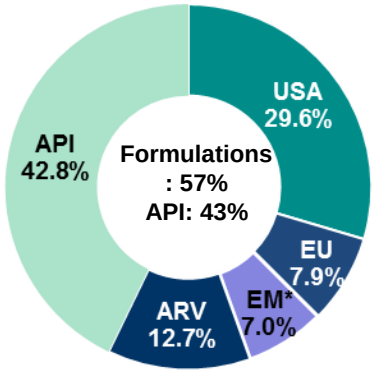
**2013-2017**

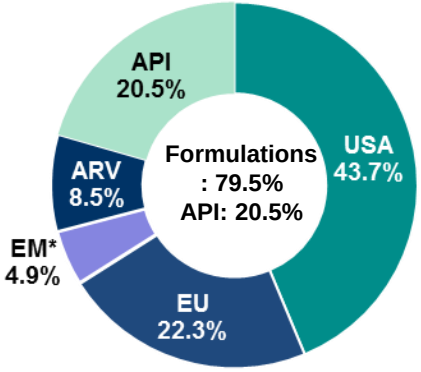
**Consolidating Presence in US & EU + Expanding Injectables & Differentiated Offerings**

# Strong Operational Growth & Diversified Revenue Base

| INR Cr | FY13 | CAGR | FY16 |
|---|---|---|---|
| Net Revenue | 5,855 | 33% | 13,896 |
| EBITDA | 889 | 53% | 3,206 |
| EBITDA Margin (%) | 15.2% | | 23.1% |
| PAT | 294 | 89% | 1,982 |
| PAT Margin (%) | 5.0% | | 14.3% |
| ANDA Filed | 269 | | 398 |

**Revenue Breakup**



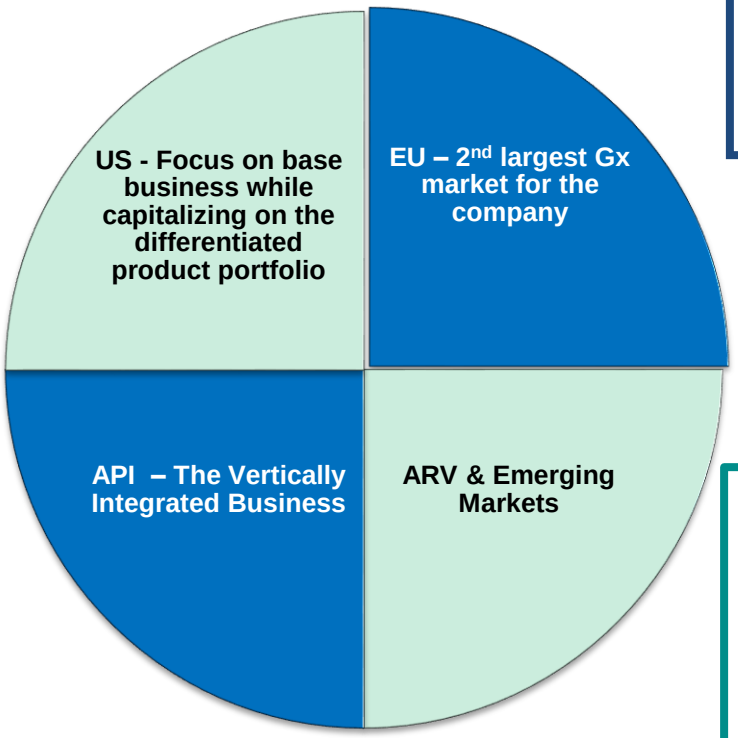




*EM: Emerging Markets

# Our Business Segments

**US**
- Ranked 7th* Rx supplier as per IMS total prescriptions dispensed
- Differentiated pipeline with new launches including injectables, ophthalmics, speciality products and controlled substances
- Expanded presence in dietary supplement business through Natrol
- Manufacturing and R&D presence including Controlled substances

**EU**
- Among top 15** Gx companies by sales
- Focus markets are France, Germany, Netherlands, Spain, UK, Portugal and Italy
- Augment position through new product launches and extension to select Eastern Europe markets




**API**
- Cost effective with vertical integration of around 70% of API requirement sourced internally
- One of the leading supplier of APIs from India - serves as a source for various Gx and branded drugs
- Strong regulatory capability with 214*** US DMF filings

**ARV – Institutional**
- Focus on global tenders; availability across >100 countries
- Maintain competitiveness through development of new products
- First company to receive FDA approval for Dolutegravir 50 mg under PEPFAR program

**Emerging Markets**
- Focus on major markets: Brazil, South Africa, Ukraine, and Mexico
- Expansion into select markets of Asia Pacific, Africa & Middle East

*Source: IMS National Prescription Audit, Total Prescriptions Dispensed, Twelve months ending December 2016
**Source: Market Reports, ***as on 31 Dec 2016

# US Business Overview

**Aurobindo USA**
Oral Rx

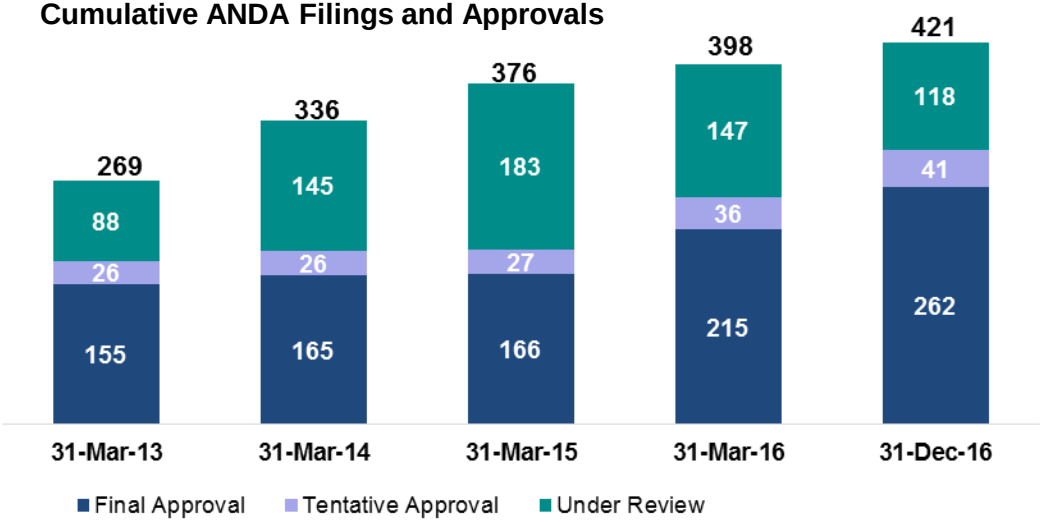
**AuroMedics**
Injectables

**AuroLife Pharma**
Manufacturing / R&D

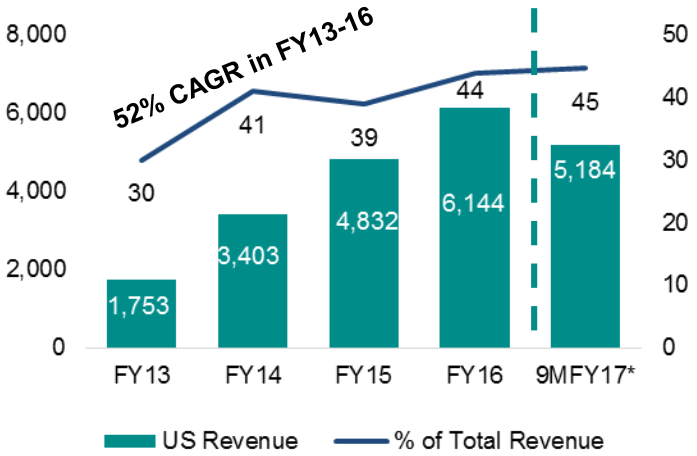
**AuroHealth**
Pharma OTC

**Natrol**
Dietary Supplements

**Cumulative ANDA Filings and Approvals**




**Gross Sales (INR Cr)**




**Unit wise ANDA Filings as on 31-December-2016**

| Site | Details | Final Approval | Tentative Approval** | Under Review | Total |
|---|---|---|---|---|---|
| Unit III | Oral Formulations | 99 | 16 | 10 | 125 |
| Unit IV | Injectables & Ophthalmics | 38 | 2 | 35 | 75 |
| Unit VIB | Cephalosphorins Oral | 11 | | | 11 |
| Unit VII (SEZ) | Oral Formulations | 79 | 23 | 56 | 158 |
| Unit X | Oral Formulations | | | 2 | 2 |
| Unit XII | Penicillin Oral & Injectables | 19 | | 1 | 20 |
| Aurolife USA | Oral Formulations | 16 | | 10 | 26 |
| AuroNext | Penem Injectables | | | 4 | 4 |
| **Total** | | **262** | **41** | **118** | **421** |

**Growth Drivers in the next 3-4 years**

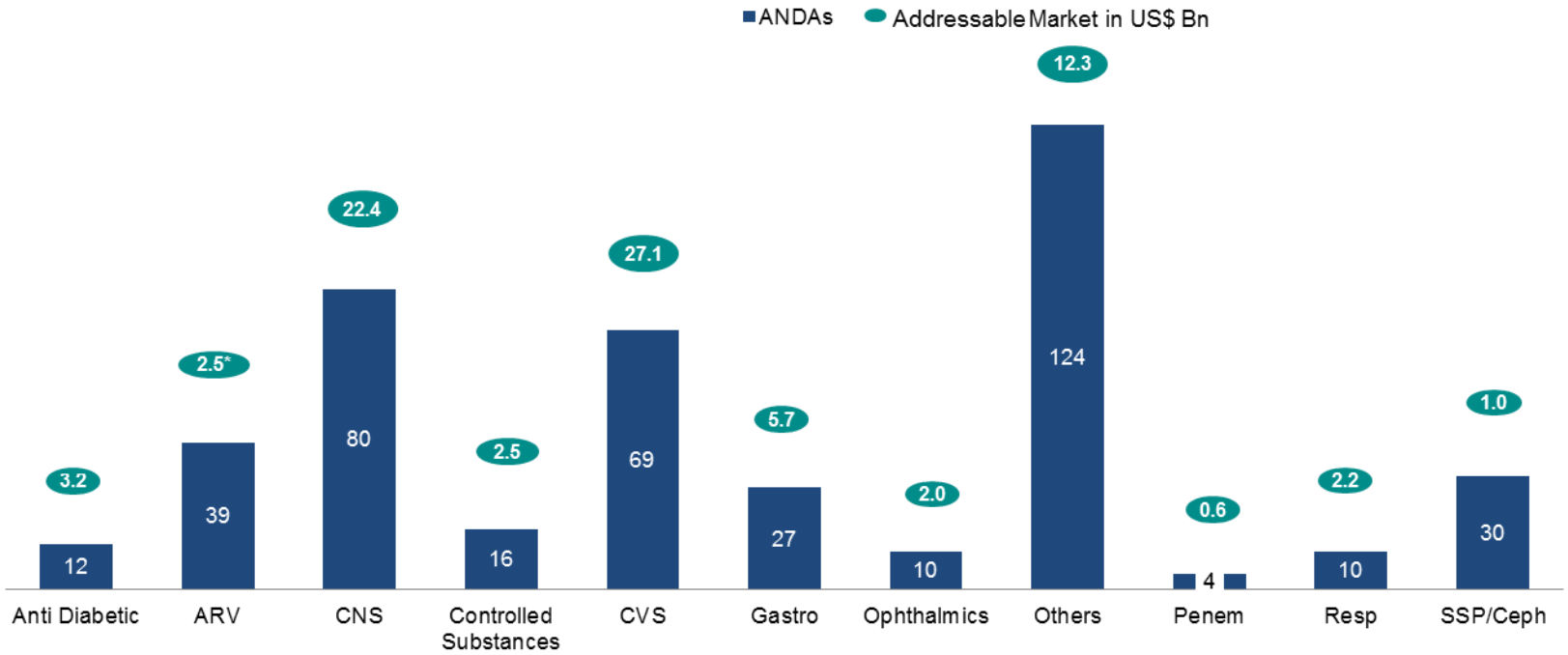
- Broadening portfolio with more balance through accelerated growth in injectable, OTC, and higher complexity products
- Increasing collaboration across the global customer base
- Operational efficiencies and cost leadership in API and formulation manufacturing, supply chain planning and distribution

**Tentative Approvals include 19ANDAs approved under PEPFAR

*As per Ind AS

# US: Expanding Portfolio Mix Towards Differentiated Products

**Portfolio mix is complemented with the introduction of high-value products**




Addressable Market at US$ 81 Bn including ~US$ 50 Bn for Under Review and Tentatively approved ANDAs

**Future pipeline to include Oncology, Hormones, Depot injections, Inhalers, Biosimilars, Patches & Films**

Addressable market refers to the market size as per IMS. Data is for the total 421 ANDAs filed by the company

*Does not include the addressable market of the products approved under PEPFAR
Source: IMS Data, Dec 2016

# Natrol

- Amongst the top 20 branded Dietary Supplements companies in US
- Diverse Customer Base with long term relationships with key distribution and retail partners
- Strong customer partnerships across multiple distribution channels with growth potential within each channel
- R&D capabilities in new innovative delivery formats as time release, fast dissolve and natural foam
- In-house manufacturing capability & regulatory expertise for quality product at competitive prices
- Synergies
  - Expand presence in other attractive global markets
  - Enhance the Research and Development expertise through collaborations

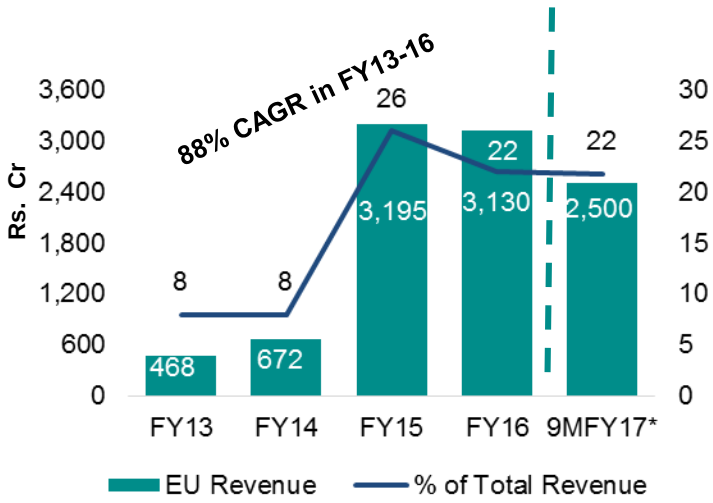
| Key Product Segment | |
|---|---|
| Vitamins, Minerals & Supplements | Sports Nutrition |
| Diet & Weight Management | Hair, Skin & Nails |
| **Favourable Demand Drivers** | |
| Ageing population | Fitness Focus |
| Consumer awareness | Rising HC costs |

# EU Business Overview

France | Germany | Netherlands | Spain | UK | Portugal | Italy | Romania | Belgium

- India's Leading Gx company with strong footprint in Europe
  - Operations in 9 countries with full fledged sales force & support infrastructure
  - Significant presence and position in Top 5 EU markets led by France & Germany
  - Commercialized over 450 INNs across 9 countries of operation
- Presence across Gx, TGx, BGx and Hx segment with established commercial and hospital sales infrastructure
- Expanded analytical testing facilities for sterile and non-sterile products in Malta
- Pipeline of over 200 products under development
- Further strengthened presence in Portugal with acquisition of Generis Farmaceutica SA in Jan 2017

**Gross Sales****




**Growth Drivers in the next 3-4 years**

- Consolidate presence & improve position among Top 10 players in each market
- Expanding into new geographies viz. Poland and Czech Republic
- Portfolio Expansion through targeted Day 1 launches; Orals, Hormones & Penems, Oncology Products, Niche Injectables, Low volume Injectables
- Lower generics penetration in Italy, Spain, Portugal & France offer future growth potential as share of generics improves

**APL's position in Top 5 EU countries**

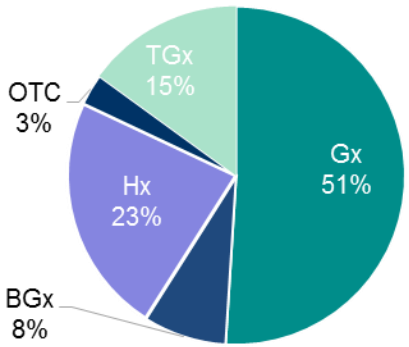
| Country | Market size (US$ Bn) | APL Presence | APL's position |
|---|---|---|---|
| Germany | 41 | ✓ | 8th |
| UK | 28 | ✓ | 11th |
| Italy | 25 | ✓ | 10th |
| France | 31 | ✓ | 6th |
| Spain | 19 | ✓ | 9th |

*As per Ind AS; ** Internal

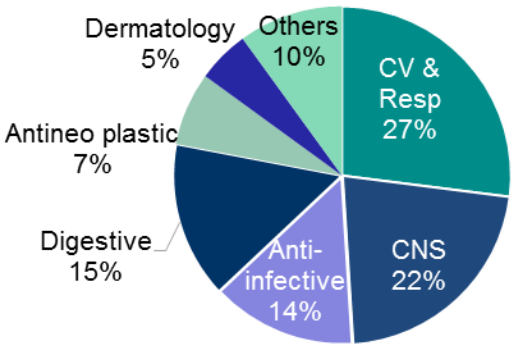
Source: IMS Health, Market Prognosis, September 2015

# EU: Portfolio Mix Across Channels

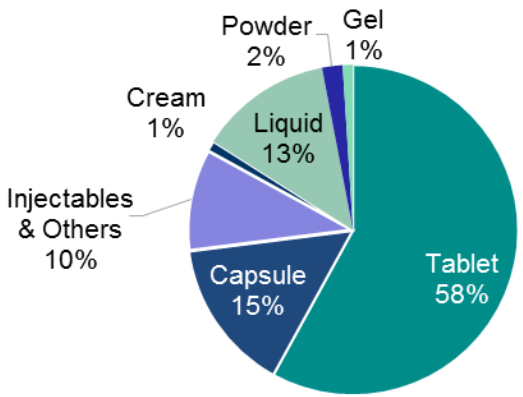
**Sales split by Channel**




**Sales split by Therapeutic Profile**




**Sales split by Dosage Forms**



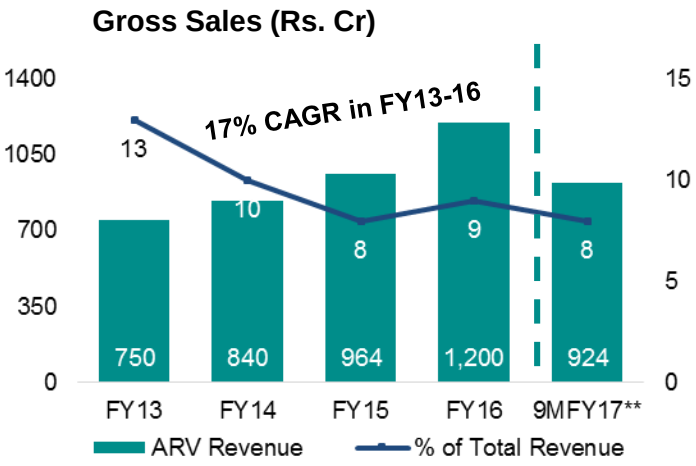

| Channels | Gx | BGx | Hx | TGx |
|---|---|---|---|---|
| Geographies | All 9 countries | 7 countries | All 9 countries | Germany, Spain & Netherlands |
| # of Products | 761 (primarily tablets & capsules) | 34 | 343 (predominantly injectables) | 765 (including Gx products) |
| Other Highlights | Amongst top 10 in most markets | Includes leading brands such as Neotigason, Floxapen, Bezalip among others | Focus on high value areas including oncology | Tender based business |

# ARV Business Overview

- Focus on global tenders floated by Multi-Lateral Organizations like Global Fund, USAID/PEPFAR and Country specific MOH tenders; currently caters to 2.2 million HIV+ patients
- Well integrated supply chain management services and logistics for ARV supplies (29 products) catering to over 100 countries
- Filed over 1,100 ARV dossiers for registrations across the globe

**Growth Driver in the next 3-4 years – Dolutegravir (DTG)**

- Aurobindo is the first generic company to sign license with ViiV Healthcare for the next generation Integrase Inhibitor – DTG
  - Received the USFDA approval for DTG 50mg under the PEPFAR program
  - WHO announced this drug as a 1st line reserve drug in its 2015 HIV treatment guidelines
  - Play a collaborative role in upgrading millions of patients to the latest "best-in-class" ARV drug
- Filed an ANDA application for a Triple drug combination containing DTG
- Market size is expected to be US$ 500m in 2018 for DTG and combinations @50% conversion*




| Products |
|---|
| Efavirenz + Lamivudine + Tenofovir |
| Zidovudine + Lamivudine + Nevirapine Tabs |
| Lopinavir + Ritonavir Tabs |
| Lamivudine + Zidovudine Tabs |
| Abacavir Sulfate Tabs |
| Efavirenz + Emtricitabine + Tenofovir Tabs |
| Lamivudine Tabs |

**As per Ind AS

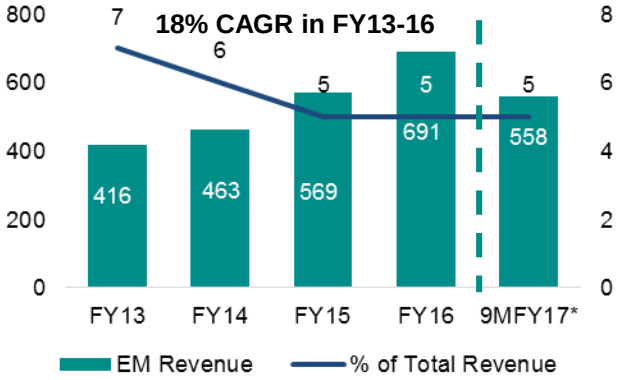
*Source: as per HSBC market report

# Emerging Markets Business Overview

**Growth Drivers in the next 3-4 years**

- Build branded generics presence
- Enhance penetration in selected markets through local manufacturing
- Expand presence with Therapeutic Areas like Oncology and specialty injectables

**Gross Sales (Rs. Cr)**

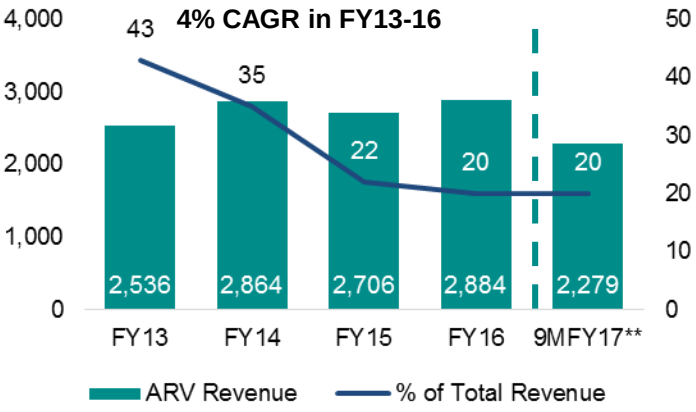



*As per Ind AS

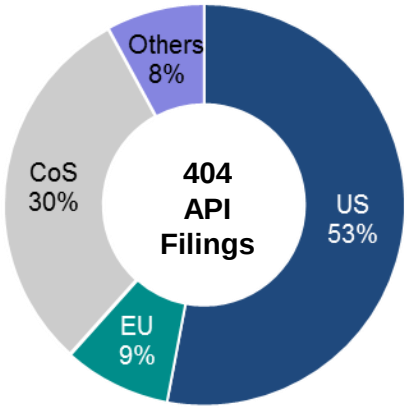
# The Base Business : API

- API business continue to focus on high value, specialty, small/mid-size products with a limited competition
- Ensures quality & Reliability of supplies and ability to command cost efficiencies as well as economies of scale
- Focus on continuous improvement of manufacturing process to meet cost and environmental challenges
- Continue to have sustained growth in more advanced regulated markets (EU, Japan & USA)
- API facilities meet advanced market requirements like USFDA, UK MHRA, EU, Japan PMDA, Mexico COFEPRIS, Brazil-ANVISA, Korea FDA etc.
- Manufacturing reaction volumes has been increased over 30% in last 3 years and would further grow in same proportions.
- Additional processing capacities / capabilities would be created in Oncology and allied areas.
- Conventional manufacturing process are migrated into environmentally friendly process and products based on green chemistry.

**Gross Sales (Rs. Cr)**




**Strong Regulatory Capability***




*As on 31 December, 2016 (excludes Multiple registrations); ** As per Ind AS

# Enhanced Research & Development Capabilities

**5 R&D centers in Hyderabad, India**

- Focused on difficult to develop API, niche oral, sterile and specialty injectable
- Concentrating on wide range of Oncology, Hormonal products, Penems, Enzymes, Biocatalysts, vaccines and Peptides
- Developing diverse pipeline of biosimilars in Oncology and Immunology. CHO-GS based cell lines with productivity of ~ 4.0 g/L
- Developing various Biosimilar products and vaccines.
- In the preventive healthcare area, working on various OTC and Dietary Supplement products
- Dedicated solid state characterization lab involving powder characterization capabilities
- New chemical technology has been adopted to improve the productivity and efficiency of the existing processes
- Two of the R&D centres has been audited by USFDA

**1 R&D center in Dayton, New Jersey**

- Developing microsphere technology based specialty injection products.
- Concentrating on development of various niche oral formulation and controlled substances
- Focus on developing tamper/abuse-resistant technology based products

**1 R&D center in Raleigh, North Carolina**

- Developing various respiratory and nasal products, including DPIs and MDIs
- Dermal Delivery portfolio including transdermal and topical products

**Highly qualified and experienced team of >1,400 professionals**

# Consolidated Financial Performance

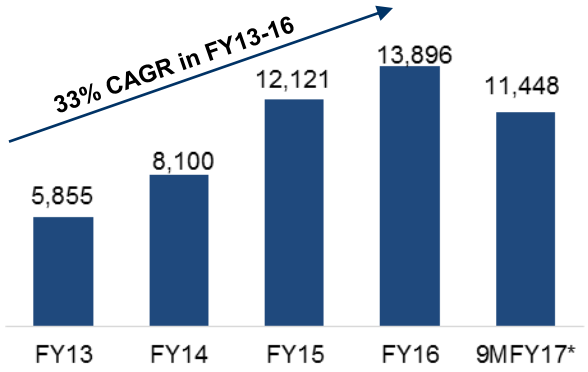
| Value INR Cr | Q3 FY17 | Q3 FY16 | % Chg | Q2 FY17 | % Chg |
|---|---|---|---|---|---|
| Formulations | 3,130.2 | 2,809.4 | 11.4 | 3,003.8 | 4.2 |
| API | 775.9 | 695.1 | 11.6 | 768.8 | 0.9 |
| *Formulations % of sales* | *80.1%* | *80.2%* | | *79.6%* | |
| **Operating Income (including excise duty)** | **3,906.2** | **3,505.6** | **11.4** | **3,775.5** | **3.5** |
| **Gross Margin** | 2,196.5 | 1,954.8 | 12.4 | 2,145.6 | 2.4 |
| | ***56.2%*** | ***55.8%*** | ***40 bps*** | ***56.8%*** | ***(60 bps)*** |
| Overheads | 1,301.6 | 1,137.1 | 14.5 | 1,216.4 | 7.0 |
| **EBIDTA** (excl. Fx & other income) | 894.8 | 817.7 | 9.4 | 929.2 | (3.7) |
| | ***22.9%*** | ***23.3%*** | ***(40 bps)*** | ***24.6%*** | ***(170 bps)*** |
| Fx (Gain) / Loss | (15.8) | (14.0) | | (20.2) | |
| Other Income | 7.9 | 7.5 | | 8.3 | |
| Finance Cost | 14.3 | 22.7 | | 17.5 | |
| Depreciation | 111.1 | 99.4 | | 110.2 | |
| **PBT from ordinary activities** | **793.2** | **717.2** | **10.6** | **829.9** | **(4.4)** |
| **PAT (after JV share, minority interest & OCI)** | **575.8** | **545.5** | **5.6** | **602.6** | **(4.5)** |
| **EPS** | **9.9** | **9.3** | | **10.3** | |
| **Avg Fx Rate US$ 1= INR** | **67.2189** | **65.7659** | | **66.872** | |

| PAT Reconciliation (INR Cr) | Q3 FY16 |
|---|---|
| As per IGAAP | 535.0 |
| Impact on deferred tax (including on unrealized intragroup profits on inventories) | 10.2 |
| Impact on foreign currency exchange differences | (0.11) |
| Difference in measurement of employee benefit expenses | (1.26) |
| Other Ind AS adjustments | 0.5 |
| As per Ind AS | 544.3 |
| | |
| Other Comprehensive Income | 1.2 |
| Profit after OCI | 545.5 |

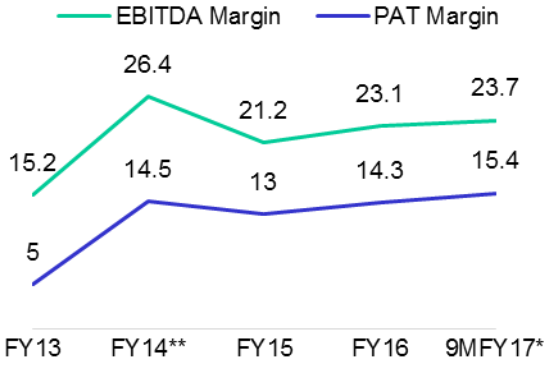
As per Ind AS

# Financial Performance

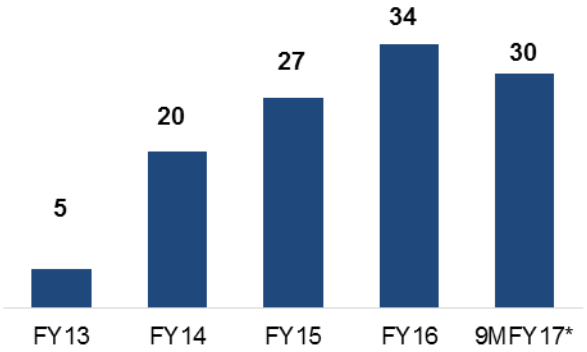
## Operating income (INR Cr)



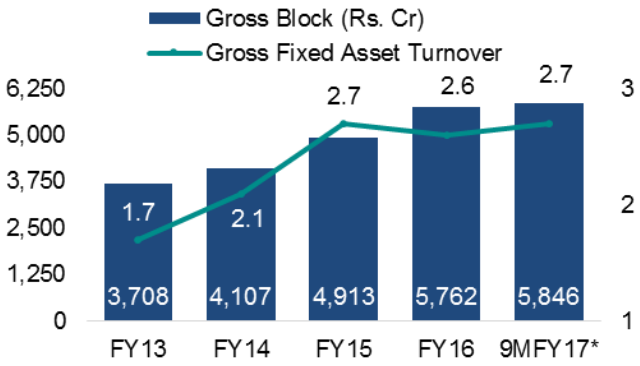

## EBITDA & PAT Margin (%)



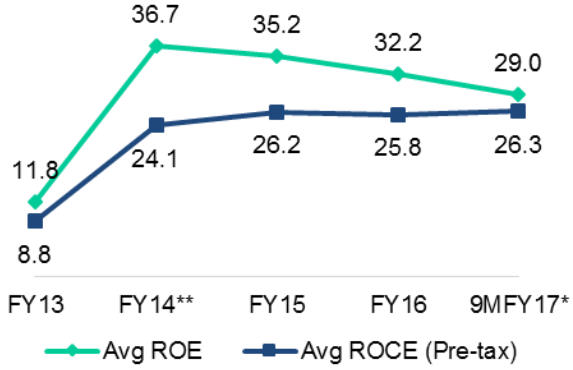

## EPS (INR/Share)



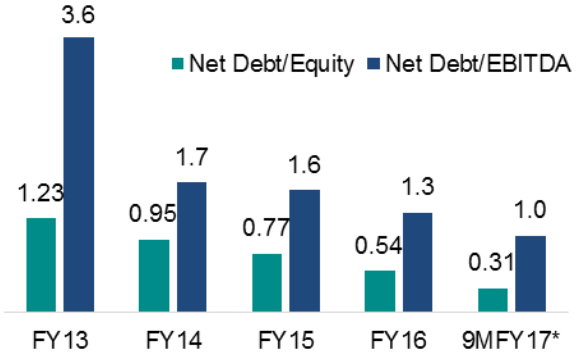

## Gross Block & Fixed Asset Turnover




## Average ROE & ROCE %




## Net Debt/Eq & Net Debt/EBITDA

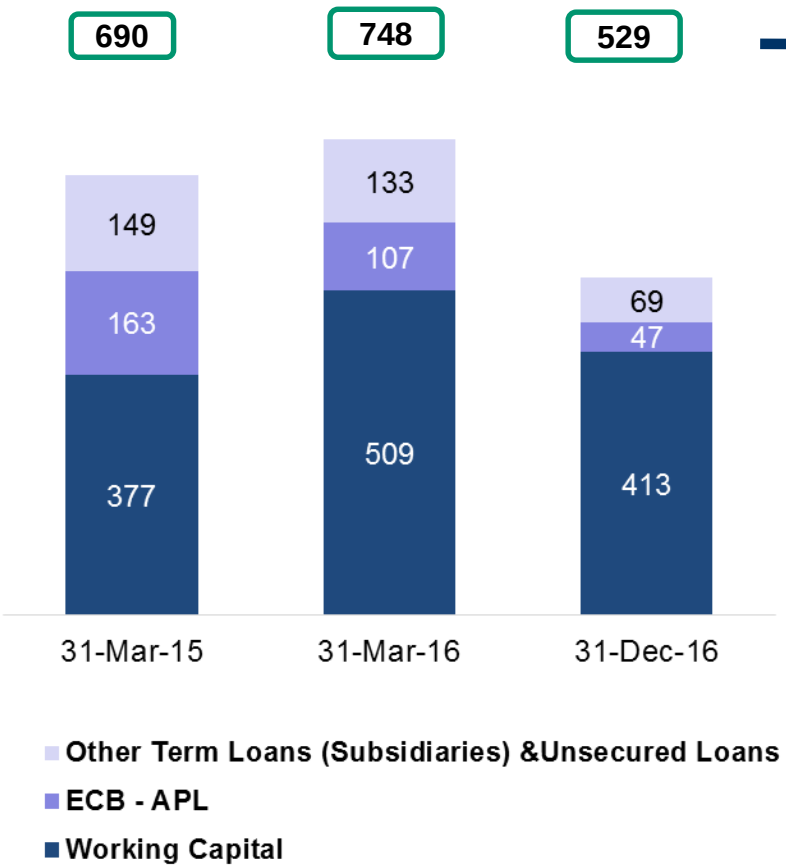



Gross Block is calculated as Tangible Assets + Intangible Assets-Goodwill

* As per Ind AS, **includes sales from limited competition product

# Debt Profile

**Fx Loan US$ Mn**




| Debt as on (INR Cr) | Mar-15 | Mar-16 | Dec-16 |
|---|---|---|---|
| Closing Rate1 US$ = INR | 62.50 | 66.255 | 67.925 |
| Fx Loan restated in INR | 4,312.3 | 4,956.7 | 3,593.7 |
| Rupee Loan | 37.3 | 46.9 | 61.9 |
| Sales Tax Deferment | 54.9 | 41.9 | 0.5 |
| **Gross Debt** | **4,404.5** | **5,045.6** | **3,656.0** |
| Cash Balance | 450.8 | 805.2 | 872.6 |
| **Net Debt** | **3,953.6** | **4,240.3** | **2,783.4** |
| **Net Debt (US$ Mn)** | **632.6** | **640.0** | **409.8** |
| **Finance Cost** | **1.9%** | **1.8%** | **1.6%** |

Fx Debt and Fx Cash Balance are reinstated

# New Business and Technology Initiatives to Support Growth

## Peptides

- Manufacturing peptides from short to long chain molecules supporting mg to kg scale
- Highly Experienced team of scientists; developed technologies for over 10 products
- Four DMFs filed & 10+ more products will be filed in FY18
- Forward integrating by developing microspheres with an addressable market of US$ 3bn

## Oncology and Hormones

- Dedicated R&D center and manufacturing facility set up to develop and manufacture oncology and hormonal products, both for solid and parenteral dosage forms
- Current Product Portfolio includes 8 hormonal products & 54 Oncology products
- Exhibit batches for 13 Oncology products & 7 hormonal products are scheduled in FY16-17

## Biosimilars

- Commissioned dedicated R&D centre and in the process of setting up a manufacturing facility
- Acquired 4 biosimilar molecules from TL Biopharmaceutical AG
- Clinical trials for Bevacizumab to begin in FY18

## Enzymes

- Develops biocatalysts with applications in the pharma and chemical industry
- Provides chemical transformations screening and invention of new routes utilizing biocatalysis
- Supplies AuroZymes Enzyme screening panels and supports any scale of manufacturing

## Vaccines

- JV to develop pneumococcal conjugate vaccine
- Efforts to achieve commercial launch of branded products in 2018

## Other Technology Initiatives

Working on differentiated technology platforms viz Depot injections, Inhalers, Patches and Films

# Key Investments for Future Growth

## Brownfield Expansions

- New dedicated block for lyophilized vials at Unit IV (General Injectable facility), India
- New finished dosage formulations blocks at Unit VII (SEZ), India
- Tripling production capacity at AuroLife, USA

## Greenfield Projects

- Oral Solid finished dosage formulations facility at Naidupet (SEZ), India
- Commissioned specialty products (Hormones and Oncology) facility (Eugia), India
- Finished dosage formulations for European markets at Vizag, India
- New campus at USA for central automated warehouse, OTC liquids & packaging facility and Others
- New Formulations Development center in USA
- Dedicated manufacturing facility for Biosimilars at Hyderabad, India

# Way Forward

| | | |
|---|---|---|
| USA | Orals | Market share gain for existing products and introduction of new products (currently 118* ANDAs under review/tentatively approved) |
| | Specialty | 41* ANDA filings under review/tentatively approved for injectables along with a pipeline of Oncology, Peptides and Penem |
| | OTC | Expand penetration of existing OTC products and capability to capitalize on future OTC conversions |
| | Dietary Supplements | Enhance the acquired Natrol business profitably through a combination of cost and growth synergies |
| EU | | Margin expansion and ramp up of own filings, expansion into new Eastern European territories |
| ARV | | Launch of Dolutegravir and its combination apart from growing existing market |
| Emerging Markets | | Expansion in new business opportunities |
| API | | Enhanced capacities to support growth in advanced regulatory markets including USA, Europe and Japan |
| New Opportunities | | Building differentiated product portfolio across Oncology, Hormones, Depot Injections, Peptides, Inhalers, Patches, Films, Vaccines and Biosimilars |

*As on 31st Dec, 2016
Oral segment includes 'Under PEPFAR' tentatively approved ANDAs

# Annexure

# Gross Sales Break-Up

| INR Bn | FY15 | | | | | FY16 | | | | | FY17 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | 9M |
| USA | 11.1 | 11.6 | 11.8 | 13.3 | 47.7 | 14.1 | 14.7 | 15.6 | 16.3 | 60.8 | 17.0 | 17.4 | 17.5 | 51.8 |
| Europe | 8.0 | 7.7 | 8.6 | 7.7 | 31.9 | 7.4 | 7.6 | 7.8 | 8.4 | 31.3 | 8.3 | 8.1 | 8.6 | 25.0 |
| Emerging Market | 1.2 | 1.4 | 1.2 | 1.2 | 4.9 | 1.6 | 1.6 | 1.6 | 1.6 | 6.5 | 1.9 | 1.8 | 1.9 | 5.6 |
| ARV | 2.2 | 1.4 | 3.3 | 2.7 | 9.6 | 3.0 | 2.8 | 3.1 | 3.3 | 12.1 | 3.0 | 2.8 | 3.4 | 9.2 |
| **Formulations Sales** | **22.5** | **22.0** | **24.9** | **24.8** | **94.2** | **26.2** | **26.7** | **28.1** | **29.7** | **110.6** | **30.3** | **30.0** | **31.3** | **91.7** |
| Betalactum | 4.5 | 4.5 | 4.6 | 4.4 | 17.9 | 4.8 | 4.3 | 4.5 | 5.0 | 18.6 | 4.9 | 5.1 | 5.3 | 15.3 |
| Non-Betalactum | 2.2 | 2.4 | 2.2 | 2.4 | 9.1 | 2.5 | 2.6 | 2.5 | 2.7 | 10.3 | 2.4 | 2.6 | 2.5 | 7.5 |
| **API Sales** | **6.7** | **6.9** | **6.7** | **6.8** | **27.1** | **7.2** | **6.9** | **7.0** | **7.7** | **28.8** | **7.3** | **7.7** | **7.8** | **22.8** |
| Gross Sales | 29.2 | 28.9 | 31.6 | 31.6 | 121.3 | 33.4 | 33.6 | 35.0 | 37.4 | 139.5 | 37.7 | 37.7 | 39.1 | 114.5 |
| **Formulations as % of Gross Sales** | **77%** | **77%** | **79%** | **79%** | **78%** | **78%** | **80%** | **80%** | **80%** | **79%** | **80%** | **80%** | **80%** | **80%** |

- Formulations segment witnessed continuous growth and is now 80% of total sales up from 63% in Q1 FY14
- Vertical integration with in-house API for around 70% of its Formulation products

FY17 numbers are as per Ind AS

# 5 Year Financial Snapshot

| Value INR Bn | FY12 | FY13 | FY14 | FY15 | FY16 |
|---|---|---|---|---|---|
| **Net Operating Income** | **46.3** | **58.6** | **81.0** | **121.2** | **138.9** |
| Gross margin % of operating income | 45.5% | 48.9% | 55.5% | 54.6% | 55.7% |
| EBITDA (before Fx and other income) % to Operating income | 13.2% | 15.2% | 26.4% | 21.2% | 23.1% |
| Depreciation / Amortization | 2.0 | 2.5 | 3.1 | 3.3 | 3.9 |
| Finance Cost | 1.0 | 1.3 | 1.1 | 0.8 | 0.9 |
| **PBT (before exceptional item)** | **1. 1** | **3.7** | **15.3** | **21.7** | **27.2** |
| **PAT before exceptional items** | **2.0** | **2.9** | **11.7** | **15.7** | **19.8** |
| | | | | | |
| Total Shareholder Funds | 23.4 | 26.1 | 37.5 | 51.6 | 70.6 |
| Total Gross Debt | 31.0 | 34.4 | 37.7 | 44.6 | 47.1 |
| Net Debt | 30.3 | 32.3 | 35.9 | 39.9 | 38.7 |
| Gross Fixed Assets (net of Goodwill) | 30.3 | 37.1 | 41.1 | 49.1 | 57.6 |
| **Ratios** | | | | | |
| Gross Debt / Shareholders' funds (x) | 1.3 | 1.3 | 1.0 | 0.9 | 0.7 |
| Net Debt / EBIDTA (x) | 5.0 | 3.6 | 1.7 | 1.6 | 1.2 |
| Asset Turnover Ratio (x) | 1.7 | 1.7 | 2.1 | 2.7 | 2.6 |

# Filing details as on 31st Dec 2016

| Category | As at Mar 13 | As at Mar 14 | As at Mar 15 | As at Mar 16 | As at Dec 16 | Approvals |
|---|---|---|---|---|---|---|
| Formulations | | | | | | |
| US* | 269 | 336 | 376 | 398 | 421 | 303 (FA: 262, TA:41) |
| Europe** | 1,341 | 1,542 | 1,756 | 2,224 | 2,428 | 1,574 Dossiers (175 products) |
| SA** | 314 | 334 | 345 | 376 | 396 | 182 Registrations (89 products) |
| Canada*** | 49 | 72 | 83 | 105 | 115 | 94 products |
| **Total** | **1,973** | **2,284** | **2,560** | **3,103** | **3,360** | |
| API | | | | | | |
| US | 172 | 181 | 192 | 205 | 214 | |
| Europe** | 1,443 | 1,504 | 1,601 | 1,689 | 1,724 | |
| CoS | 109 | 106 | 114 | 118 | 123 | |
| Others** | 565 | 627 | 681 | 715 | 742 | |
| **Total** | **2,289** | **2,418** | **2,588** | **2,727** | **2,803** | |

In total 404 APIs are filed across geographies with multiple registrations

*Includes filings made from AuroLife Pharma LLC, USA (net of ANDAs withdrawn)

**includes multiple registration; ***excludes withdrawn

For Europe Formulations, as on 31th Dec, 2016 additional 1,468 MAs have been transferred from Actavis

# Extensive Manufacturing Base with High Quality Control and Compliance

## Finished Dose Formulations

| Site | Product Capabilities |
|---|---|
| Unit III | Non antibiotics, ARVs / Orals |
| Unit IV | Injectables (Non-antibiotics)&Ophthalmics |
| Unit VI B | Cephalosporin / Orals |
| Unit VII | Non antibiotics, ARVs / Orals |
| Unit XII | Antibiotics, injectables, Orals |
| AuroNext | Penem formulations |
| Brazil Unit | Antibiotics |
| Eugia* | Oncology & Hormones |
| AuroLife | Non antibiotic & Controlled substances |
| AuroHealth | Pharma OTC / Orals and Liquids |
| Natrol | Nutraceuticals |
| Unit X* | Non antibiotics, Solid Orals |
| Unit XV | Non antibiotics, Solid & Liquid Orals (EU) |
| Unit XVI | Antibiotics, Injectables |
| APL Healthcare | Pharma OTC, Solid Orals |

## Active Pharma Ingredients

| Site | Product Capabilities |
|---|---|
| Unit I | CVS, CNS, Anti-Allergics, Non-Sterile |
| Unit IA | Cephalosporin |
| Unit II | Intermediates for non antibiotics, Penems |
| Unit V | Antibiotics (Sterile & Non-sterile) |
| Unit VIA | Cephalosporins (Sterile) |
| Unit VIII | ARV, CVS, CNS (Non-sterile) |
| Unit IX | Intermediates |
| Unit XI | Non antibiotics |
| Unit XI U | Antibiotics (Non-sterile) |
| Unit XIV | CVS, Anti fugal |
| Silicon LS | Penems (Non-sterile) |
| AuroNext | Penems (Sterile) |
| AuroPeptide | Peptides |

Large manufacturing capabilities approved by key regulators for a diversified product portfolio with technology & expertise for specialty formulations

Vertically integrated operations from conception to commercialization

High specification manufacturing plants approved by key regulators equipped by site dedicated control laboratories located in India

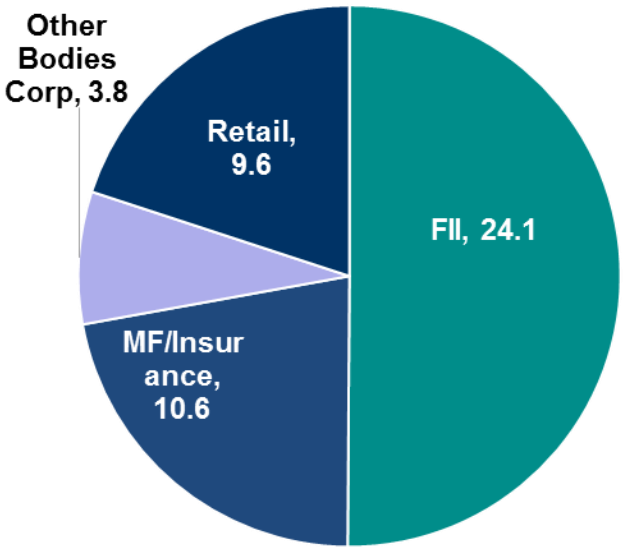
API plants equipped with particle size modifications systems to supply compacted and micronized materials

* Under construction / Yet to be operationalized

# Shareholding Pattern

| Group | As on 31 Mar 15 | As on 31 Mar 16 | As on 31 Dec 16 |
|---|---|---|---|
| Promoter Group | 54.0% | 53.9% | 51.9% |
| FII | 29.6% | 27.4% | 24.1% |
| MF / Insurance | 6.2% | 7.2% | 10.6% |
| Other Bodies Corporates | 1.6% | 2.4% | 3.8% |
| Retail Investors | 8.6% | 9.1% | 9.6% |
| Total | **100%** | **100%** | **100%** |
| Equity Shares (in Cr) | 29.2 | 58.5 | 58.5 |
| Face Value (INR) | 1 | 1 | 1 |
| Equity Capital (INR Cr) | 29.2 | 58.5 | 58.5 |
| M-Cap at close (INR Bn) | 356.7 | 435.9 | 432.9 |
| Shareholder family (# '000) | **75.2** | **115.9** | **167.6** |

## Non-Promoter Holding 48.1%



# Thank You

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