

Glenmark Pharmaceuticals Limited

JP Morgan Healthcare Conference

January 9, 2013

A new way for a new world A new way for a new world

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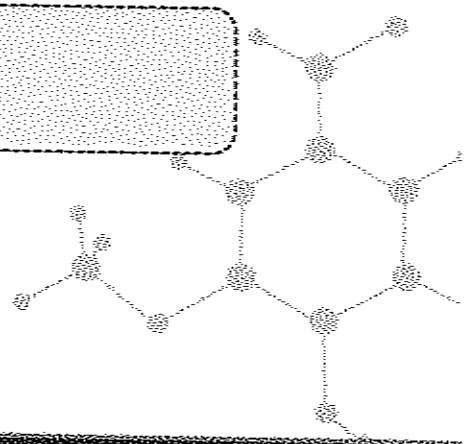
Agenda

GLENMARK : TRACK RECORD

BUSINESS OVERVIEW

LOOKING AHEAD

FINANCIALS



Glenmark : The Evolution

Year 2000

- Consolidated Turnover - Rs 1380 Mn ($ 31.62 Mn)
- 2 Formulations Manufacturing Facilities
- Sales from International operations – 8%
- Initiation into NCE research

Year 2012

Research Driven

- 6 NCEs + NBEs in Clinics
- USD 206 Mn of cash received from NCE/NBE out-licensing deals
- Seven out-licensing deals since 2004

Global

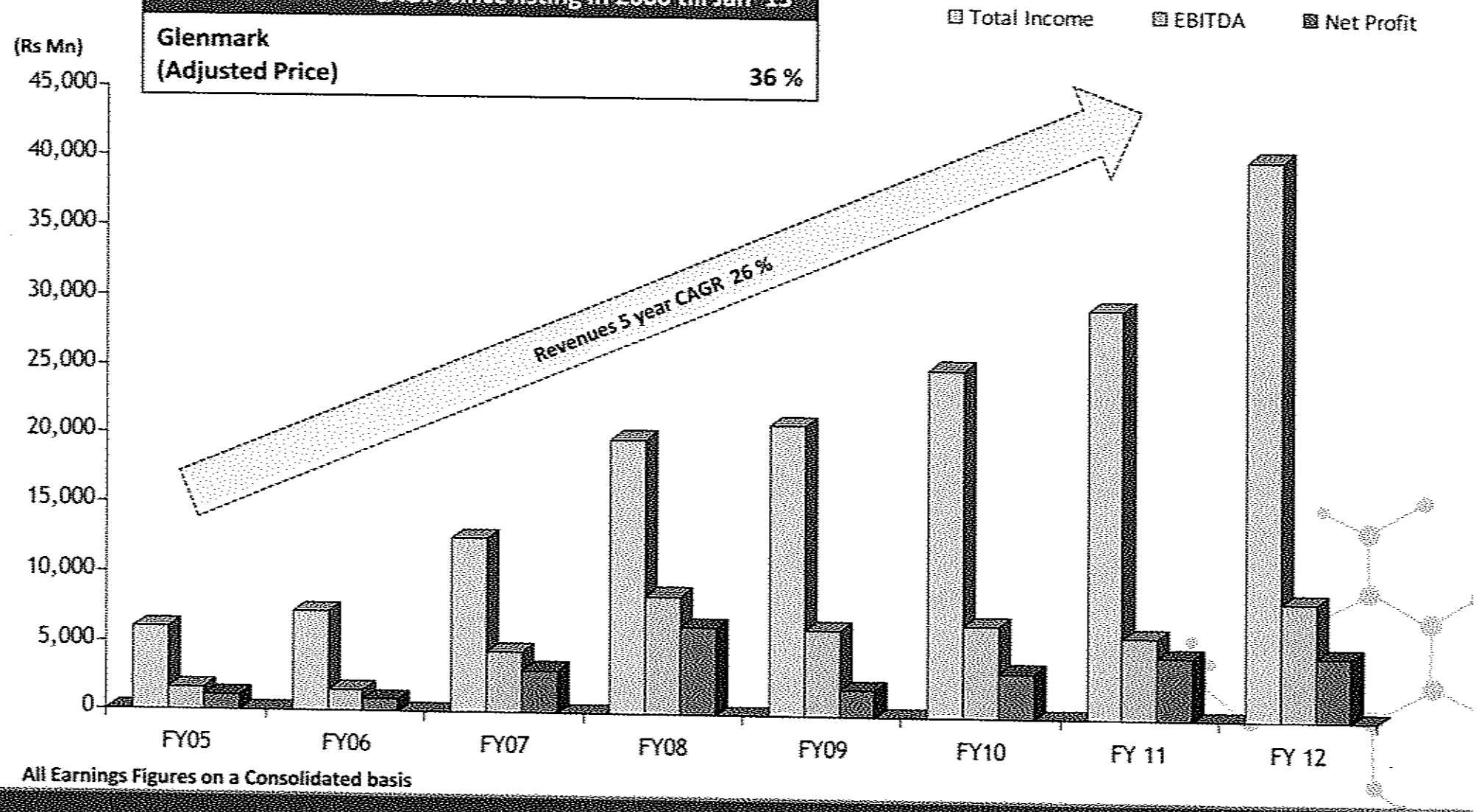
- Consolidated Turnover - Rs. 40,206 Mn ($ 830 Mn)
- Global Operations with more than 20 subsidiaries and over 9000 employees
- 13 manufacturing facilities in 4 countries
- Front-ends in key markets worldwide

Integrated

- 3 API plants
- 10 Finished dosage plants
- 6 research facilities

A Track Record of Wealth Creation

CAGR since listing in 2000 till Jan '13	
Glenmark (Adjusted Price)	36 %



All Earnings Figures on a Consolidated basis

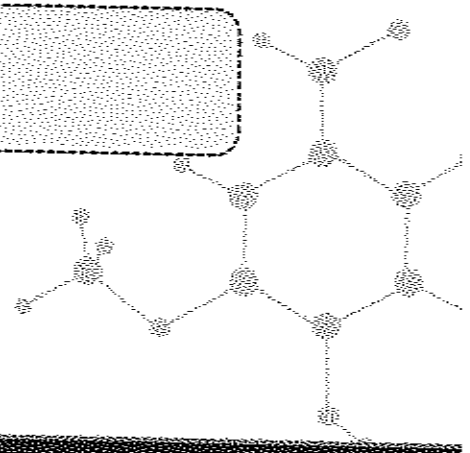
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Glenmark Value Proposition

Glenmark Generics moving down the value chain in to Pure Generics & API space

Glenmark

Glenmark Pharma moving up the value chain with Discovery research

Big pharma moving down the value chain by entering the Branded Generics & Pure Generics space

API Manufacturing → **Pure Generics Business** → **Branded Generics business** → **Propriety Branded Business**

PHARMACEUTICAL VALUE CHAIN

Key Requisites
Low cost; low margins
Forging IP challenges
"Push" for products
Efficient distribution

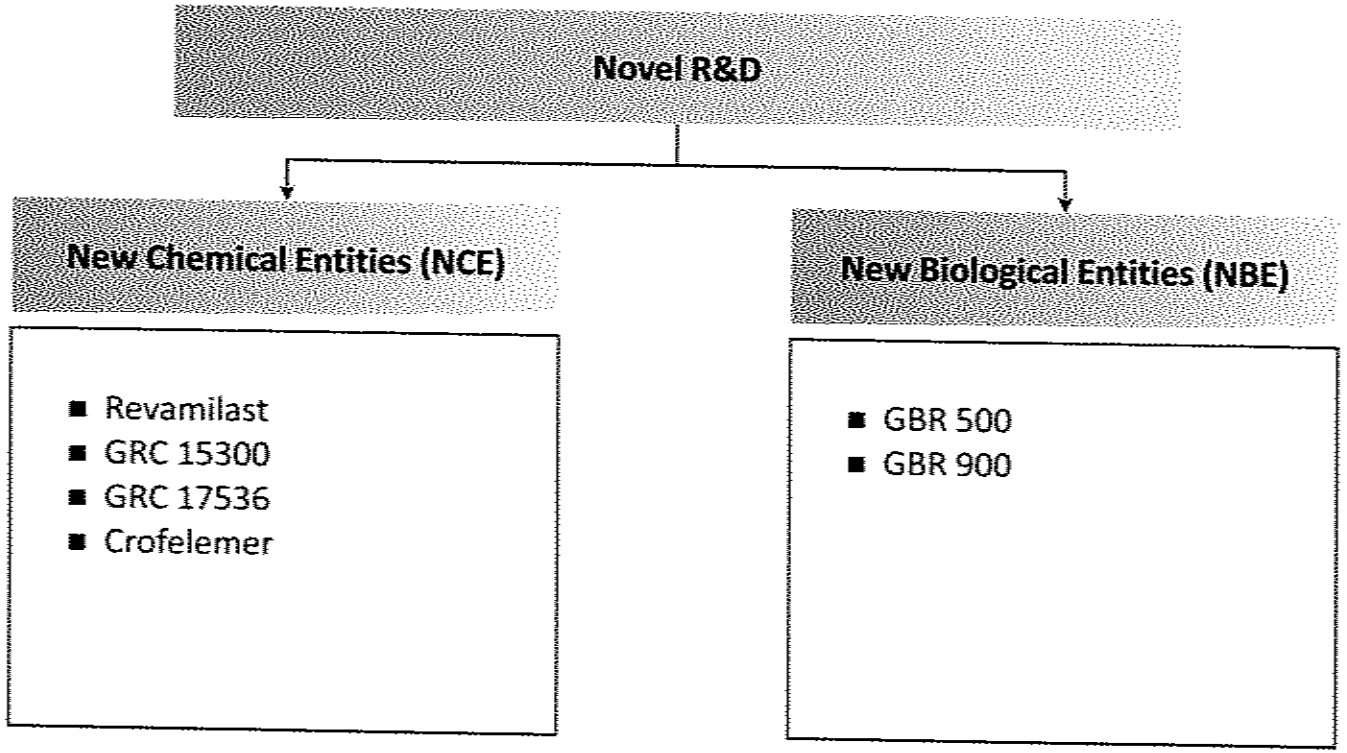
Key Requisites
Innovation Brand Building
"Pull" for products
Marketing front end

Company Overview

GLENMARK

	Novel Research & Development	Specialty Business	Generics Business
FOCUS	• Focus on New Drug Development	• Specialty/ Proprietary Business • Focus on branded products market	• Pure Generics Business • Focus on marketing of APIs and generic formulations
BUSINESS IMPERATIVES	• Discover First-in-Class or Best-In-Class molecules for unmet medical needs • Continuously build a pipeline of exciting molecules • Medical & Clinical studies • IP Protection	• Brand Building • Prescription Generation • Therapy focus • Create 'pull' for brands • Marketing fronts in key branded markets • In-licensing products for markets	• Low cost manufacturing • Maintaining supply of low-cost API • Efficient spread of distribution • Create right 'push' for generic products • Product selection/ timing and speed of development • IP Challenge

Novel R&D: Structure



Novel R & D Capabilities – Out-licensing deals

GBR - 500: Sanofi-Aventis 2011

- First novel biologics outlicensing deal for Glenmark
- Upfront payment of USD 50 mn; Total deal size – USD 613 mn

mPGES-1 Inhibitors Forest Labs 2012

- Received USD 9 million payment
- Forest will make another future payment in FY 2014 to support the program

GRC 15300: Sanofi-Aventis 2010

- Received an upfront fee of $20 million for development & commercialization rights of a first in class TRPV3 antagonist
- A deal with a potential of $ 325 Mn.
- Received USD 5 mn in Oct'11 as milestone payment

GRC 6211: Eli Lilly 2007

- Eli Lilly acquired the rights to a portfolio of TRPV1 antagonist molecules
- Received an upfront fee of $45 million
- Development of the lead compound GRC 6211 has been stalled

Melogliptin: Merck KGaA 2006

- A deal worth $ 250 Mn in October 2006. Received total payments of $ 31 Mn
- Due to a reduced R&D focus on Diabetes, Merck returned the molecule to Glenmark in April 2008
- Melogliptin completed Phase II b trials and is ready to enter Phase III

Oglemilast: Forest Labs 2004

- A deal worth $190 Mn on Oglemilast US Rights
- Received $35Mn as upfront and milestone payments

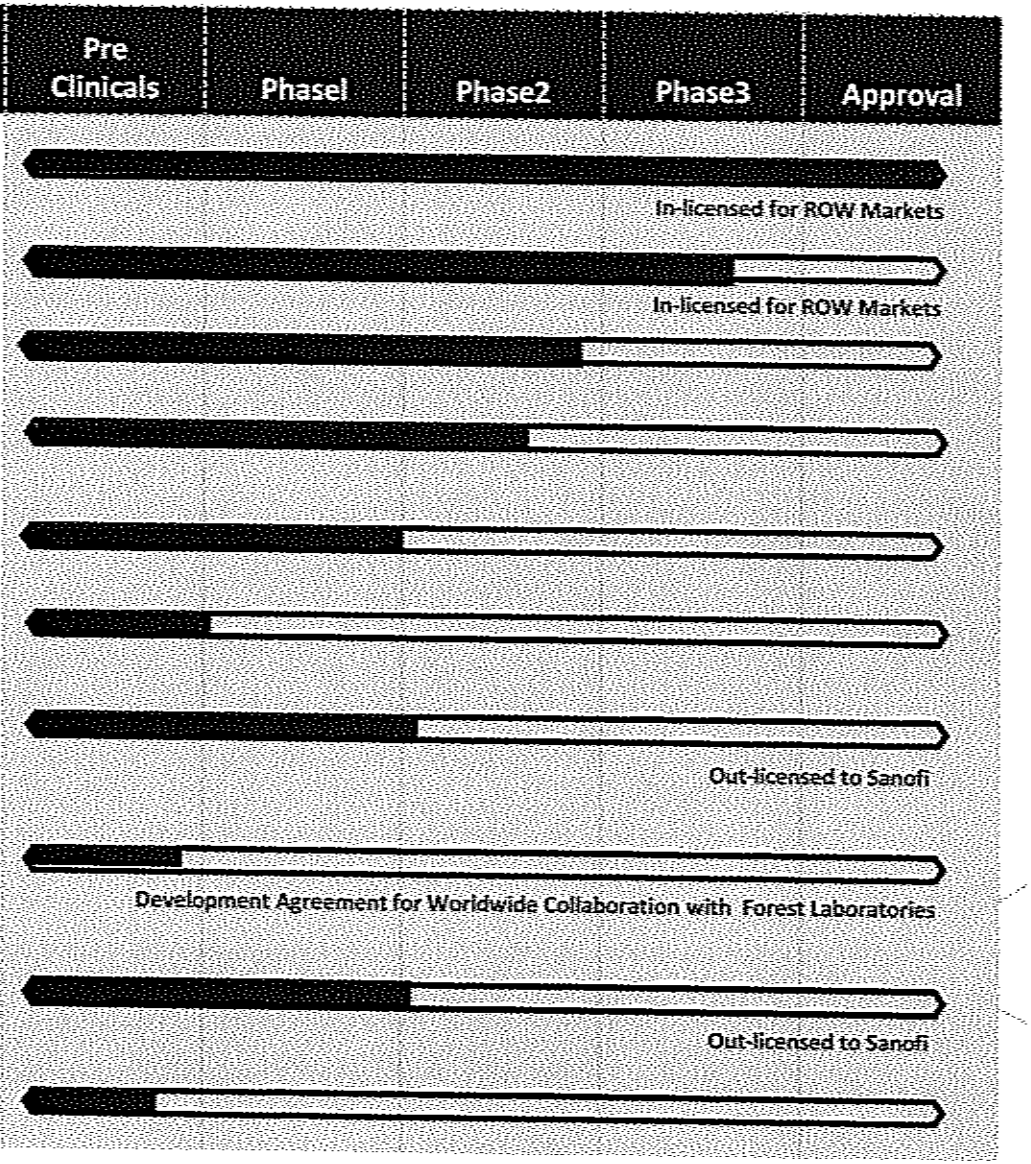
Oglemilast: Teijin Pharma 2005

- A $ 53 Mn deal for Oglemilast Japan rights
- Teijin Pharma paid an up-front payment of $6Mn

GPL has completed seven out-licensing deals since 2004, with a cumulative payment of $ 206 Mn received in terms of upfront and milestone payments.

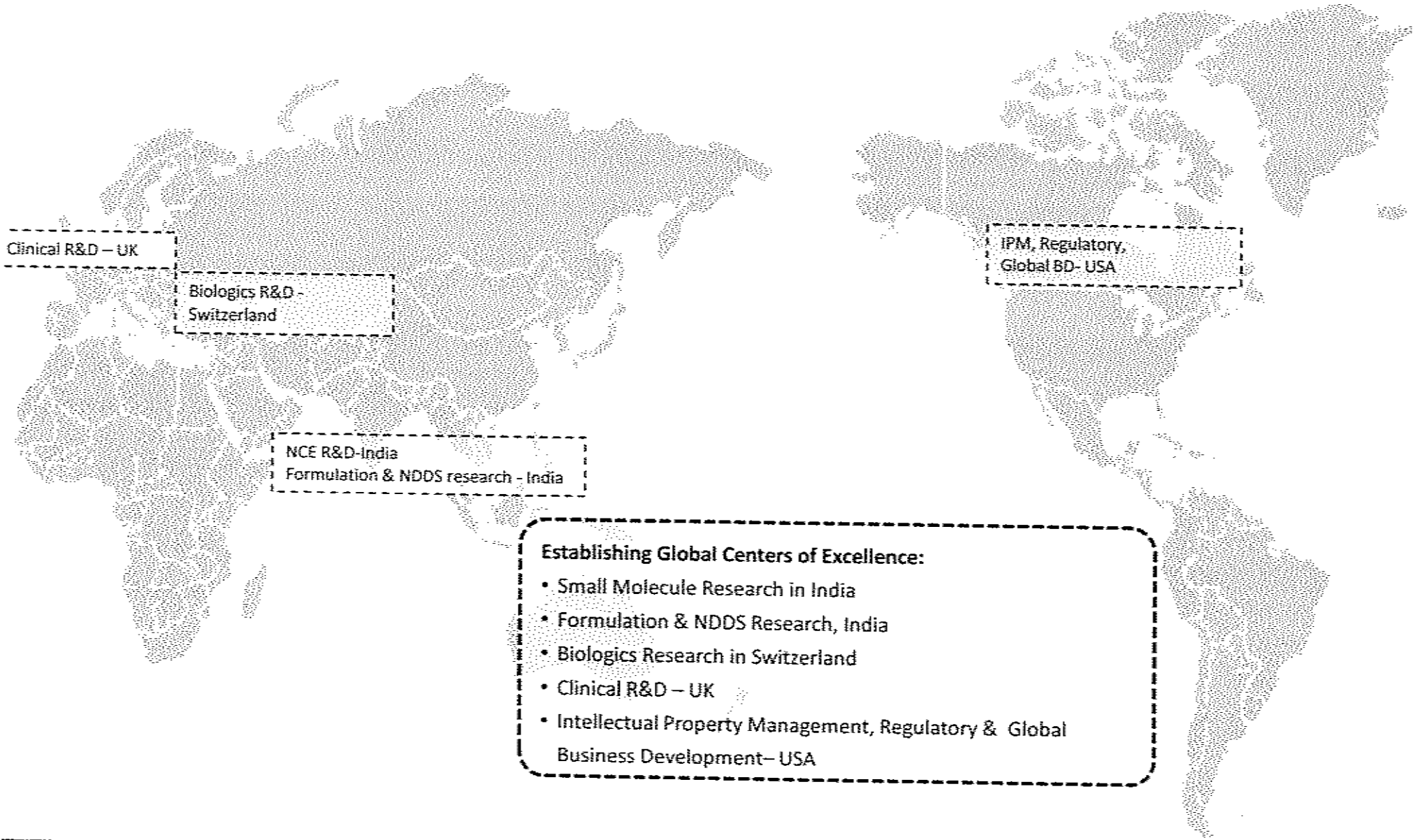
Novel Drugs Pipeline

	Compound	Primary Indications	Target
NCE	Crofelemer	HIV related Diarrhea	CFTR Inhibitor
NCE	Crofelemer	Adult Acute Infectious Diarrhea including Cholera	CFTR Inhibitor
NCE	Revamilast	Rheumatoid Arthritis (RA)	PDE IV Inhibitor
NCE	Revamilast	Asthma	PDE IV Inhibitor
NCE	GRC 17536	Neuropathic Pain	TRP A1
NCE	GRC 17536	Respiratory disorders	TRP A1
NCE	GRC 15300	Neuropathic Pain	TRPV3 Antagonist
NCE		Pain / Inflammation	mPGES-1 inhibitors
NBE	Vatelizumab	Ulcerative Colitis	VLA-2 Antagonist (mAb)
NBE	GBR 900*	Chronic Pain	TrkA Antagonists (mAb)



* GBR 900 is a monoclonal antibody inlicensed from Lay Line Genomics, Italy. With this, Glenmark has the exclusive target license to commercialize monoclonal antibodies against TrkA receptor for pain

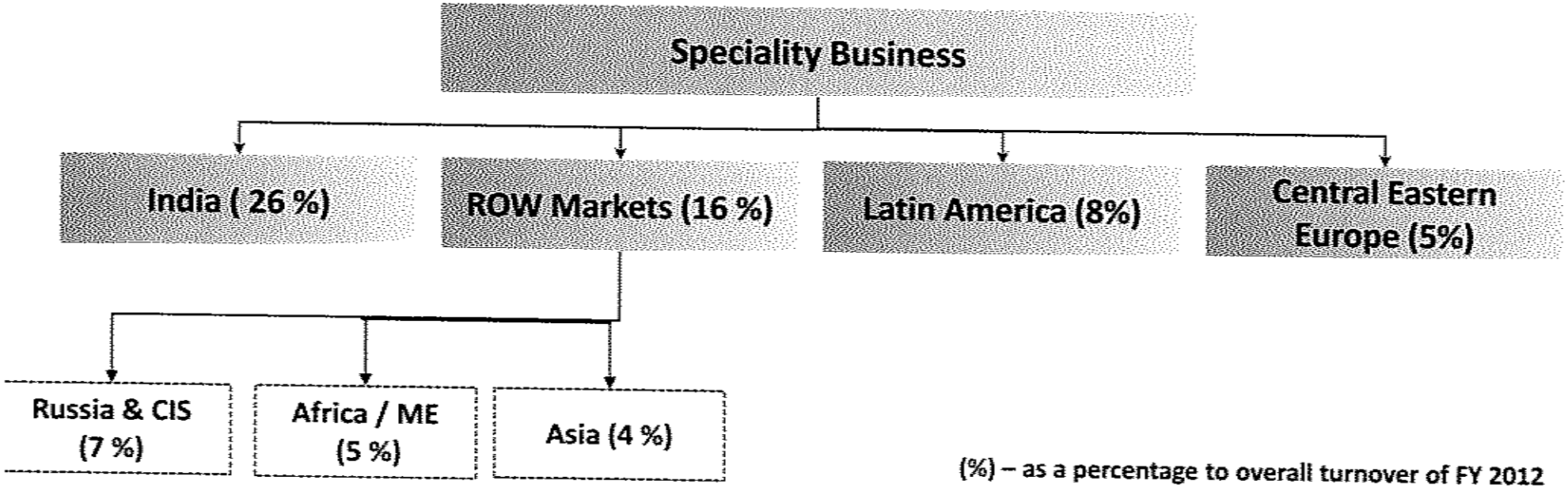
Innovative R&D – Infrastructure and capabilities



Establishing Global Centers of Excellence:

- Small Molecule Research in India
- Formulation & NDDS Research, India
- Biologics Research in Switzerland
- Clinical R&D – UK
- Intellectual Property Management, Regulatory & Global Business Development– USA

Specialty Business Structure



(%) – as a percentage to overall turnover of FY 2012

- Key markets are India, Russia, and Brazil.
- Build expertise around focus therapeutic areas across all operating regions viz. Dermatology, Respiratory and Oncology
  - 1-2 additional therapeutic areas in each region

Specialty Business

Specialty Business

Global Therapeutic focus on Dermatology, Oncology and Respiratory

India (26 %)

- Growth driven by new brand introductions and focused strategy of divisionalisation
- Cardiometabolic, Respiratory and Dermatology continue to register growth

ROW Markets (16 %)

- Russia is the largest subsidiary
- Presence in several African markets
- Power Brand strategy drives growth in Asia

Latin America (8%)

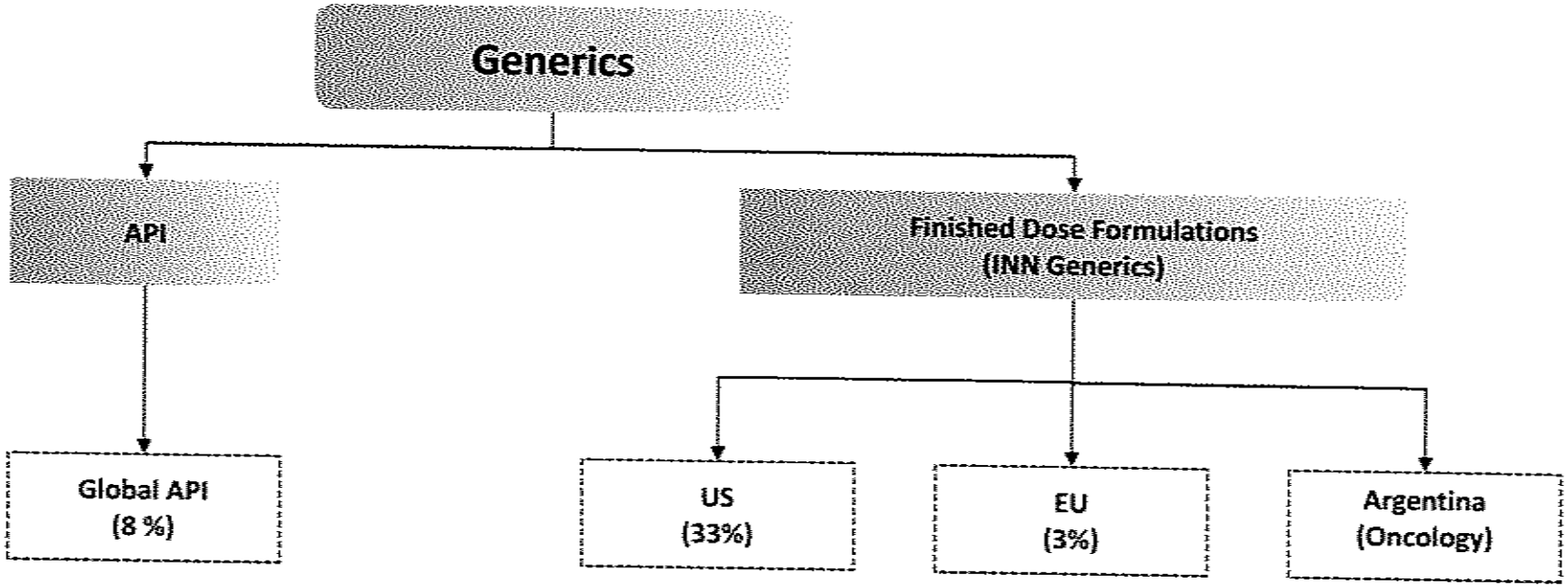
- Brazil: To focus on Dermatology, Oncology & Respiratory
- Differentiated branded generic pipeline for key markets – Mexico, Venezuela, Peru

Central Eastern Europe (5 %)

- Focus on CNS and Cardiology Segments
- A mix of in-licensing and in-house developed products targeted for launch

(%) – as a percentage to overall turnover of FY 2012

Generics Business (GGL): Structure



(%) – as a percentage to overall turnover of FY 2012

Generics: Growth Drivers

GGL

US (33 %)

- **Focus on niche/limited competition products rather than me-too opportunities**
- Portfolio of over 80 generic products
- Pipeline of atleast 40 ANDAs with a high proportion of differentiated molecules

Europe (3%)

- **Pursuing multiple revenue streams – Dossier licensing, third party supplies and direct sales (own front end)**
- Direct sales presence established in the UK
- Subsidiary established in Germany and the Netherlands

Latin America (Oncology)

- **Supply chain hub for oncology products**
- The Oncology business continues to file dossiers at a steady rate
- Regular launches of products across the entire Latam region

API (30%)

- **Focus has been to transition the business from ROW markets to Regulated markets**
- Over 50 DMFs filed
- Launched several new products in last few years
- Market leadership in Perindopril, Lecanidipine, Telmisartan and Amiodarone

(%) – as a percentage to overall turnover of FY 2011

ANDA Filings

- The Generics business intends to focus its ANDA filings in 3 niche therapeutic areas
  - Dermatology
  - Hormones
  - Oncology

Niche / Focus Area	Pending Approval	Authorized to Distribute	Total Filings	Market Size ($Mn)
Immediate Release	11	39	50	7387
Hormones	4	11	15	996
Modified Release	4	7	11	939
Derm Products	3	19	22	716
Para IV Filings	17	0	17	10246
Controlled Substances	0	3	3	266
Total	39	79	118	20647

As on Nov 2012

Generics : FTF Opportunities

- Sole FTF opportunity for all four products
- All below mentioned Para IV litigations settled. GGL has visibility in terms of sales for Para IV opportunities
- Tarka - Status of the case : District Court Judge has ruled in favour of the jury.

Product	Brand name	Plaintiff	Sales* (MAT Jan 2011)	Likely Launch date
Ezetimibe	Zetia	Schering Plough	USD 1.3 bn	Dec 2016
Hydrocortisone Butyrate Cream	Locoid Lipocream	Triax and Astellas	USD 38 mn	Dec 2013
Fluticasone Lotion 0.005%	Cutivate	Nycomed	USD 49 mn	Launched Mar 2012
Atovaquone & Proguanil HCl	Malarone	Glaxosmithkline	USD 64 mn	Launched Sep'11

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Glenmark : Looking ahead

Innovation

- Initiate clinical development of atleast one NME each year
- New target areas to be preferably first-in-class globally
- Focus areas for research will remain Inflammation, Pain and Oncology
  - NBE research will remain focused on monoclonal antibodies(Mab)
- Leverage Glenmark's proprietary BEAT technology to develop further Mab clinical candidates
  - Glenmark's bi-specific antibody technology has a unique format; very good assembly and purification; Intellectual Property
- Continue with the out-licensing model
- Simultaneously build capabilities to do late stage development work

Glenmark : Looking ahead

Specialty Business - GPL

- **Continue our efforts to transition to a proprietary/innovative business**
- India, Russia and Brazil to remain focus markets
- The objective for the India business is to ensure higher than industry growth and gain market share
- Russia & Brazil contribution to overall revenue will keep on increasing
- Mexico is another focus market
- Build a differentiated product pipeline centered around three therapeutic areas i.e. Dermatology, Respiratory & Oncology

Glenmark Generics Ltd

- **To become a leading generics players in developed markets**
- US Generics will continue to focus on niche/limited competition products
  - Majority of products pending or to be filed with USFDA fall in this category
- Western Europe will continue its expansion with minimum investment in UK, Germany, Netherlands and other markets
- The objective for the API business will be to continuously increase sales from developed markets
  - Percentage sales contribution from developed markets will increase every year

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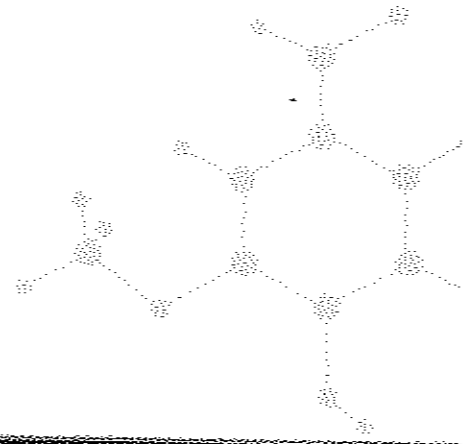
Financials : Sales Breakup

in INR million	Q2 FY 2013	Q2 FY 2012	Growth	H1 FY 2013	H1 FY 2012	Growth	FY 2012	FY 2011	Growth
Speciality Business									
India	3440.27	2538.97	36%	6238.14	4792.77	30%	10021.30	8446.88	19%
ROW	1941.00	1479.33	31%	3289.40	2526.11	30%	5925.52	4069.66	46%
Latin America	936.82	738.17	27%	1567.33	1330.10	18%	2869.13	1918.86	50%
Europe	379.32	377.58	0%	648.98	592.70	10%	1976.47	1527.65	29%
Total	**6697.41**	**5134.05**	**30%**	**11743.85**	**9241.68**	**27%**	**20792.42**	**15963.05**	**30%**
Out Licensing Revenue	-	1184.55		-	2296.89		2535.24	895.10	183%
Total Speciality Business	**6697.41**	**6318.60**	**6%**	**11743.85**	**11538.57**	**2%**	**23327.66**	**16858.15**	**38%**
Generics Business									
US	4307.21	3000.55	44%	8230.79	5512.13	49%	12136.93	8351.56	45%
Europe	388.54	185.41	110%	720.81	360.77	100%	1031.36	543.61	90%
Latin America	53.72	41.34	30%	93.16	70.32	32%	142.43	400.88	-64%
API	1034.52	762.92	36%	2039.22	1408.55	45%	3094.44	2767.05	12%
Total Generics Business	**5783.99**	**3990.22**	**45%**	**11083.98**	**7351.77**	**51%**	**16405.16**	**12063.10**	**36%**
Others	70.51	245.65	-71%	128.15	346.67	-63%	473.61	569.45	-17%
Consolidated Revenue	**12551.91**	**10554.47**	**19%**	**22955.98**	**19237.01**	**19%**	**40206.43**	**29490.70**	**36%**

Glenmark

A new way for a new world

Thank You



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