Cipla

29th May 2015

(1) BSE Ltd
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Scrip Code: 500087

(2) National Stock Exchange of India Ltd
Listing Department
Exchange Plaza, 5th floor,
Plot no. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Code: CIPLA EQ

(3) SOCIETE DE LA BOURSE DE LUXEMBERG
Societe Anonyme
11, av de la Porte-Neuve,
L-2227 Luxemberg

Dear Sirs,

Please find enclosed investor presentation dated 29th May 2015.

Kindly acknowledge the receipt.

Thank you,

Yours faithfully,
For Cipla Limited

M. A. Sanghvi

Mital Sanghvi
Company Secretary

Encl: as above

Investor Presentation

Q4 FY 15 Earnings Release

29 May 2015

Disclaimer

Except for the historical information contained herein, statements in this presentation and the subsequent discussions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, cash flow projections, our exposure to market risks as well as other risks. Cipla Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof."

Financial Performance Summary

	Q4 FY 2014-15		FY 2014-15	
	Consolidated		Consolidated	
	Actuals *(Rs Cr.)*	vs Q4 FY 14	Actuals *(Rs Cr.)*	vs FY 14
Revenue	3,093	22.1%	11,345	11.5%
Domestic Sales	1,086	20.7%	4,825	18.0%
Export Sales	1,895	22.8%	6,058	5.6%
EBITDA	508	24.0%	2,162	1.3%
EBITDA %	*16.4%*	*0.3%*	*19.1%*	*-1.9%*
PAT	260	*-0.4%*	1,181	-15.0%
PAT %	*8.4%*	*-1.9%*	*10.4%*	*-3.2%*

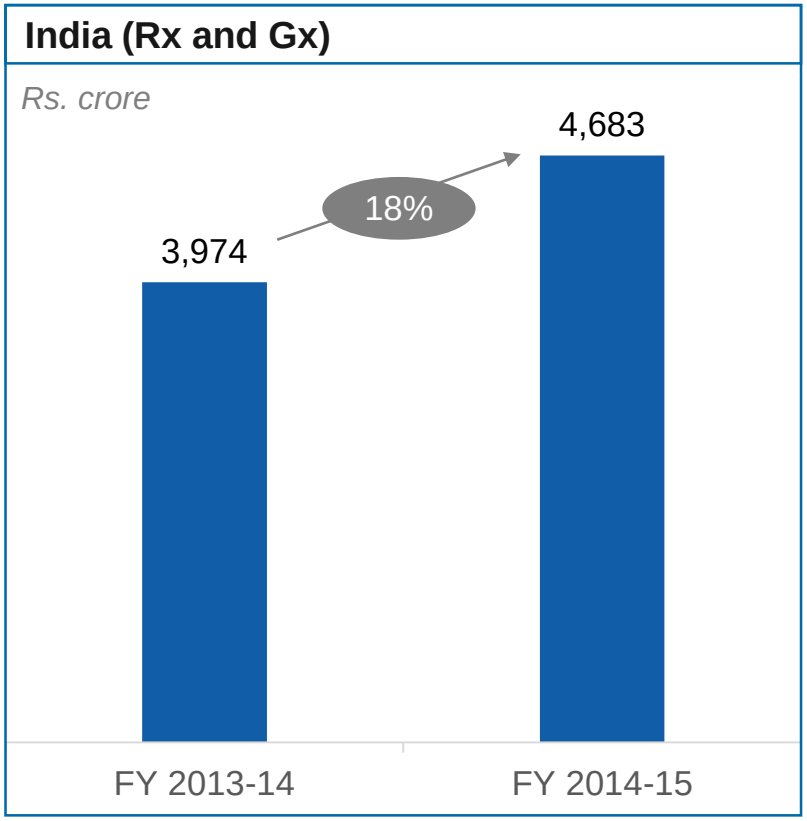
Performance Summary (1/2)

Area	Highlights
Financial Performance	• Consolidated Q4 FY 2014-15 Sales: Rs. 3,093 Cr, 22.1% above Q4 FY 2013-14 • Consolidated Q4 FY 2014-15 EBITDA: Rs. 508 Cr, 24% above Q4 FY 2013-14 • Consolidated FY 2014-15 Sales: Rs. 11,345 Cr, 11.5% above FY 2013-14 • Consolidated FY 2014-15 EBITDA: Rs. 2,162 Cr, 1.3% above FY 2013-14 • AAA credit rating maintained
Business / Strategy	• Significant in-licensing traction: Darbopoetin, Raltegravir, Dolutegravir, Tenofovir Alafenamide (TAF), Sofosbuvir, Teva South Africa • Business de-risked via front end build in 17 select markets eg. Yemen, Iran, Sri Lanka, Myanmar, Morocco and Algeria; Integration of operations on track • Tender wins in South Africa- Respiratory, ARV and newer areas such as mental health and cardiovascular • Launch of Salmeterol Fluticasone in select European markets: Croatia, Germany, Sweden, Slovakia, Czech; added Belgium and Hungary in recent months • Strong India business performance – 20% growth vs 12% for industry in FY 2014-15 *(Source: IMS)* • Strong export momentum in Q4 FY 2014-15; growth of 22.8% over Q4 FY 2013-14
Operational Performance	• 39 legacy systems retired, SAP stabilized- all core operations and functions transitioned to SAP • Implementing long term network optimization and capacity planning process • Jay Precision (respiratory device manufacturer) now fully integrated with majority ownership- establishes vertical integration in Respiratory

Performance Summary (2/2)

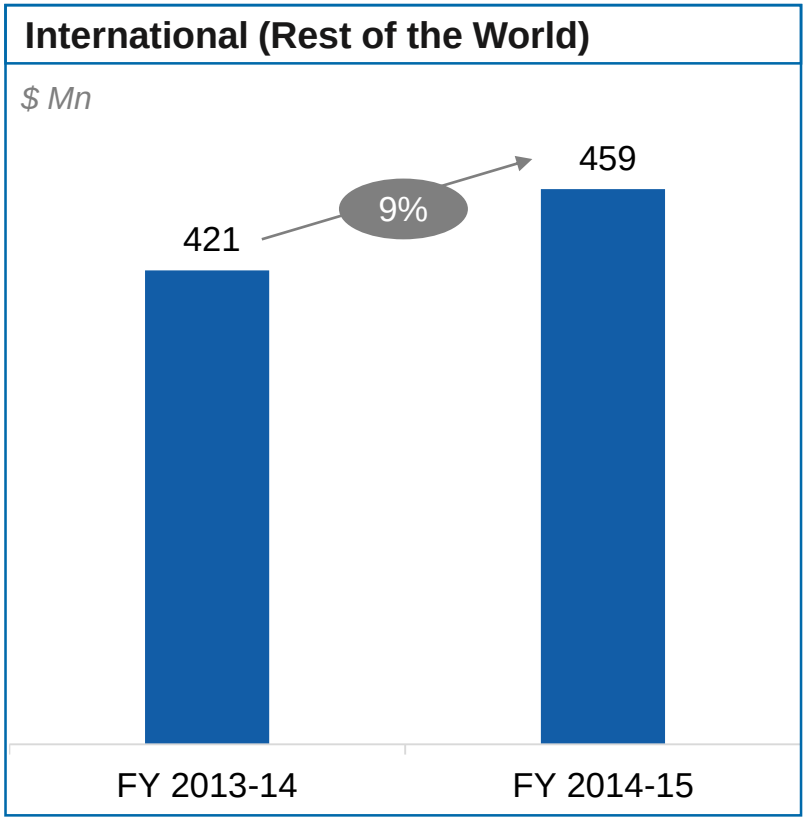
Area	Highlights
R&D Pipeline	• R&D expense 6.2% of revenue for FY 2014-15 • >200 formulation development projects underway • Stempeutics filed with DCGI for its lead product Stempeucel; Received ATMP classification from EMA and granted process patent in China and North America • Formulation filings: North America (12), Europe (78), International (>1800) • 36 DMFs filed in Europe, North America and International
Organisation	• Majority of organization build complete • Focus on driving productivity improvement across the organization • Built a world class Board
Quality, Risk & Compliance	• Continue to maintain Cipla's high standards of quality and safety

India (R_x and G_x)



- India business momentum continues
  - Market share of 5.27% in FY 2014-15. Strong momentum into FY 2015-16 with April 2015 market share at 5.57% *(Source: IMS data)*
  - Continue to outpace market growth- 20% vs 12% for industry *(Source: IMS data)*
- India business contributed 42% to overall sales
  - New product contribution: 3.2%
  - Chronic contribution: 52%
  - ~18% increase in field force productivity
- Continue to focus on In-licensing opportunities: Darbopoetin, Raltegravir, Serum Institute licensing deals completed for India domestic market
  - 'Hepcvir' (Sofosbuvir) launched in March 2015

International (Rest of the World)



- International business contributed 25% to overall sales
- Strong Q4 FY 2014-15 growth of 33%; 9% growth in sales for the year
- Business de-risked via front end build in 17 select markets eg. Yemen, Iran, Sri Lanka, Myanmar, Morocco and Algeria; Integration of operations on track
- Focus on partnership led markets (B2B) to deepen existing partner relationships and drive growth
- Cipla Global Access (CGA) well established as a business unit
  - Global Fund ARV tender win- Cipla selected as a 'Panel Supplier' for a Supplier Partnership Agreement
  - Awarded share of Global Fund ACT tender
  - Licensing agreement with Medicine Patent Pool to allow generic manufacture of TAF and Dolutegravir
  - In-licensing agreement with Gilead for manufacturing and distribution of Sofosbuvir, Ledipasvir and GS-5816 in 91 countries for the treatment of hepatitis C

South Africa

South Africa

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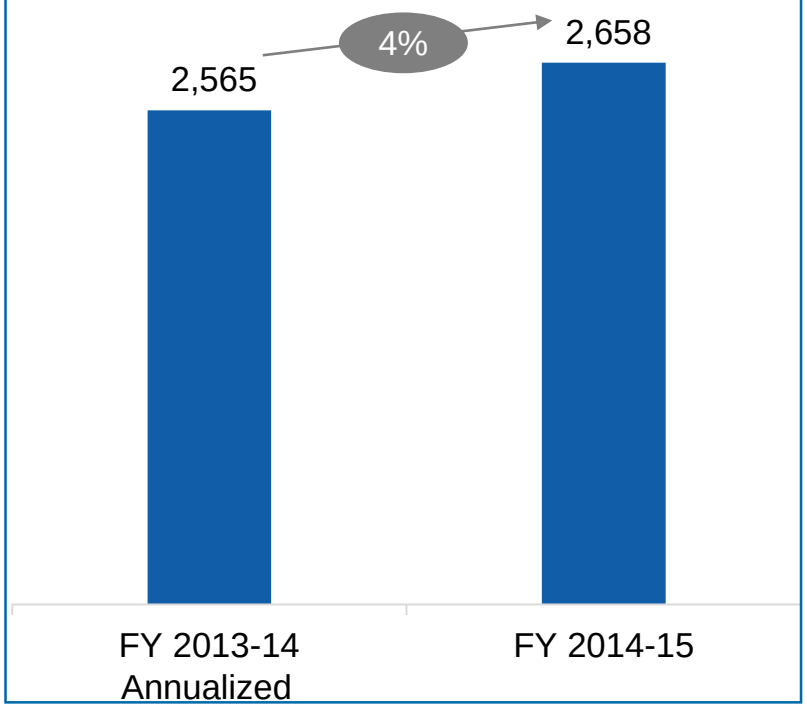
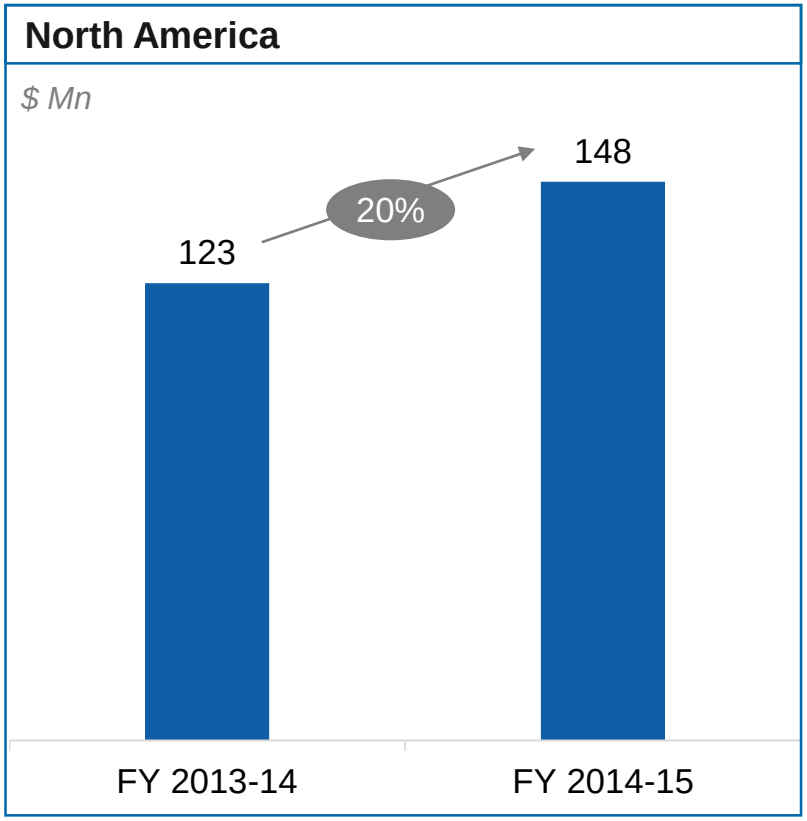


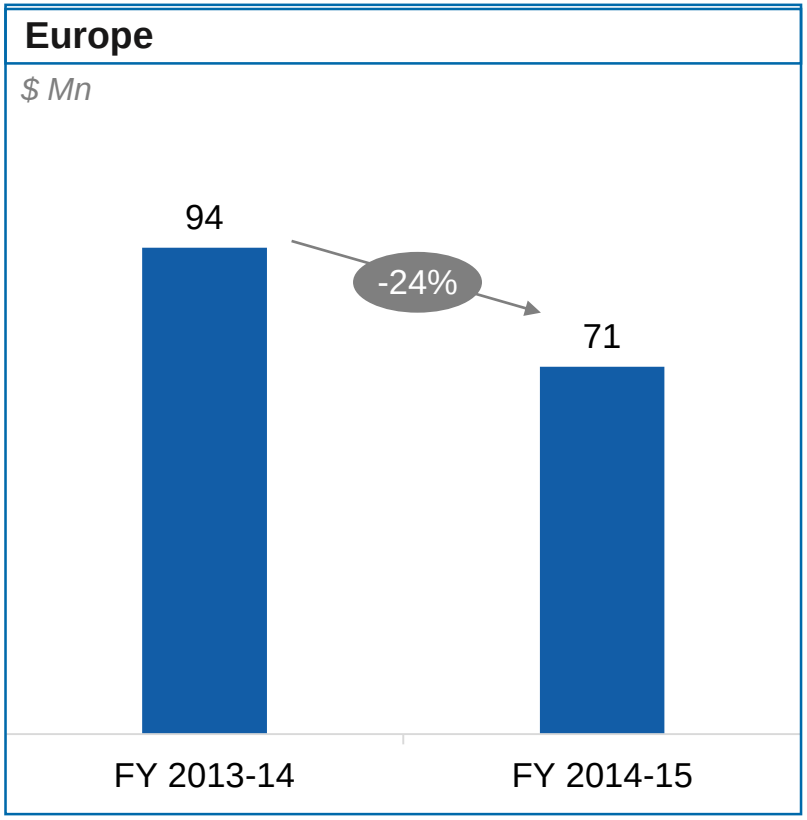
- South Africa business contributed 14% to overall sales (on a consolidated basis)
- 4% growth in sales for the year – based on like for like sales
- Private market contributed ~73% to overall South Africa topline; and grew at 9% in FY 2014-15.
- Transformation of Durban manufacturing operations achieved by significantly improving utilization, improved efficiencies and cost control measures.
- Tender wins: ARV, Respiratory and newer areas like Mental Health, Cardiovascular and Women's Health categories
- Ramp-up from Teva in-licensing collaboration underway

North America



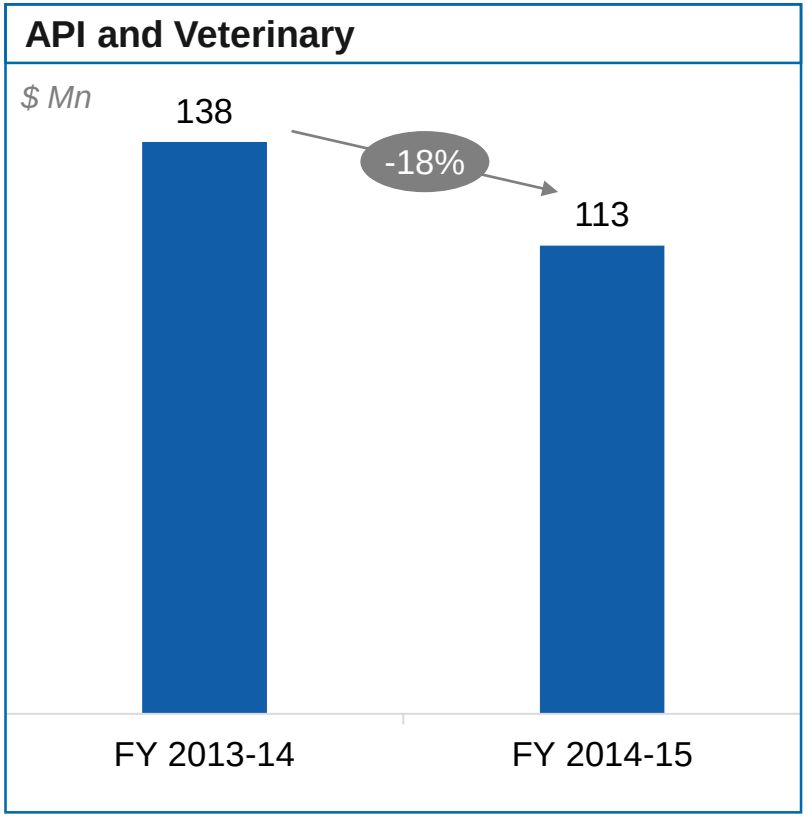
- North America business contributed 8% to overall sales
- 20% growth in sales for the year
- 12 filings in FY 2014-15: Portfolio focus on respiratory, oncology and anti-infectives
- Out-licensing deal with Salix for 'Rifaximin Complexes' patent family controlled by Cipla
- CIPLA 1st own label products launched in USA (Amlodipine, Meloxicam, Lamotrigine, Topiramate, Valaciclovir and Doxycycline)
- Teva launched esomeprazole magnesium delayed release capsules in the United States: Cipla is the supplier of the formulation to Teva
- Total ANDA's filed: 147
  - Approved: 79
  - Tentative approval/awaiting approval:68

Europe



- Europe business contributed 4% to overall sales
- 24% decline in sales for the year
  - MEDA (Dymista) one off in prior year
  - Decline in partner business
  - Good momentum in direct to market (front end) business
- Launch of Salmeterol Fluticasone in select European markets: Croatia, Germany, Sweden, Slovakia, Czech; added Belgium and Hungary in recent months
  - Tender win in Germany
- BioQuiddity partnership for selling post-surgical pain management products
- Commercial partnership with Serum Institute of India for paediatric vaccines

API and Veterinary



- API and Veterinary contributed 6% to overall sales
- 18% decline in sales for the year
- Growth in captive API requirements reflecting in lower sales to third party
- Continue to drive cost efficiencies and process improvement initiatives
- 36 DMF filings
  - Major contributions from anti-retroviral, gastrointestinal, respiratory, neurology and oncology segments
- Evaluating manufacturing capacity augmentation
- Continue to strengthen long standing relationships with strategic partners
- Currently over 200 API's in our portfolio

Priorities going forward

1. **Deliver strong financial performance**
   - Revenue, EBITDA, cash flow growth
   - Execute Respiratory and CGA growth strategy
   - Cost optimization- Direct and Indirect spends
2. **Build organization health**
   - Strengthen operations backbone
   - 3 year development plan for key roles
   - Maintain high standards of quality and safety
   - Drive efficiency and effectiveness of SAP system
   - Full deployment of LIMS (Laboratory Information Management System), SFA (Sales Force Automation) and other systems
   - Continue to reduce business complexity
3. **Drive Strategy and Portfolio**
   - Focus on securing development and filing timelines for top projects
   - Strengthen home market position
   - Consolidate front-end presence and strengthen partnership business

Drive strong sales + profit growth with right investments in pipeline & capability

- **Mid teens topline growth**
- **Margin level improvement of 100-150 bps**