LUPIN LIMITED

Q3 FY18 Investor Presentation

February 06, 2018

Safe Harbor Statement

Materials and information provided during this presentation may contain 'forward-looking statements'. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements.

Risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rate and currency exchange fluctuations. Risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, technological advances and patents obtained by competitors. Challenges inherent in new product development, including completion of clinical trials; claims and concerns about product safety and efficacy; obtaining regulatory approvals; domestic and foreign healthcare reforms; trends toward managed care and healthcare cost containment; and governmental laws and regulations affecting domestic and foreign operations.

Also, for products that are approved, there are manufacturing and marketing risks and uncertainties, which include, but are not limited to, inability to build production capacity to meet demand, unavailability of raw materials, and failure to gain market acceptance.

You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this presentation.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

Leading position across major markets

Globally

7th
largest generic company
(by sales[1])

2nd
largest Indian Pharma
(by global sales[1])

Major Markets

4th
largest US
(by prescriptions[2])

5th
India Pharma Market Rank[2]

6th
largest Japanese Gx[2]

Other Key Markets

4th
largest South Africa generics[2]

5th
largest Philippines Generics[3]

6th
largest Australia Generics[2]

Global Footprint

20,000+	Employees
100+	Countries with sales
18	Manufacturing sites
9	R&D sites

Sources:
1. LTM sales available as of 30 Sep 2017
2. IQVIA MAT Dec 17 for respective markets
3. IQVIA MAT Nov 17

Lupin – Awards and Accolades

- **Forbes Global 2000**, FY 2017
- Lupin ranked **No.1 in the Biotech and Pharma**, and **No. 4 amongst large organisations** in the list of top 100 – **Great Place to Work**
- **Dun & Bradstreet Corporate Award** in the pharmaceutical sector
- **"BEST Award"** from ATD
- Thomson Reuters **India Innovation Award** for Research & Development @ Lupin
- **Cardianal Supply Chain Excellence Award** for 2017
- **Forbes India Business Leadership Awards 2016 –** Vinita Gupta & Nilesh Gupta awarded the Entrepreneur of the Year
- Vinita Gupta – Hall of Fame - **The Most Powerful Business Women 2017** by Business Today
- Vinita Gupta in **Forbes Asia Power Businesswomen, "Power 50", FY 2016**
- **Ramesh Swaminathan:** Best CFO - Best Inorganic Growth Strategy, 2017 by **BusinessWorld Best CFO Awards**

Forbes GLOBAL 2000 THE WORLD'S BIGGEST PUBLIC COMPANIES
Ranked #1,197 by market value globally
Ranked #1,326 by profit globally
Ranked #1,716 global 2000 (Overall Score)

THOMSON REUTERS

NIFTY 50

S&P BSE SENSEX India's index the world tracks

atd BEST

India's Best Companies To Work For 2017 A STUDY BY THE ECONOMIC TIMES

ICICI Lombard India Risk Manager Awards

YES BANK BW BUSINESSWORLD BEST CFO AWARDS

Our Strategic Direction

2016

- Primarily a Generic / Branded Generic Business
- 3 strong geographies

2017-2020

- Leading generics player with a larger complex generics mix
- Building Specialty business
- Stronger geographic spread

2020+

- Leading generics player with a significant complex generics mix
- Material Specialty business
- Leading Global player

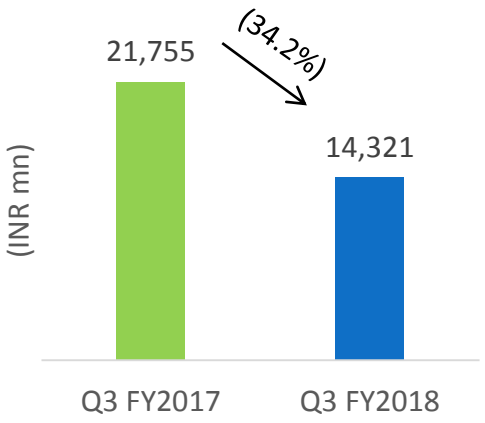
P&L Highlights – Q3 FY18

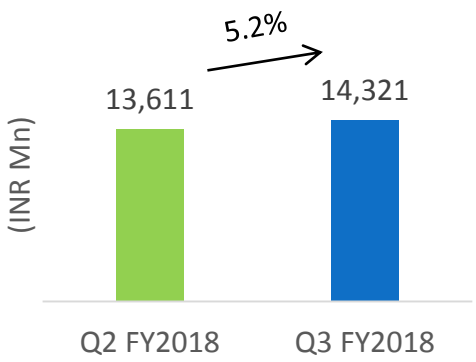
Particulars (INR mn)	Q3 FY18	*% of sales*	Q3 FY17	*% of sales*	*YoY growth*	Q2 FY18	*% of sales*	*QoQ growth*
Net sales	**39,004**	***100.0%***	**44,049**	***100.0%***	*(11.5%)*	**38,742**	***100.0%***	*0.7%*
Other operating income	753		779			778		
Total revenue	**39,757**		**44,828**		***(11.3%)***	**39,520**		***0.6%***
Gross margin *(excl. other operating income)*	25,077	*64.3%*	31,033	*70.5%*	*(19.2%)*	25,877	*66.8%*	*(3.1%)*
EBITDA	7,168	*18.4%*	13,219	*30.0%*	*(45.8%)*	9,271	*23.9%*	*(22.7%)*
EBIT	4,364	*11.2%*	10,910	*24.8%*	*(60.0%)*	6,549	*16.9%*	*(33.4%)*
Net profit	**2,217**	***5.7%***	**6,331**	***14.4%***	***(65.0%)***	**4,550**	***11.7%***	***(51.3%)***

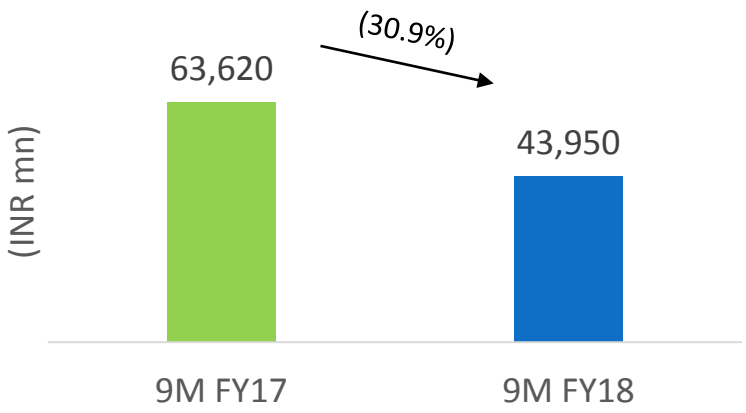
P&L Highlights – 9M FY18

Particulars (INR mn)	9M FY18	*% of net sales*	9M FY17	*% of net sales*	*YoY growth*
Net sales	**115,814**	***100.0%***	**129,579**	***100.0%***	***(10.6%)***
Other operating income	2,156		2,831		
Total revenue	**117,970**		**132,410**		***(10.9%)***
Gross margin *(excl. other operating income)*	76,695	*66.2%*	91,416	*70.5%*	*(16.1%)*
EBITDA	24,442	*21.1%*	37,729	*29.1%*	*(35.2%)*
EBIT	16,312	*14.1%*	31,281	*24.1%*	*(47.9%)*
Net profit	**10,348**	***8.9%***	**21,772**	***16.8%***	***(52.5%)***

North America



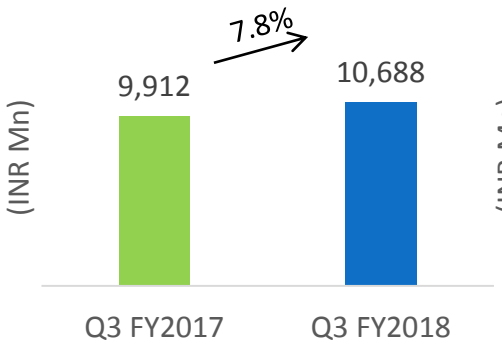


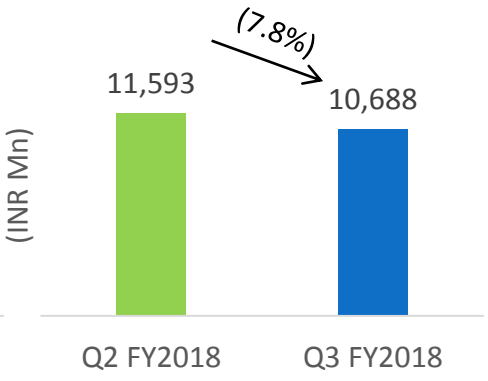


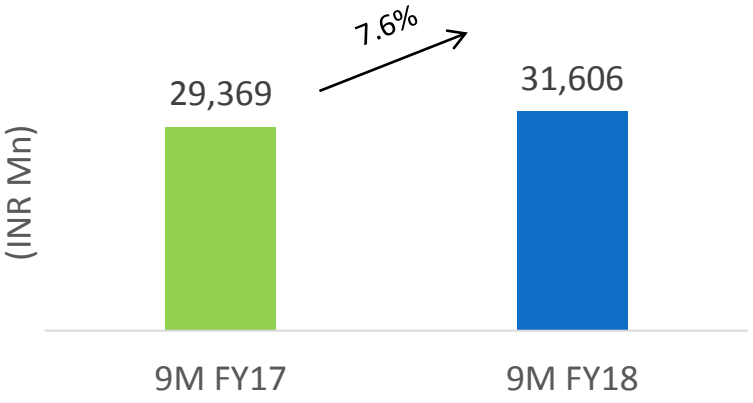
- **US business registered sales of $213 mn**
  - **Brands grew by 16% y-o-y to $25 mn**
- **6 product approvals during Q3 FY18 (18 approvals in 9M FY18)**
- **3 product launches in Q3 FY18 (12 product launches in 9M FY18)**
- **US Market Share: No. 1 in 50 & top 3 in 107 products[1]**
- **151 pending ANDAs**

Note:
1 IMS MAT Dec-17

India



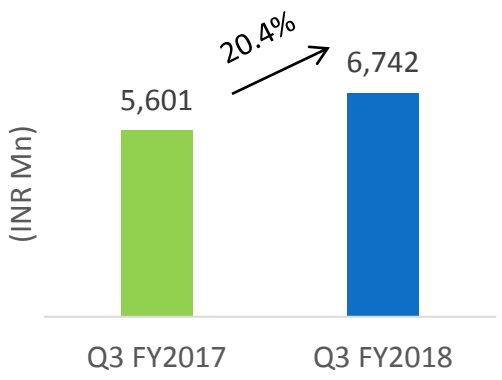


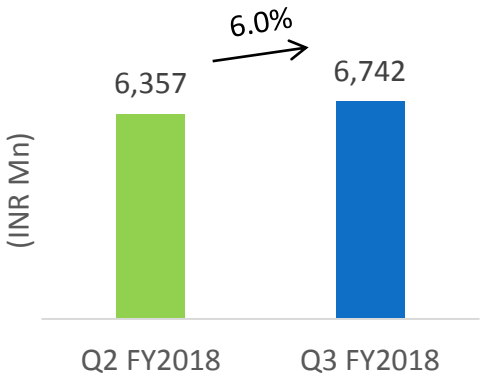


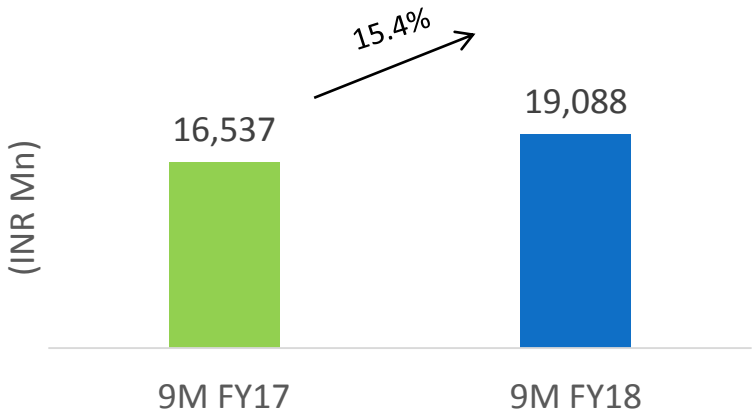
- 5th rank in the IPM[1]
- Total field force of ~6,700
- Launched 8 SKUs in Q3 FY18
- Therapy-wise split[2] :
  - Chronic sales – 55.4%;
  - Semi-chronic sales – 27.5%
  - Acute – 17.1%
- Lupin had the 2nd highest contribution amongst peers from new product introductions in MAT Dec. 2017

Note:
1 IMS MAT Dec 17
2 As of Mar-17

APAC







Japan

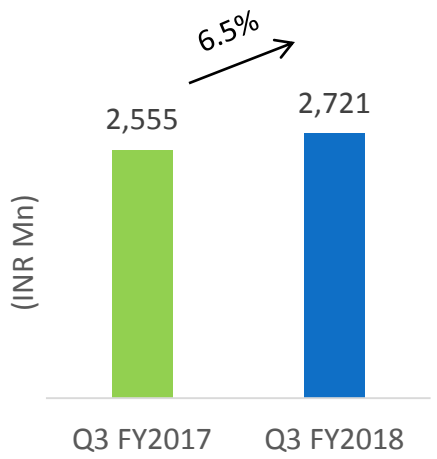
- Japan sales grew by 34.1% y-o-y to JPY 9,711 mn during Q3 FY18
- Strengthened CNS positioning with
  - Shionogi brands
  - In-licensing agreement to market Quetiapine Fumarate ER tablets
- 6th largest[1] generic company
- Tottori site commissioned
- Strategic partnership with a national distributor

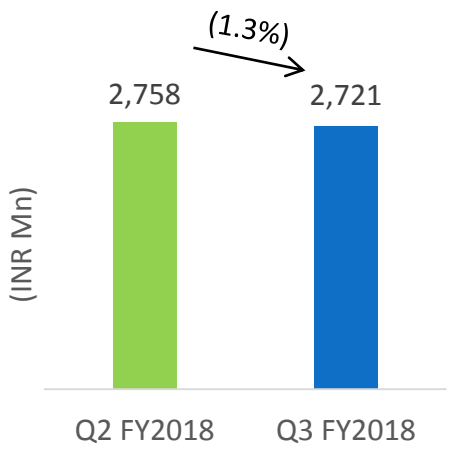
Philippines

- Philippines sales were PHP 456 mn in Q3 FY18
- Ranked 5th branded Gx player[2]
- Growth of 9.4%[2] against industry growth of 8.1%[2]

Note:
1 IMS Data Japan (Dec 2017) at NHI price
2 Philippines IMS MAT Nov 17

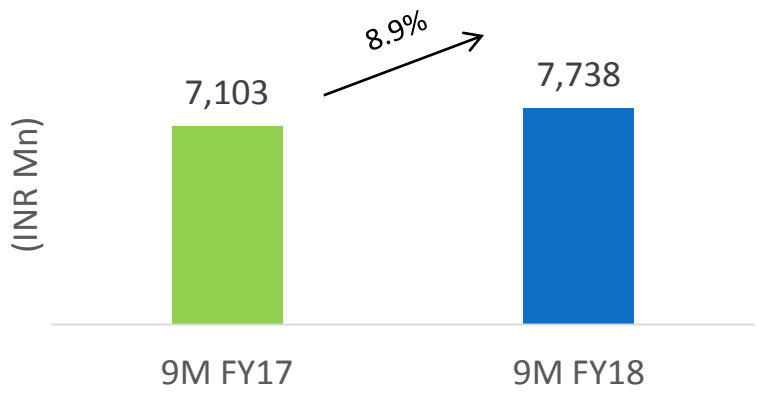
EMEA





Europe

- Focus on Germany: Sales were €8.7 mn in Q3 FY18
- EU 5 markets: Focus on neuro specialty products (viz. Temmler)
- Expanding EU Partnered Business

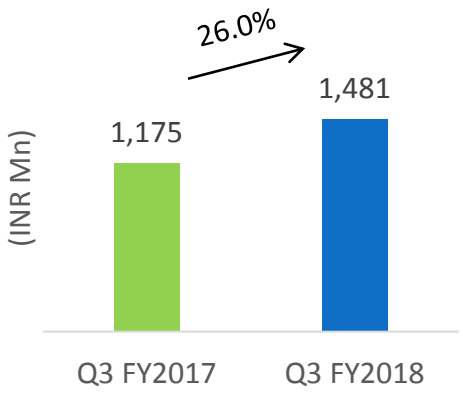


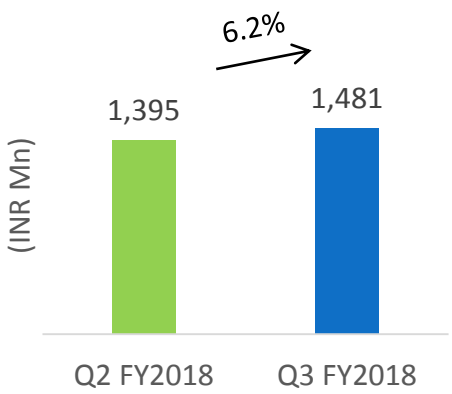
South Africa

- South Africa sales were ZAR 257 mn in Q3 FY18
- 4th largest generic company[1] & #1 CVS player[1]

Note:
1 SA IMS MAT Dec 17

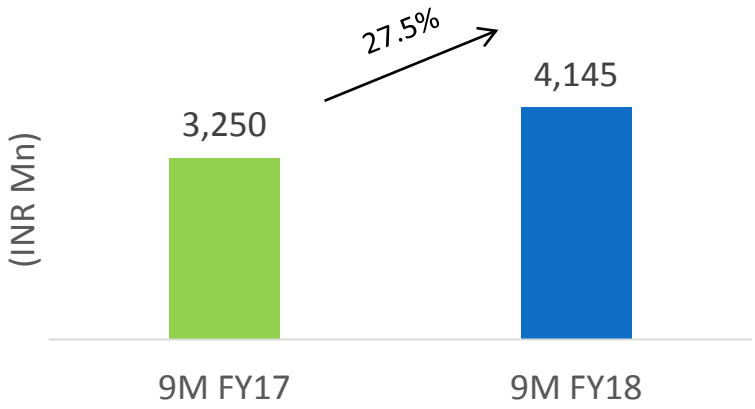
LATAM





Mexico

- Mexico business grew by 10% y-o-y to MXN 173 mn during Q3 FY18
- IMS growth of 14.4%[1]

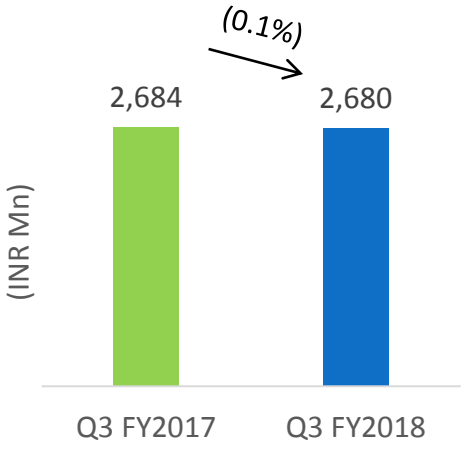


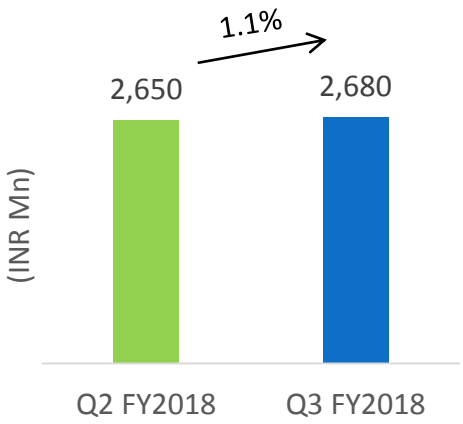
Brazil

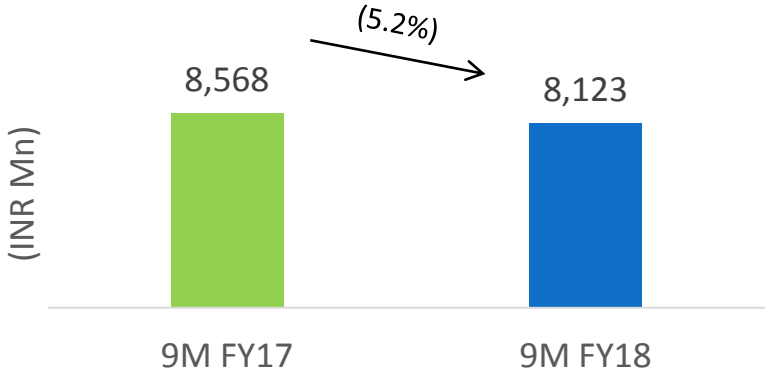
- Brazil business grew by 26% y-o-y to BRL 37 mn during Q3 FY18
- IMS growth of 26% vs market growth of 8%[2]

Note:
1 Mexico IMS Knobloch Nov-17 MAT
2 Brazil IMS MAT Dec-17

API

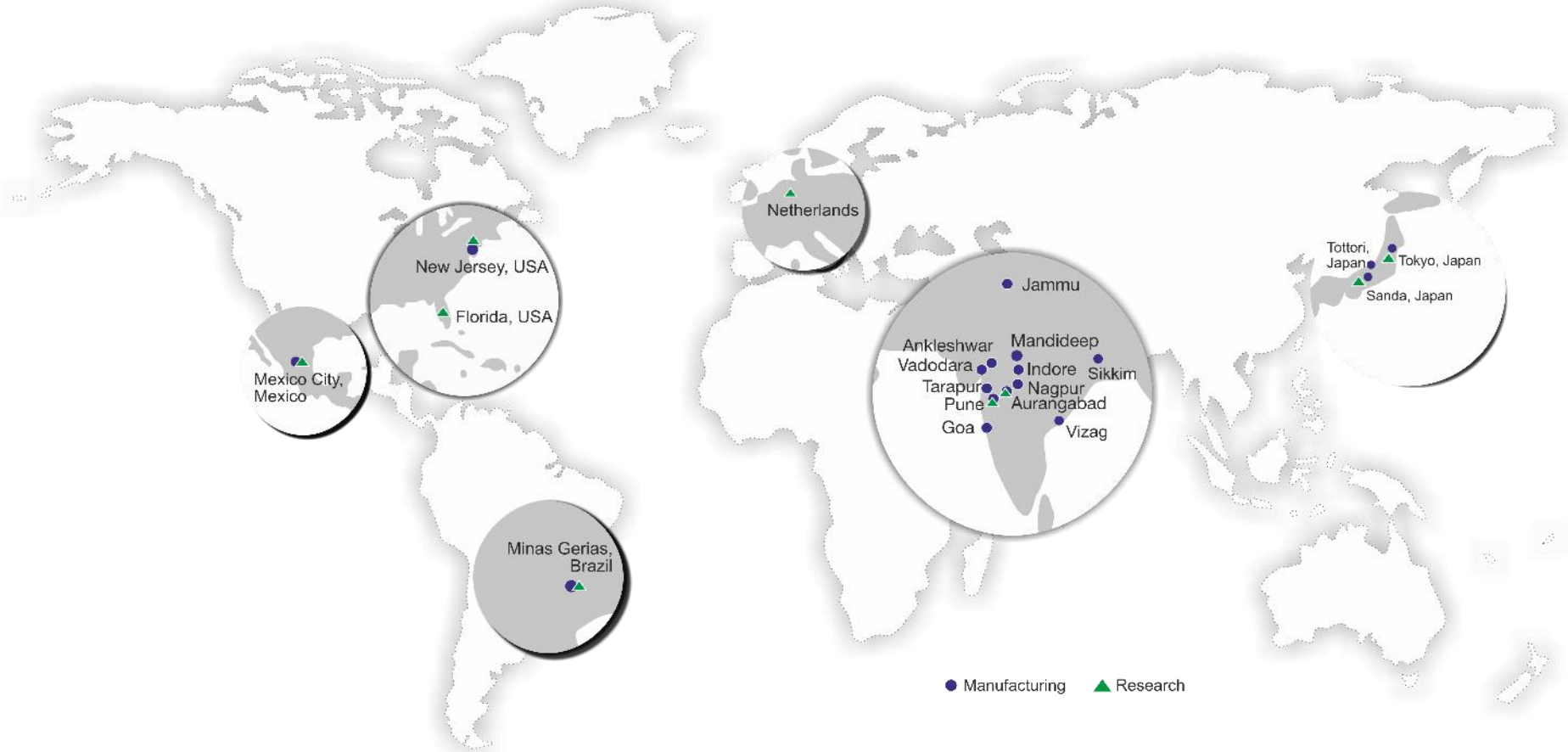






- **Enhanced focus on pipeline of complex and first-to-file APIs**
- **Significant new product portfolio expansion to cater to US/EU/Japan markets**
- **Foray into Oncology APIs**
- **Cumulative DMF filings stands at 190 (Dec-2017)**

Manufacturing & R&D– A Diverse Global Network

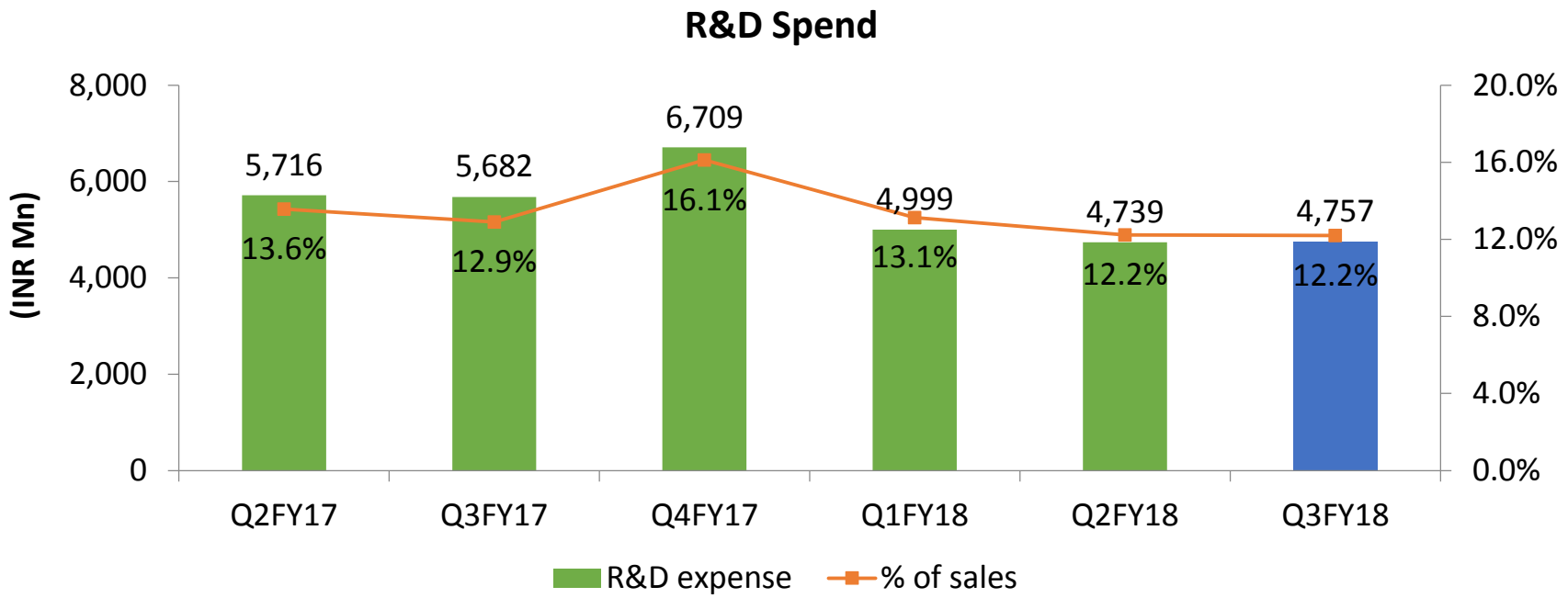


18	• *8 USFDA approved sites* • *Various audits conducted by other authorities without critical observations*
Manufacturing Sites	

9	• *382 US ANDA filings* • *33 US First to Files* • *2,837 patents filed globally** • *1,700+ scientists at Global locations**
R&D Sites	

* As of 31st Mar-2017

Our Investments for the Future



- 151 ANDA pending filings with 5 filings and 6 approvals in Q3 FY18 (16 filings and 18 approvals in 9M FY18)
- Enhanced investment on inhalation, biosimilars and injectables

Thank You