Strides
ARCOLAB LIMITED

20 YEARS OF LEAVING INNOVATIVE IMPRINTS

Sale of Agila Specialties division for an aggregate sum of US$1,600 million in cash and potential additional consideration of up to US$250 million

Analyst Presentation

28 February 2013

inspiring
synergies

Disclaimer

This presentation and the accompanying slides (the "Presentation"), which has been prepared by Strides Arcolab Limited (the "Company"), has been prepared for information purposes only and is not, and is not intended to be, an offer, or solicitation of offer, or invitation or recommendation to buy or sell any securities of the Company, and shall not constitute an offer, solicitation or invitation or recommendation to buy or sell in any jurisdiction in which such offer, solicitation or invitation or recommendation is unlawful. No part, or all, of this Presentation shall form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities of the Company.

Nothing in the foregoing shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof through this document, and this document and its contents should not be construed to be a prospectus in India. This document has not been and will not be reviewed or approved by any statutory or regulatory authority in India or by any stock exchange in India.

This Presentation is strictly confidential and may not be copied, published, distributed or transmitted to any person, in whole or in part, by any medium or in any form for any purpose. The information in this Presentation is being provided by the Company and is subject to change without notice. This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This Presentation contains statements about future events and expectations that are forward-looking statements. These statements typically contain words such as "expects" and "anticipates" and words of similar import. Any statement in this Presentation that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. None of the future projections, expectations, estimates or prospects in this Presentation should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the Presentation. The Company assumes no obligations to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

You acknowledge that you will be solely responsible for your own assessment of the market, the market position, the business and financial condition of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.

Neither the delivery of this Presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company.

This Presentation is not being made and will not be made directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the Internet. Neither this Presentation nor any copy of this Presentation is being, and must not be taken or transmitted into the United States or distributed, directly or indirectly, in the United States. The information presented herein is not an offer for sale within the United States of any equity shares or other securities of the Company. No offering of the Company's securities is being made nor will any offering of the Company's securities be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). Accordingly, unless an exemption from registration under the Securities Act is available, the Company's securities may not be offered, sold, resold, delivered or distributed, directly or indirectly, into the United States.

This Presentation is confidential and is only addressed to and directed at persons who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC) and (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and Article 49(2)(a) to (d) of the Order, and (ii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "Relevant Persons"). This Presentation must not be acted on or relied upon in the United Kingdom, by persons who are not Relevant Persons. Any investment or investment activity to which this Presentation relates is available only to Relevant Persons.

The distribution of this Presentation in certain jurisdictions may be restricted by law and persons into whose possession this Presentation comes should inform themselves about and observe any such restrictions

Local market value ("LMV") is provided as a reference for assessing the overall market value for a particular type of pharmaceutical product. It should not be considered as an indicator of Strides' sales of any its pharmaceutical products or the expected performance of such products in the future. Extrapolation of performance for a particular product from LMVs for such types of products, is an inappropriate use of LMV data. There can be no assurance that our approved pharmaceutical products will be successfully commercialized, or that our current filings will be approved

Transaction Overview

- On Thursday, 28 February 2013, Strides Arcolab announced that it has entered into a definitive agreement for the sale of its specialties subsidiary, Agila Specialties Private Limited, and simultaneously its overseas specialties subsidiary Agila Specialties Asia Pte. Limited, Singapore, has entered into a definitive agreement for the sale of its subsidiaries, to Mylan Inc.
- Aggregate sum of US$1,600 million in cash and potential additional consideration of up to US$250 million subject to the satisfaction of certain conditions by Strides
  - At the base consideration, the transaction values Agila at 18.7x total EBITDA for the year ended 31 December, 2012
- The transactions have been independently approved by the respective Board of Directors of Strides, its overseas subsidiary and Mylan Inc.
- The companies being divested recorded, in the aggregate, revenue of $255 million and EBITDA of $86 million for the year ended 31 December, 2012
- Closing of the transactions are conditioned upon Foreign Investment Promotion Board approval, customary anti-trust approvals and other closing conditions. The transactions are not subject to financing conditions
- The transactions do not include Agila Biotech
- Pharma and Biotech business to be future growth areas for Strides

Overview of Agila Specialties

- A leading global specialty injectables company focused on oncolytics, penems, penicillin, cephalosporins, and ophthalmics
- Market-leading track record of filings and approvals, including approximately 82 approvals from the US FDA
- Nine world-class global manufacturing facilities, including one of the largest sterile capacities in India and amongst the largest lyophilisation capacities globally
- Marketing network covering 70 countries
- Partnerships with some of the world's leading pharmaceutical companies for both developed and emerging markets

Crystallising Significant Value Created at Agila

Creation of a Global Leader in Generic Injectables

Building knowledge base 1996-2000	Investment in infrastructure 2001-2007	Accelerated filings and approvals 2008-2011	Growth and profitability 2012-onwards
▪ Opened first sterile facility ▪ Focus on contract manufacturing	▪ Defocused contract manufacturing ▪ Decision to target regulated markets ▪ Investment in R&D ▪ Joint ventures	▪ Large value niche sterile and oncology products ▪ Market-leading track record of filings and approvals ▪ US FDA facility approvals ▪ Big Pharma partnerships	▪ Stable cash flows ▪ Amongst the largest generic injectables pipelines ▪ Best-in-class manufacturing, R&D and operations infrastructure

Value Crystallisation

Strides Arcolab Limited (As at 27 February, 2013)	Agila Specialties
Enterprise Value	Consideration[1]
US$1,329 million	US$1,600 million

Source: CapIQ.

(1) Excludes potential additional consideration of up to US$250 million.

Strides

Proposed Use of Proceeds Post Closing

- Following successful closing of the transaction, Strides Arcolab proposes to utilise proceeds towards inter alia:
  - Retiring debt
  - Pre-tax distribution of approximately US$700 million to US$800 million to shareholders
  - Costs related to the satisfaction of contingent conditions

Strides Arcolab – The Road Ahead for Pharma Division

2013 Guidance – Pharma Division

Consolidated Revenue

US$190 million

Consolidated EBITDA

US$37 million

Segments – Overview and Key Growth Drivers

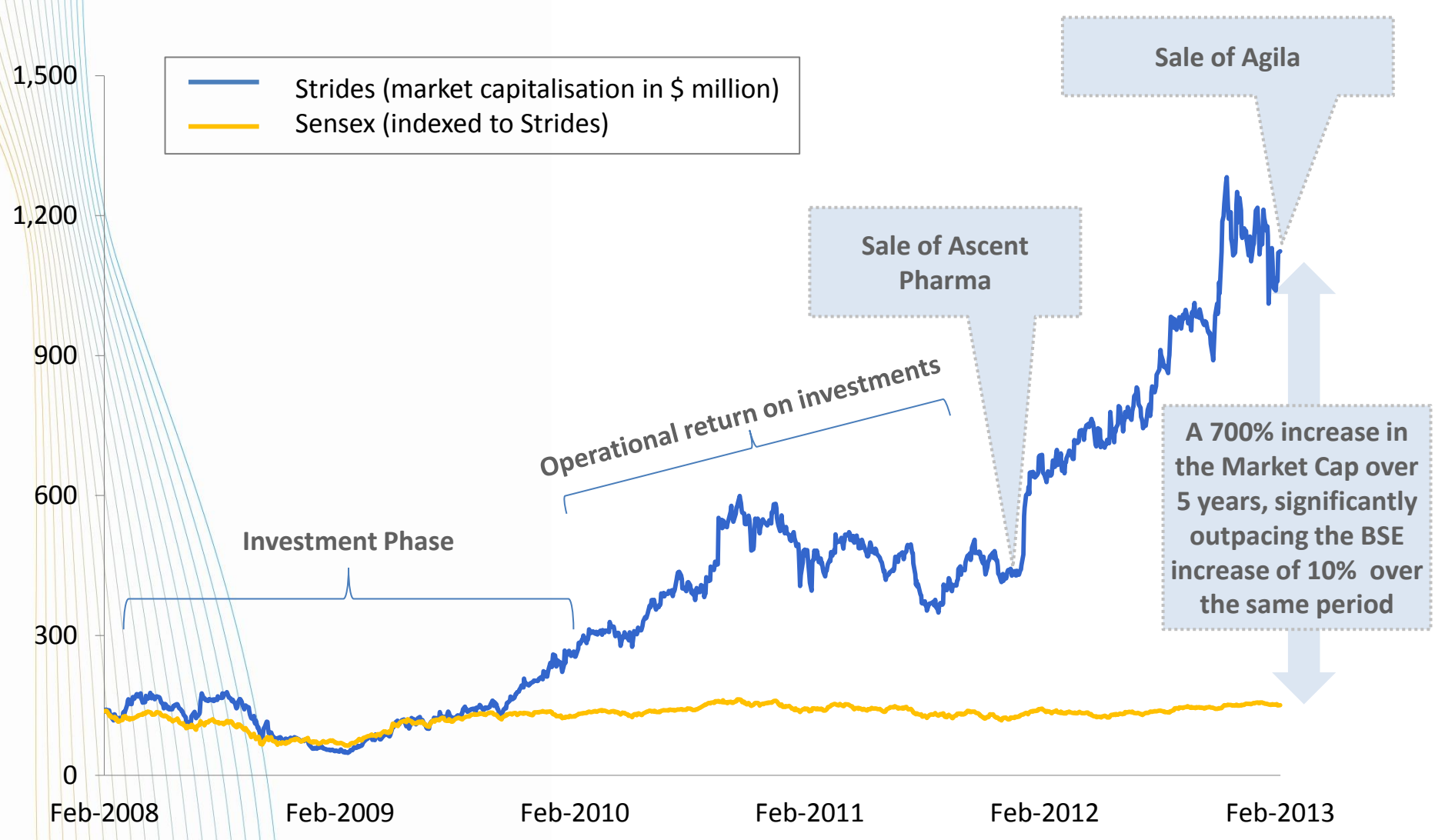
Agila Biotech	▪ Agila Biotech marks the foray of Strides Arcolab into the biologics space ▪ Planned investments for setting up a next-generation biologics facility in Johor, Malaysia , and to build a 15,000 sq. ft. state-of-the-art R&D facility in Bangalore
Pharma Generics	▪ Leading generics platform focused on soft gelatin and immunosuppressants for the US and European markets ▪ Strong R&D capabilities with US FDA approved manufacturing infrastructure ▪ Exhaustive pipeline focused on products with high entry barriers to drive growth
Africa Business	▪ Leading sales and marketing platform for branded generic pharmaceuticals and over-the-counter medicines across Central and Sub-Saharan Africa ▪ Growth driven by launch of new products, expansion into new markets, and establishing local manufacturing
India Brands	▪ Emerging as a regional player in Southern India in niche branded pharmaceutical products ▪ Portfolio of recognised brands in fast growing therapeutic segments

Strides

Agila Biotech – Future Focus Area and Growth Driver

- Agila Biotech marks the company's foray into the biologics space
- Biologics represent the fastest growing market segment in Pharma accounting for six out of top ten selling global drugs, with patents on first generation biologics expiring by 2020
- Planned investments:
  - Next-generation biologics facility in Johor, Malaysia – an advanced end-to-end multi-product facility for the production of recombinant therapeutic proteins and monoclonal antibodies (mAbs) from drug substance to drug product in vials, pre-filled syringes and lyophilised products. Expected to come on-stream by end-2014, with significant capacity already advance booked for partner operations
  - R&D facility in Bangalore capable of handling high-end research activities, catering to an internal pipeline as well as partnering activities
  - Developing an internal pipeline of biosimilars, utilising the latest bacterial and mammalian expression systems

Strides has Delivered High Value Creation to its Shareholders



Source: CapIQ.

Strides

Thank You