

Alembic Pharmaceuticals Limited



Investor Presentation

February 2015

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www.alembic-india.com



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 attained 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; trend towards 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.

The Journey so far

1907

Alembic Ltd. starts manufacturing tinctures and alcohol at Vadodara

1940

Starts manufacturing cough syrup, vitamins, tonics and sculpture drugs

1961

Penicillin plant inaugurated

1971

Becomes 1st Indian company to manufacture Erythromycin

1972

Launched it under brand 'ALTHROCIN'

2007

Acquires Non-Oncology Division of Dabur Pharma - enters high margin segments such as Cardiology, Diabetes, Gastro and Gynaecology

2004

R&D facility set up at Vadodara

2006

Receives USFDA approval for API and Formulation facilities

2001

Starts manufacturing of Cephalosporin C

2003

Formulation facility set up for Regulated markets

2010

"Azithral" sales crosses INR 1bn
Demerger of pharma business from Alembic Ltd. – Alembic Pharmaceuticals Ltd. Formed

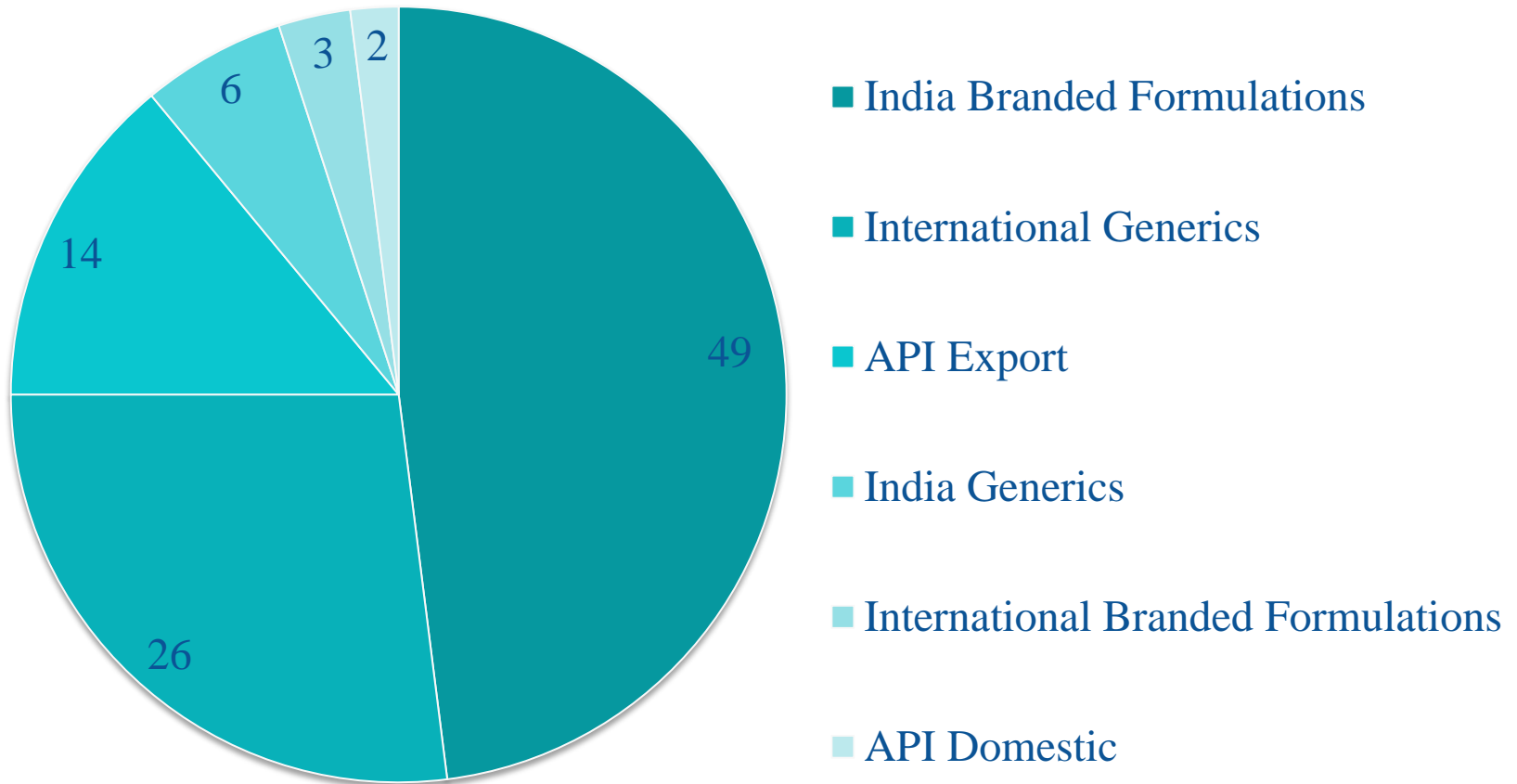
2011

Receives ANVISA approval
Aggressive ANDA & DMF filings

2014

Cumulatively filings made for 66 ANDAs/NDAs and 70 DMFs
16 Marketing divisions in operation for India business

% of the total sales



State-of-the-art Analytical & IPR infrastructure



R&D facility

R&D centre has been recognized by DSIR, Govt. of India

High-end R&D equipment- NMR XRD, TGA, DSC, LCMS

World-class infrastructure

F&D Capabilities

Expertise in Drug Deliveries and Niche formulations

Well-defined Processes and Quality Systems

Capabilities in Solid Oral and Liquid Oral Products

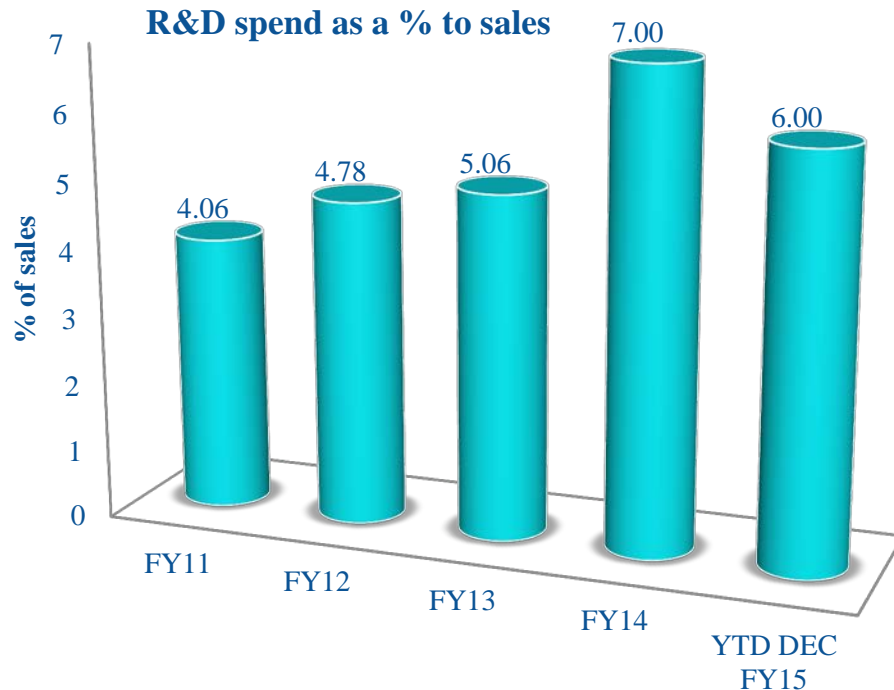
Bio Equivalence Centre

State-of-the art 90-bedded Bio Centre

100 Pilot studies

50 Pivotal Studies

R&D spends to continue rising



- Highly talented pool of 350 research scientists working to address complex genericisation opportunities, novel drug delivery systems and new technology platforms
- The Company has filed cumulatively 66 ANDAs and 70 DMFs with USFDA upto YTD Dec FY 15

State of the Art Manufacturing Facilities

Formulations



Located at Panelav and Karkhadi, Gujarat
USFDA, EDQM, TGA, WHO approved

Located at Panelav, Gujarat

USFDA, MCC, MHRA, ANVISA & TPD
approved – for Generic exports

Capacity - 5 bn tablets / capsules p.a. being
expanded to 7 bn p.a.

Located at Baddi, Himachal Pradesh
WHO GMP approved

Manufactures branded formulations and caters
to domestic market

Capacity 2 bn tablets / capsules p.a, 0.15 bn
bottles p.a.

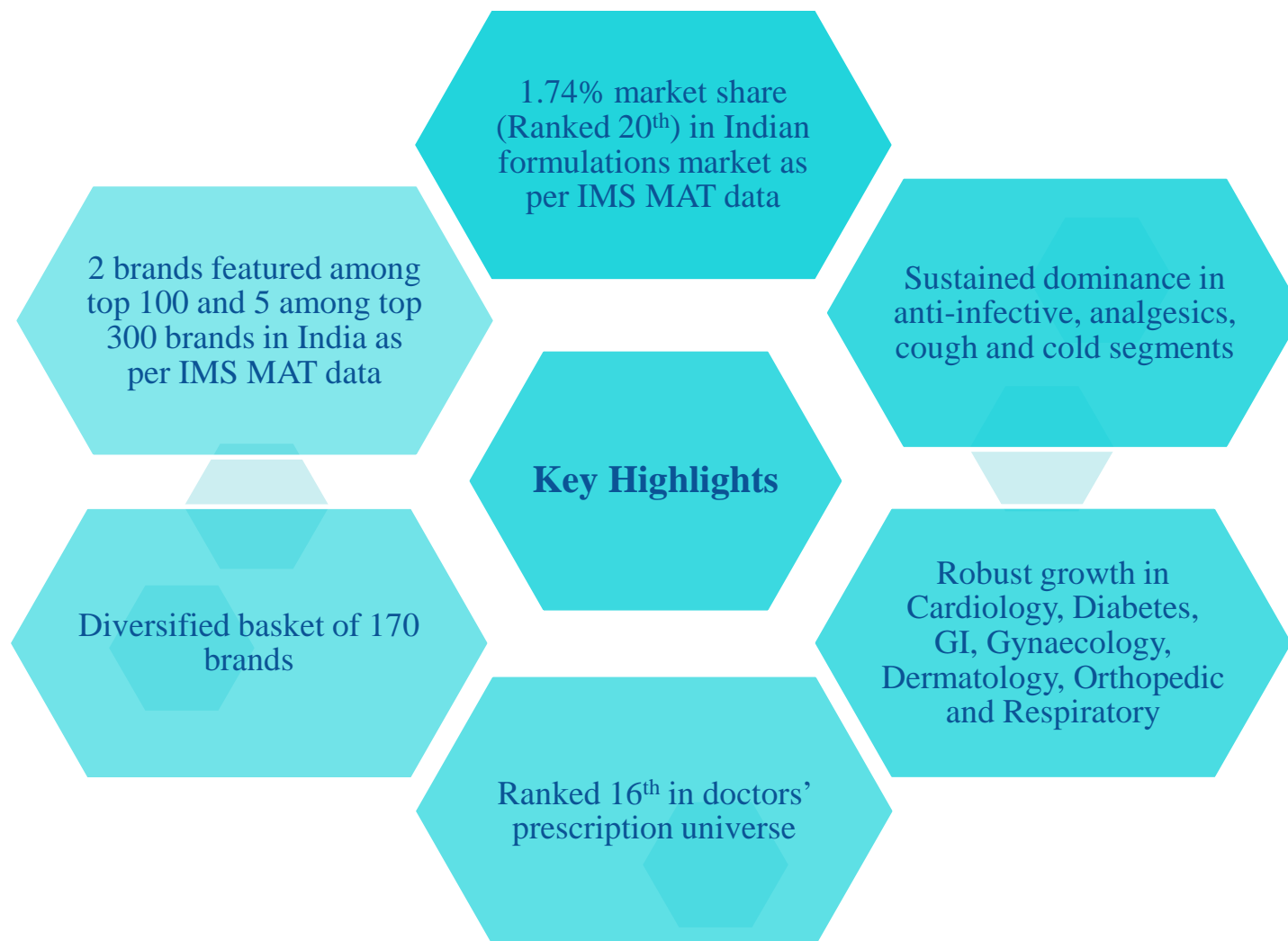
APIs



**Formulations business
accounts for ~80% of revenues**

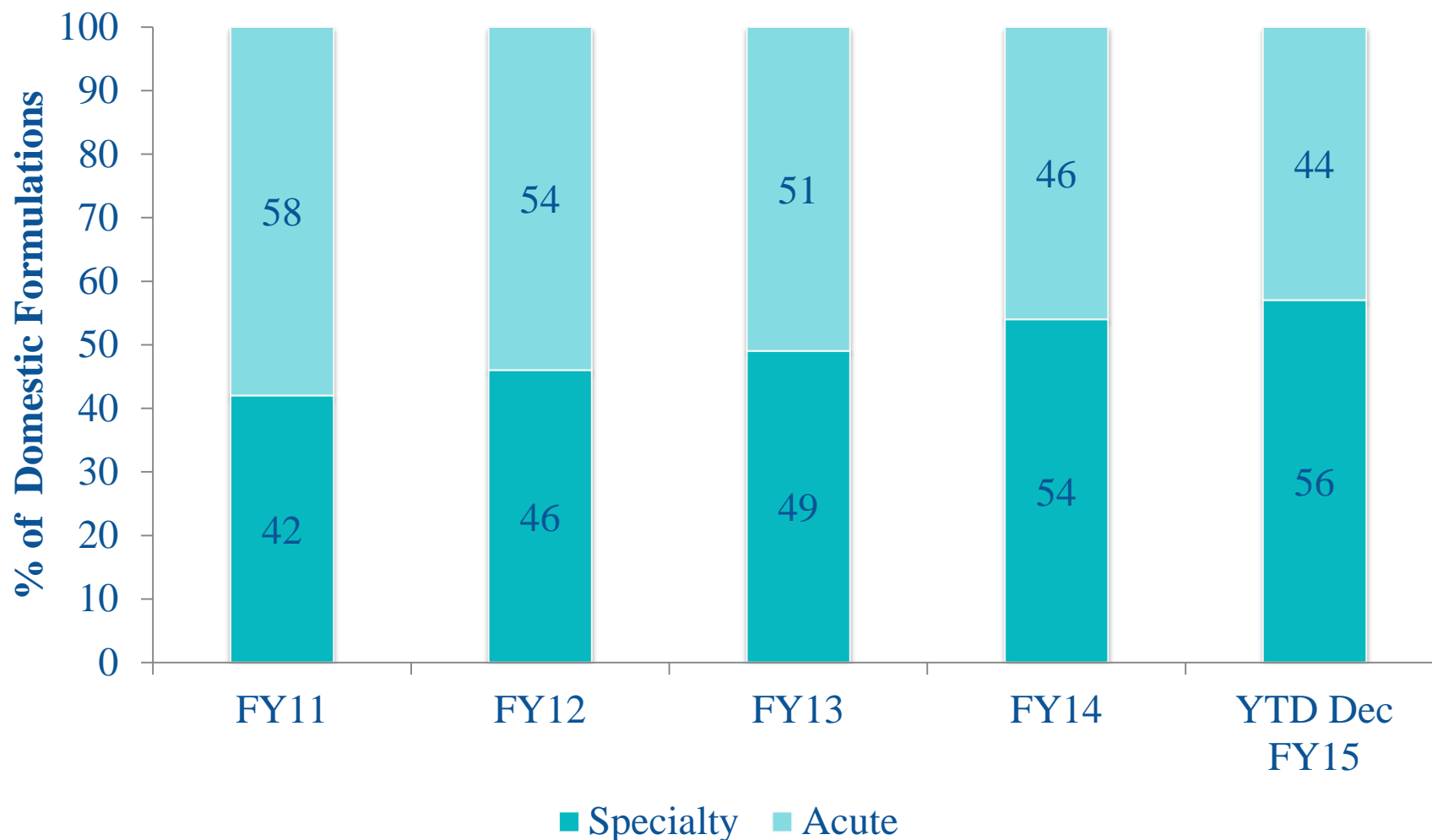
Branded business continues to grow

Strong domestic market presence



Continued shift towards Specialty therapies

Therapy Dominance

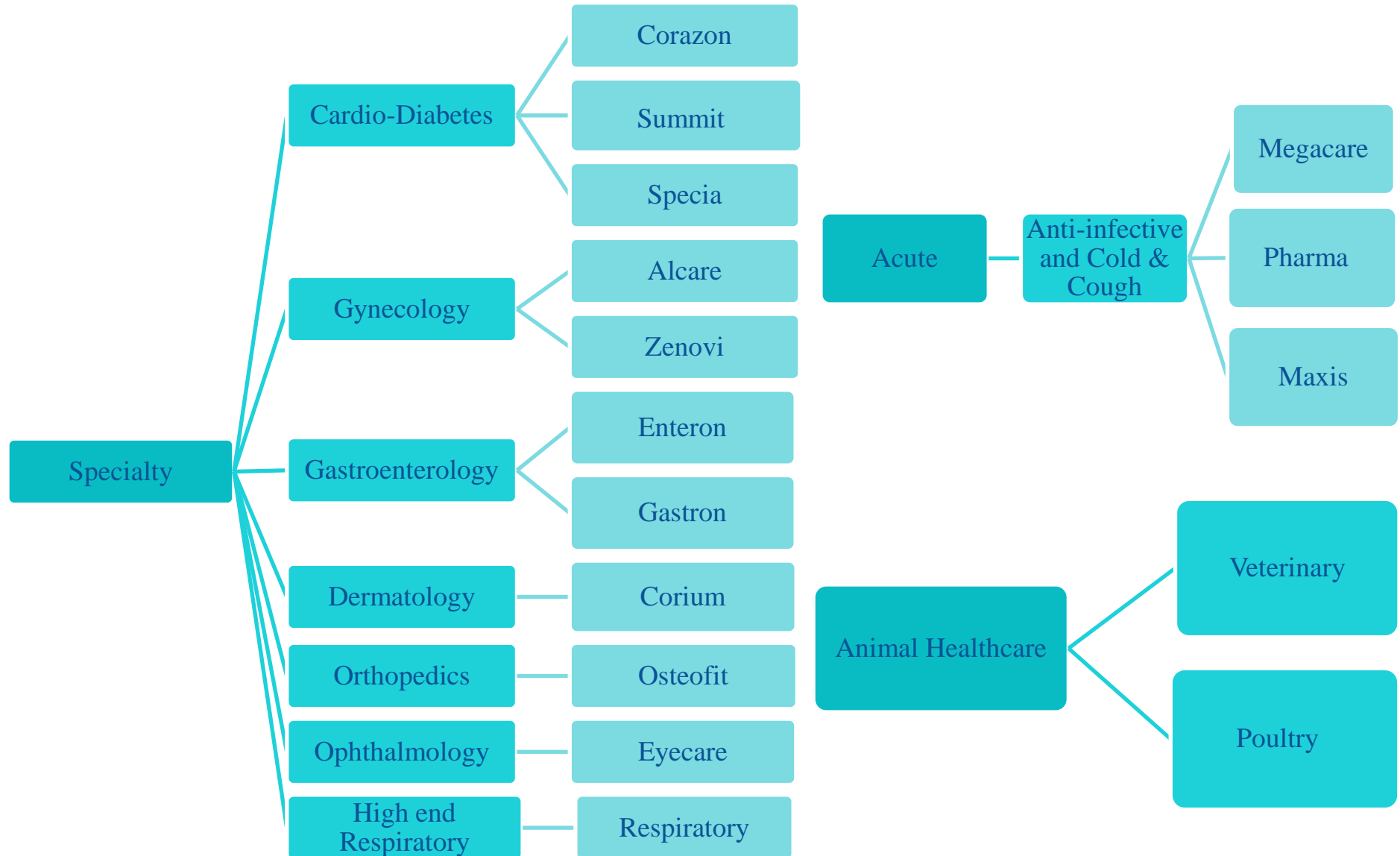


Therapy-wise Performance

	DEC QTR 2014				DEC QTR 2013			
Therapy	Therapy Growth (ORG)	Market Share (ORG)	Alembic Growth (ORG)	Alembic Growth (PRIM)	Therapy Growth (ORG)	Market Share (ORG)	Alembic Growth (ORG)	Alembic Growth (PRIM)
Cardiology	11	1.83	32	31	12	1.54	24	37
Anti Diabetic	15	1.52	28	24	25	1.37	27	37
Gynaecology	13	2.39	24	24	9	2.18	24	39
Gastrology	13	2.54	8	16	13	2.65	13	15
Dermatological	20	0.40	24	62	22	0.38	280	148
Orthopaedic	9	1.03	0	9	12	1.13	12	25
Ophthalmology	24	1.24	-10	-18	14	1.72	36	31
Anti Infective	5	3.73	-1	-1	2	3.94	-4	-1
Cold & Cough	6	5.41	17	12	12	4.91	6	12
OVERALL	11	1.81	11	11	12	1.81	9	14

(Source : ORG December 2014)

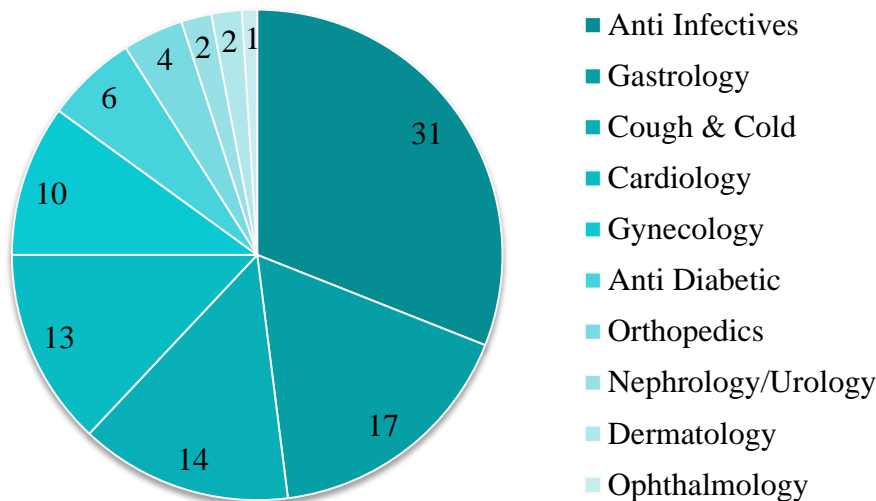
Marketing Divisions



Key Therapies & Brands

Therapeutic Segment-wise Break-up (Q3FY15)

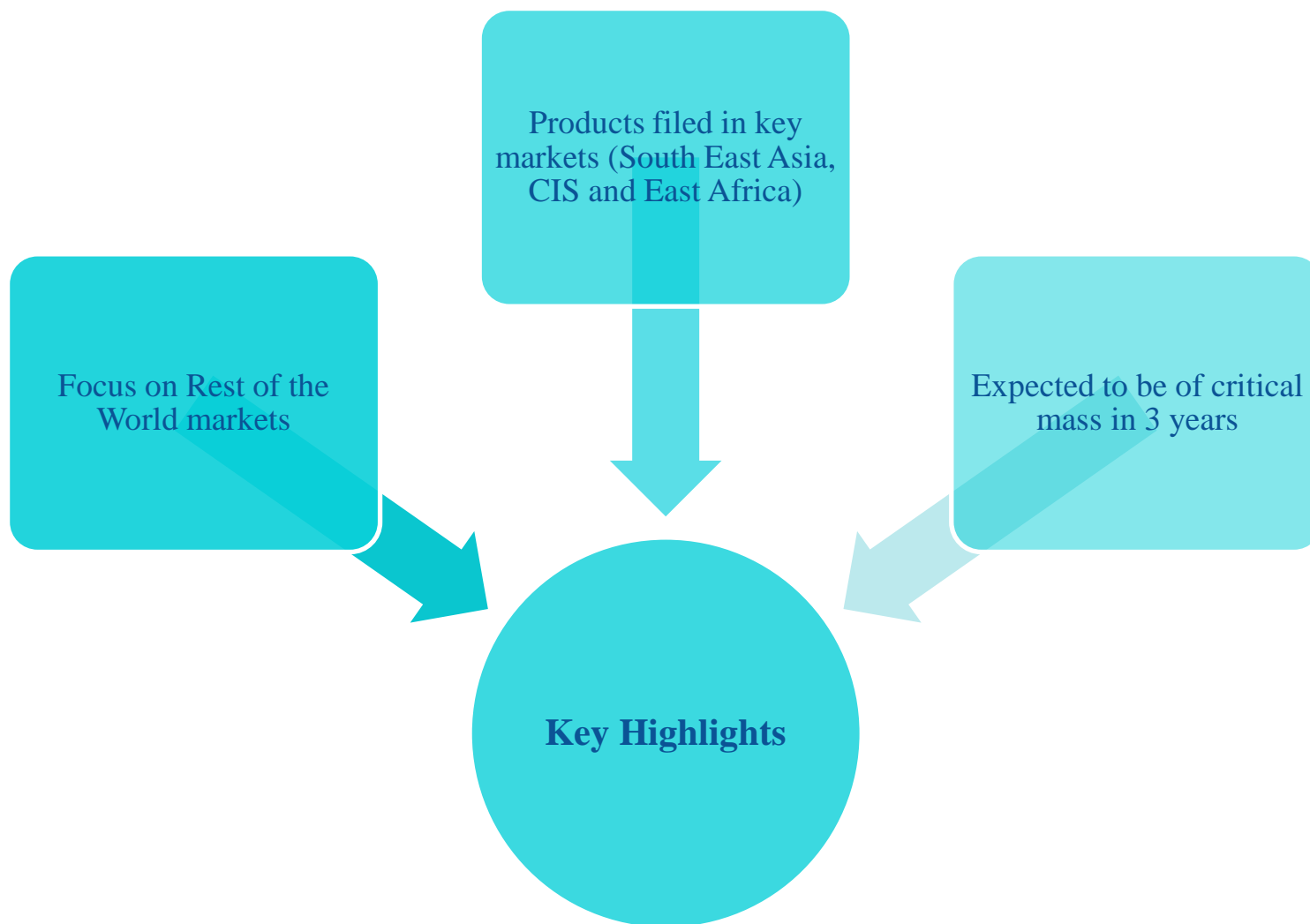
% of total domestic formulation revenue



- Launched 6 product SKUs in the domestic market in Q3FY15, 28 product SKUs YTD DEC 14.

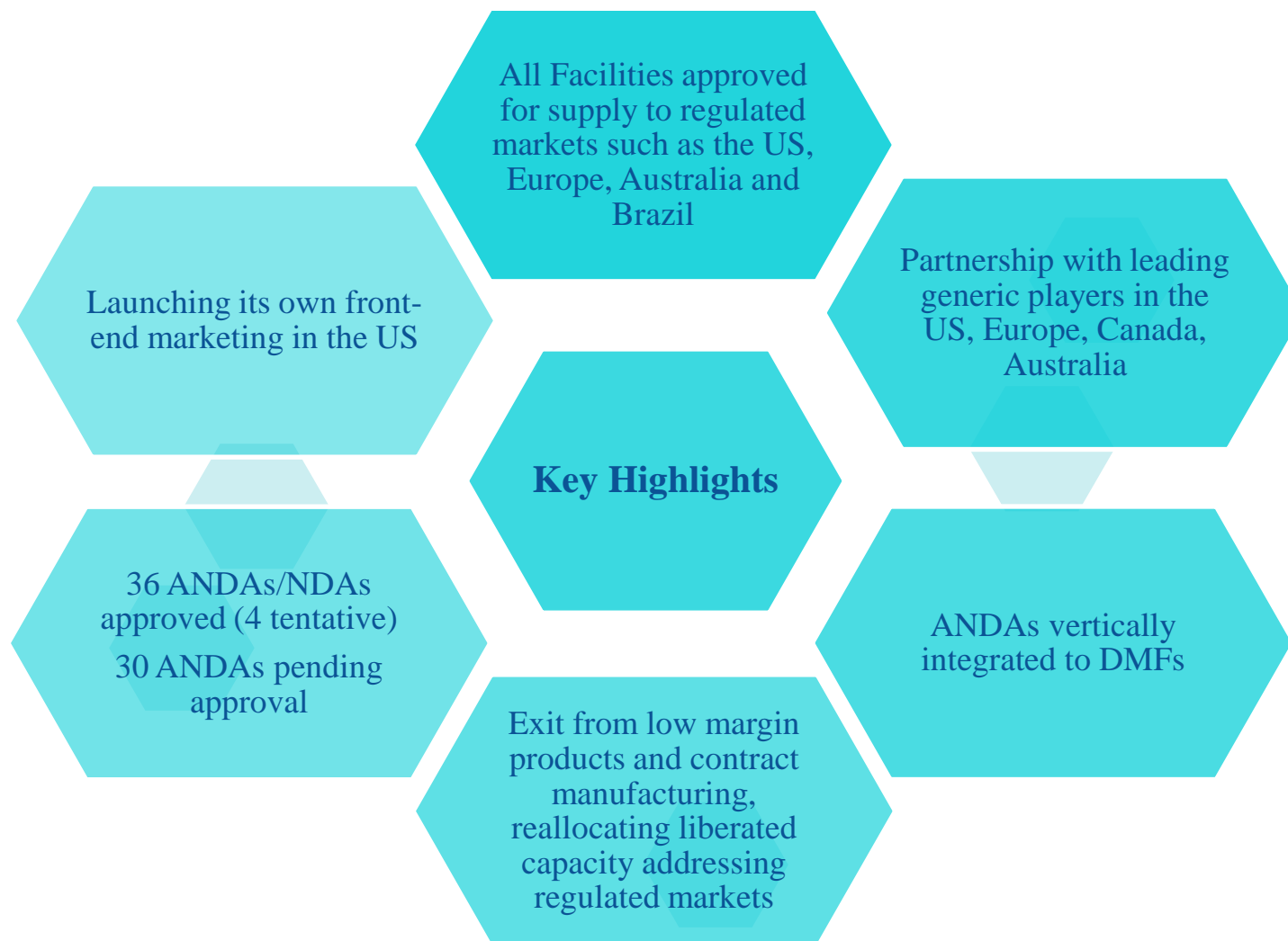
Brand Name	Therapeutic Area	Ranking
Azithral	Anti-infective	35
Althrocin	Anti-infective	65
Wikoryl	Respiratory	155
Roxid	Anti-infective	166
Gestofit	Gynecology	283

- 5% market share in the cough and cold segment
- 4500+ marketing team

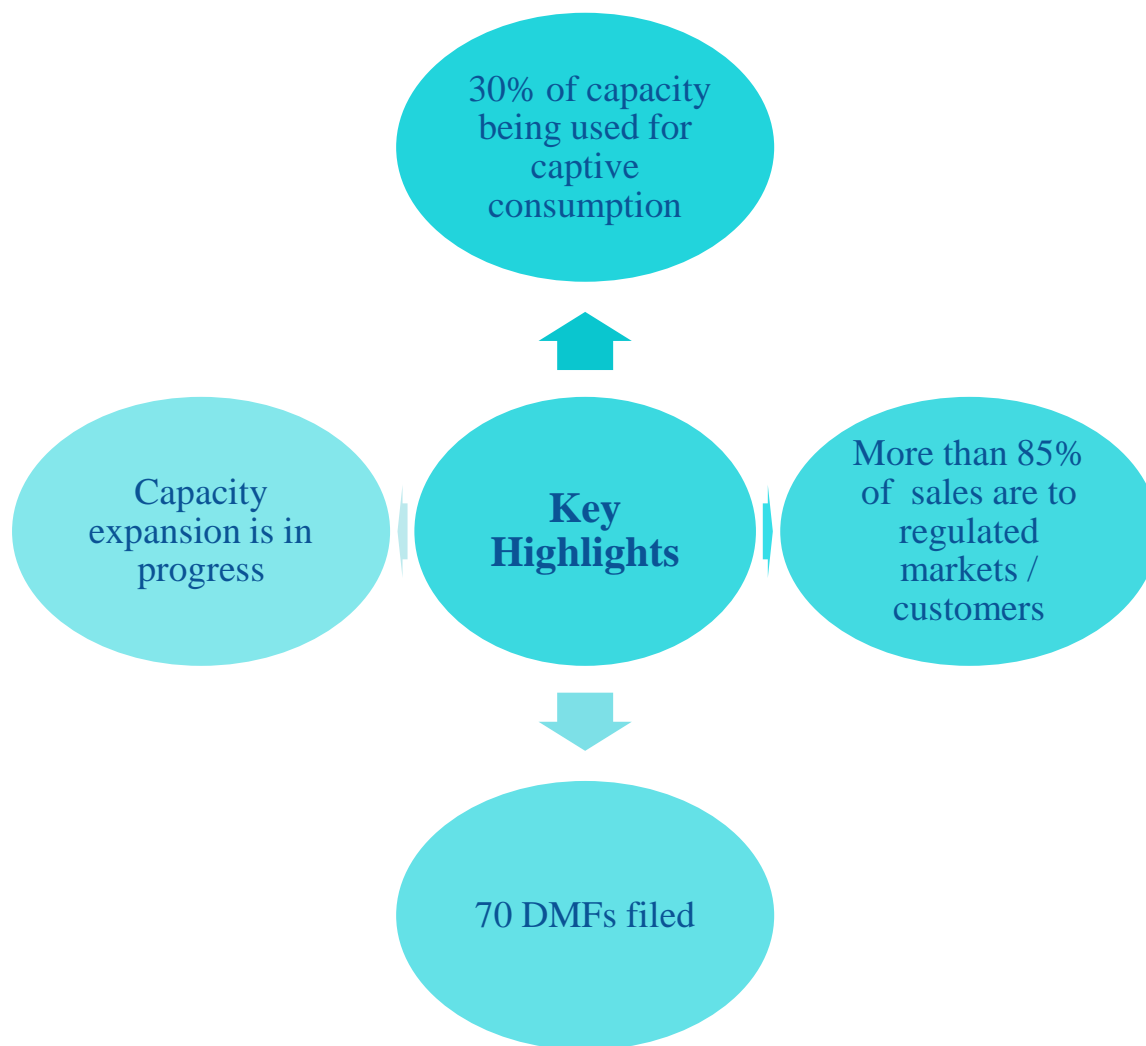


International Generics will be the
growth driver

Fast emerging player in international generics



API business accounts for ~20% of
revenues

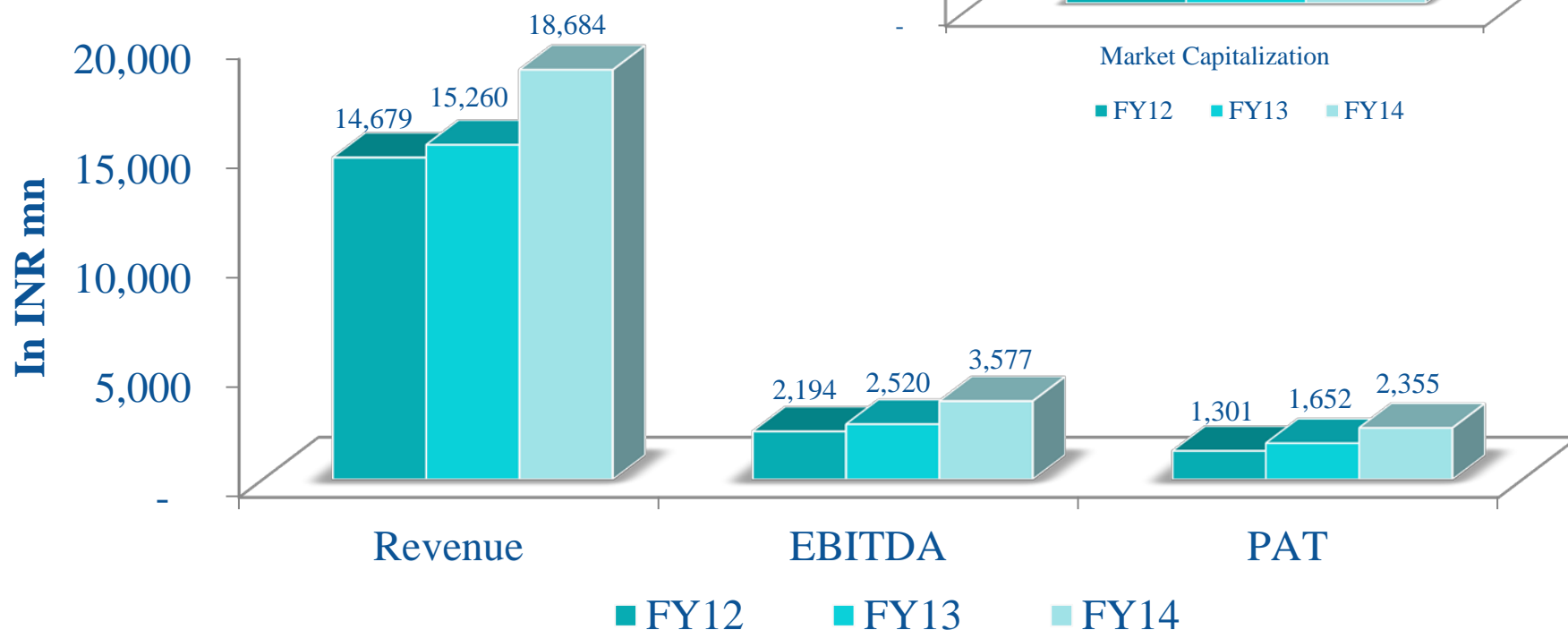


Financial Snapshot

Focus on shareholder value creation

3 Years CAGR

Revenue	13%
EBITDA	28%
PAT	35%
Market Capitalization	143%



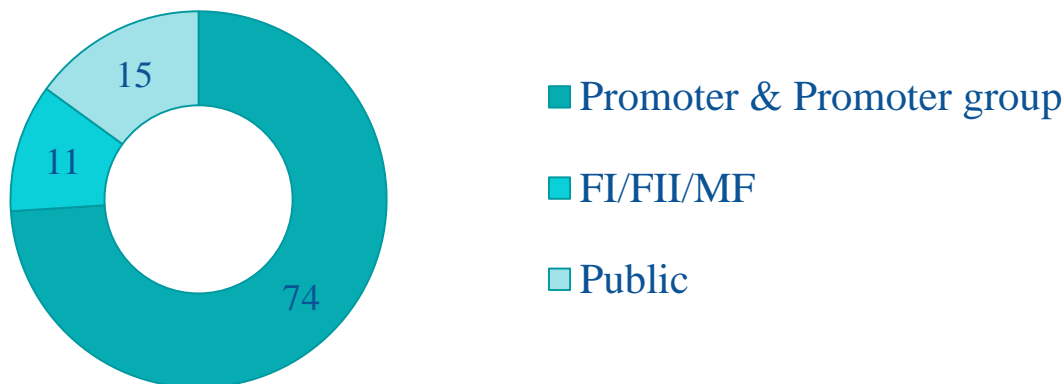
Financial Highlights



Particulars (INR mn)	Q3FY15	Q3FY14	%Growth	YTD Dec FY15	YTD Dec FY14	%Growth
Formulations Revenue						
India						
Branded	2500	2251	11%	7488	6511	15%
Generics	332	289	15%	906	921	-2%
International						
Branded	134	227	-41%	545	560	-3%
Generics	1333	1296	3%	3706	3288	13%
API Revenue	813	756	7%	2813	2608	8%
Exports Incentives	37	48		140	144	
Total Revenue	5149	4867	6%	15598	14032	11%
EBITDA	1025	1022		3074	2664	15%
<i>EBITDA %</i>	<i>19.9%</i>	<i>21.0%</i>		<i>19.7%</i>	<i>19.0%</i>	
PAT	707	659	7%	2126	1742	22%
<i>PAT %</i>	<i>13.7%</i>	<i>13.5%</i>		<i>13.6%</i>	<i>12.4%</i>	
EPS	3.75	3.50		11.28	9.24	
Book Value/share				46.87	36.36	29%
Debt				2490	1640	52%
<i>ROCE %</i>				<i>31.4%</i>	<i>36.3%</i>	

Latest Shareholding Pattern

% of Total Shareholding



Market capitalization	INR 84 bn
Total paid-up share capital	377.03mn
Total number of shares O/S	188.52mn
No. of shareholders	> 50 K
Free float market capitalization	INR 22 bn

Way forward

Strategy going forward

- Continue to focus on complex products. Expect to launch 7-9 products every year for the next three years in the US markets
- Create a front-end marketing presence in USA in addition to its existing marketing alliances
- Filing ANDAs/MAs in other international markets such as Europe, Australia, Canada, Brazil and South Africa
- Sustained focus on R&D and F&D activities to build robust pipeline of products for regulated markets
- Continued focus on progressive therapies for sustainable growth and increased market share for India Branded business
- Building pipeline for ROW markets.

Conference call details

Date : Monday, February 4, 2015 Time : 05.00 pm IST	
India - Primary Number	+91 22 39381028
India - Secondary Number	+91 22 67468328
USA	1 866 746 2133
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About Alembic Pharmaceuticals Limited

Alembic Pharmaceuticals Limited, a vertically integrated research and development pharmaceutical company, has been at the forefront of healthcare since 1907. Headquartered in India, Alembic is a publicly listed company that manufactures and markets generic pharmaceutical products all over the world. Alembic's state of the art research and manufacturing facilities are approved by regulatory authorities all over the world including the US FDA. Alembic is one of the leaders in branded generics in India. Alembic's brands, marketed through a marketing team of over 4500 are well recognized by doctors and patients.

Information about the company can be found at:

www.alembic-india.com;(Reuters:ALEM.NS) (Bloomberg:ALPM:IN) (NSE:APLLTD) (BSE:533573)

For updates and specific queries please feel free to contact

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