



# LUPIN LIMITED

Q3FY17 Investor Presentation

*February 09, 2017*



Aerial view of Lupin offices, Baltimore, US

# Safe Harbor Statement

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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.

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.

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LUPIN TODAY



# Today Lupin is a Globally Dominant Force

## Globally



## Advanced Markets



## Emerging Markets



### Sources:

1. Bloomberg EQS, 31 Dec 2016

2. LTM sales available as of 30 Sep 2016

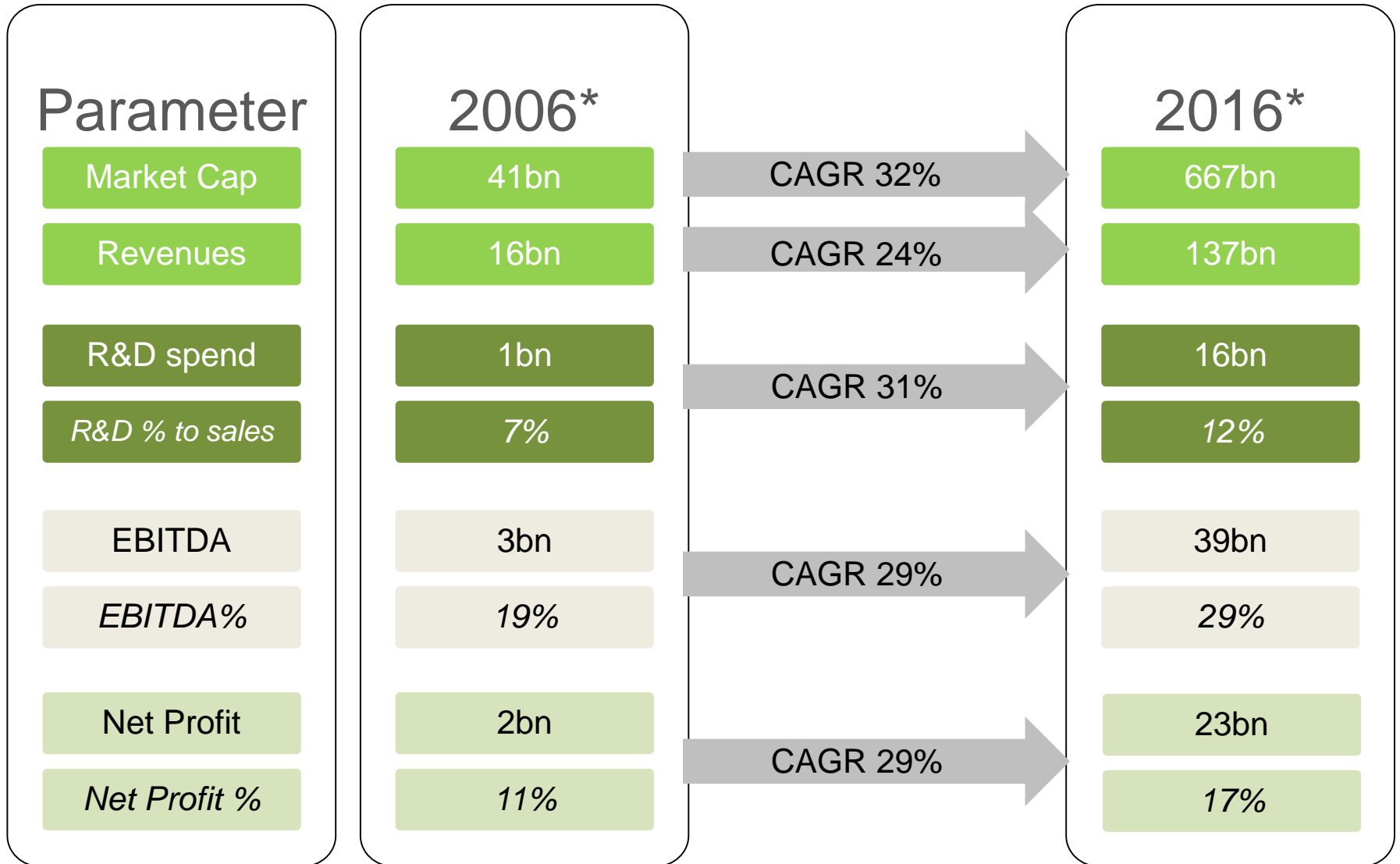
3. IMS MAT Mar 16

4. IMS Data Japan (April 2015 – March 2016) at NHI price base (including Shionogi brands acquired)

5. IMS MAT Dec 16

6. IMS MAT Dec 16

# A Journey of Stellar Performance



# Lupin – Awards and Accolades

- **Forbes India Business Leadership Awards 2016** – Vinita Gupta & Nilesh Gupta awarded the Entrepreneur of the Year
- Lupin in **Forbes World’s Most Powerful Public Companies, Global 2000, FY 2016**
- Lupin in Forbes India “Super 50”, FY 2016
- Vinita Gupta awarded “**Outstanding Woman Business Leader of the Year**” – CNBC-IBLA: FY 2015-16
- Vinita Gupta in **Forbes Asia Power Businesswomen, “Power 50”, FY 2016**
- Vinita Gupta – Hall of Fame - **The Most Powerful Business Women 2016** by Business Today
- Vinita Gupta, CEO & Nilesh Gupta, MD awarded the Ernst & Young **Entrepreneur of the Year, India, 2015**
- Lupin Wins the **Thomson Reuters India Innovation Awards for R&D, FY 2015 - 16**
- Lupin Ranked 15<sup>th</sup> in the Great Places to Work “**Best Companies to Work for in Asia**”
- Lupin in AON **Best Employers India 2016**
- Ramesh Swaminathan the **Best CFO** by FinanceAsia
- Lupin #1 in Pharma in “**Best at Investor Relations**” by FinanceAsia; 5<sup>th</sup> in Overall Ranking
- **CNBC TV18 Firm of the year** in Pharma sector: India Risk Management Awards, FY 2015
- Lupin Wins The **Golden Peacock Award for Excellence in Corporate Governance, FY 2016**



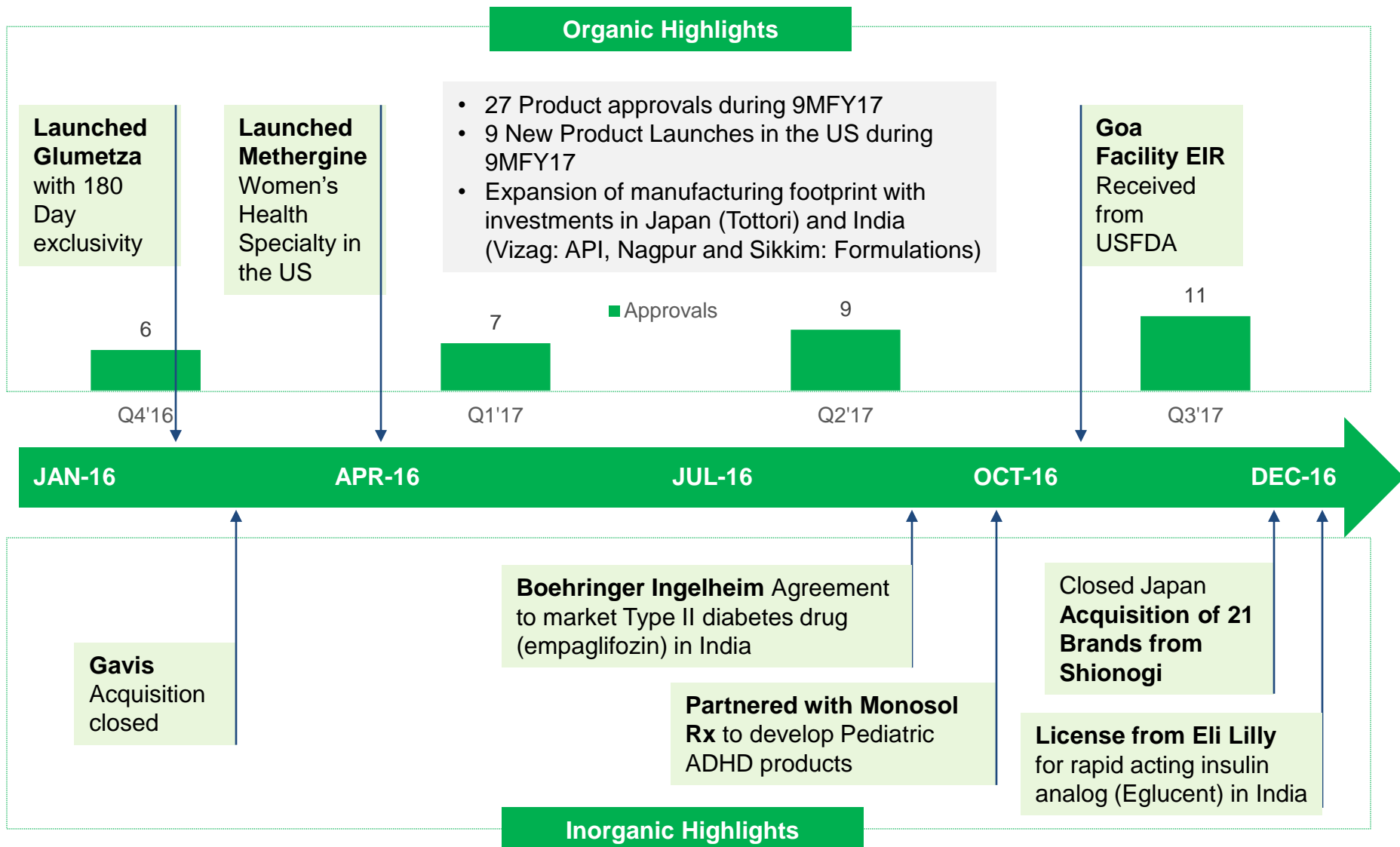
# Lupin Global Capabilities



our drugs reach  
**>100**  
countries  
across the world

10000+ Employees  
09 Research Facilities  
18 Manufacturing Facilities  
40 Offices  
27 Countries

# Key Milestones in 2016





02



**BUSINESS UPDATE**



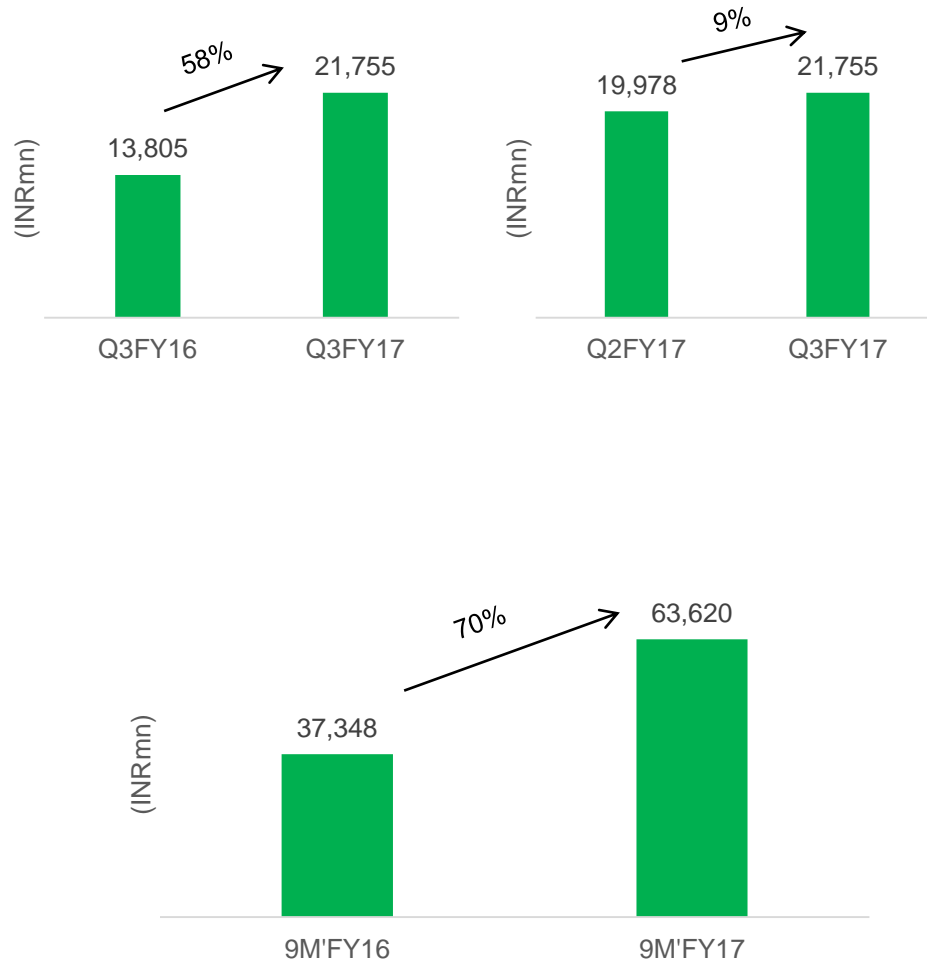
# P&L Highlights – Q3FY17

Particulars (INRmn)	Q3FY17	% of net sales	Q3FY16	% of net sales	YoY growth	Q2FY17	% of net sales	QoQ growth
<b>Net sales</b>	<b>44,049</b>	<b>100.0%</b>	<b>33,503</b>	<b>100.0%</b>	<b>31.5%</b>	<b>42,112</b>	<b>100.0%</b>	<b>4.6%</b>
Other operating income	780		1,974			793		(1.6%)
<b>Total revenue</b>	<b>44,829</b>		<b>35,477</b>		<b>26.4%</b>	<b>42,905</b>		<b>4.5%</b>
Gross margin (excl. other operating income)	31,033	70.5%	22,271	66.5%	39.3%	29,683	70.5%	4.5%
EBITDA	13,194	30.0%	9,125	27.2%	44.6%	10,552	25.1%	25.0%
EBIT	10,885	24.7%	7,909	23.6%	37.6%	8,440	20.0%	29.0%
<b>Net profit</b>	<b>6,331</b>	<b>14.4%</b>	<b>5,246</b>	<b>15.7%</b>	<b>20.7%</b>	<b>6,622</b>	<b>15.7%</b>	<b>(4.4%)</b>

# P&L Highlights – 9MFY17

Particulars (INRmn)	9MFY17	% of net sales	9MFY16	% of net sales	YoY growth
<b>Net sales</b>	<b>129,579</b>	<b>100.0%</b>	<b>96,489</b>	<b>100.0%</b>	<b>34.3%</b>
Other operating income	2,831		4,096		
<b>Total revenue</b>	<b>132,410</b>		<b>100,585</b>		<b>31.6%</b>
Gross margin (excl. other operating income)	91,415	70.5%	64,173	66.5%	42.5%
EBITDA	37,652	29.1%	25,208	26.1%	49.4%
EBIT	31,204	24.1%	21,824	22.6%	43.0%
<b>Net profit</b>	<b>21,772</b>	<b>16.8%</b>	<b>15,128</b>	<b>15.7%</b>	<b>43.9%</b>

# North America

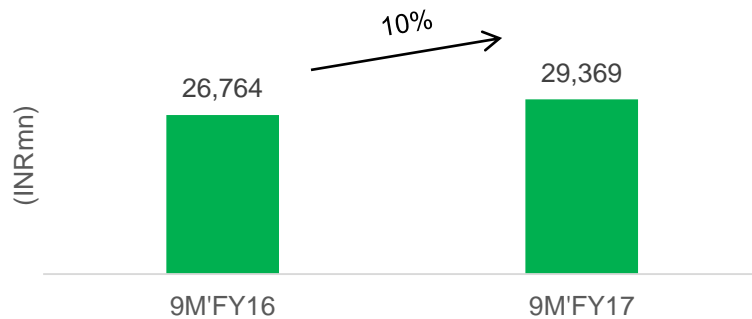
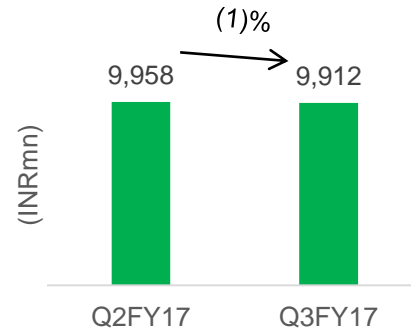
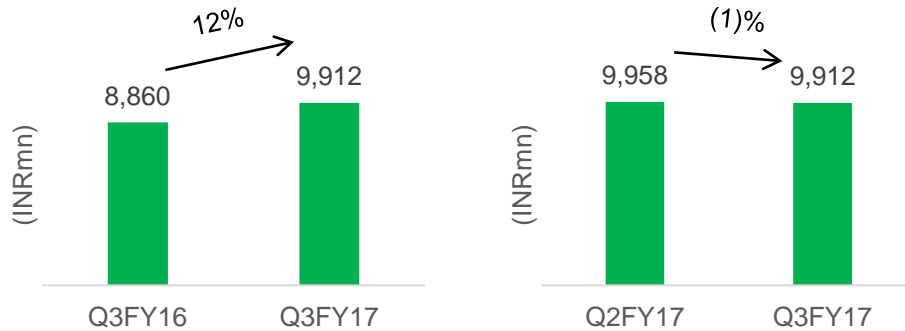


## Commentary

- US business grew YoY by 53% in USD terms to \$316 mn in Q3FY17
- 11 approvals in Q3FY17 (27 approvals in 9MFY17)
- 4 new product launches during the quarter (9 product launches in 9MFY17)
- Portfolio of 128<sup>1</sup> products
- US Market Share: No. 1 in 45 & top 3 in 78 products<sup>2</sup>
- Total of 344<sup>1</sup> ANDA filings till date of which 207<sup>1</sup> have been approved

# India

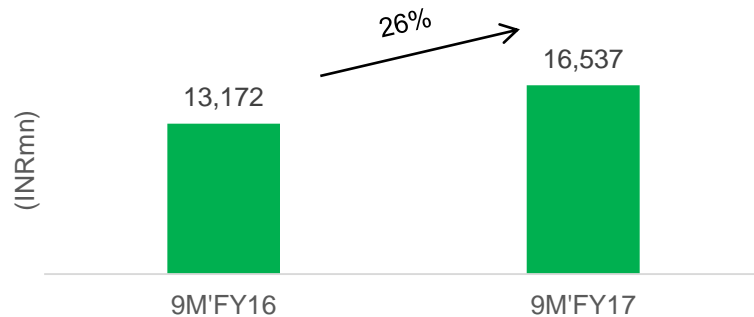
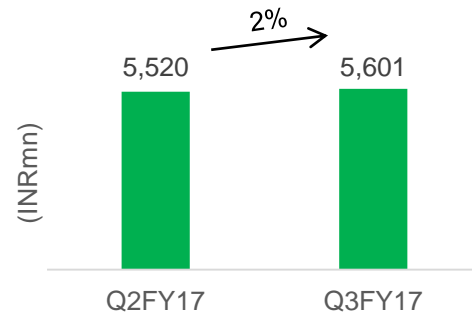
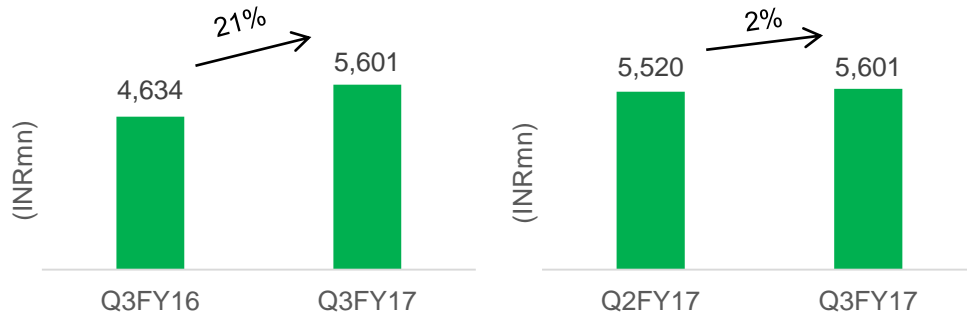
## Commentary



- Ranked 6<sup>th</sup> in the IPM<sup>1</sup>
- Added ~1,500 field force YTD FY17;  
Total sales force is 6,614
- Launched 5 new divisions to cater to high growth therapies
- Launched 23 SKUs in Q3 (60 SKUs in 9MFY17)
- Therapy-wise split :
  - Chronic sales - 54%;
  - Semi-chronic sales - 28%
  - Acute -18%,

# APAC

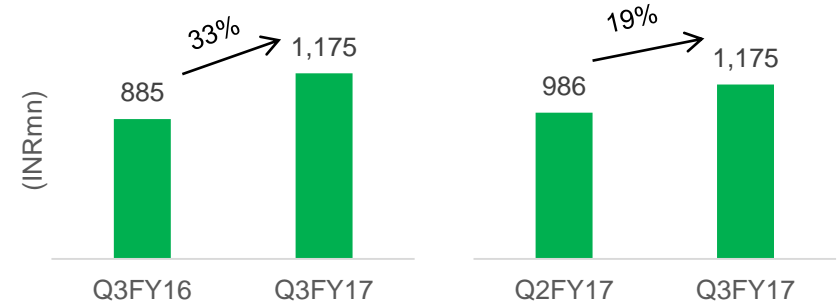
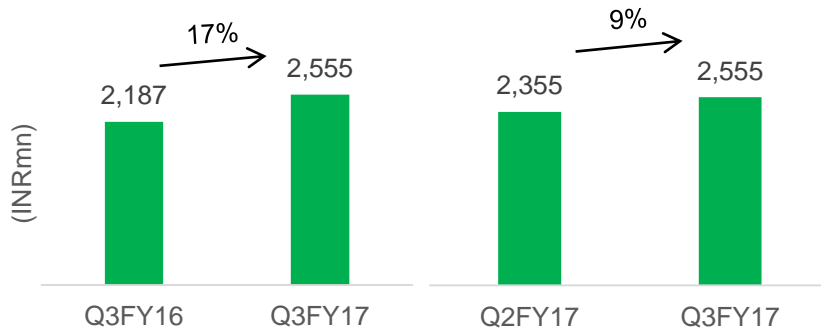
## Commentary



- Japan
  - Japan sales grew by 5% to JPY 7,244 mn YoY during Q3FY17.
  - Shionogi brands acquisition completed in Dec-16
  - 6<sup>th</sup> largest<sup>1</sup> generic company (with Shionogi); Strong presence in Central Nervous System, Cardiovascular, Gastroenterology & Injectables
  - 2 manufacturing and 2 R&D facilities in Japan
  - Strategic partnership with a national distributor
- Philippines
  - Growth of 44%<sup>2</sup> against industry growth of 5%<sup>2</sup>
  - Ranked 20<sup>th</sup> Pharma<sup>2</sup>

# EMEA

# LatAm



## Europe

- All businesses growing strongly
- Foray into Branded / Specialty segment with the acquisition of Temmler portfolio in Germany

## South Africa

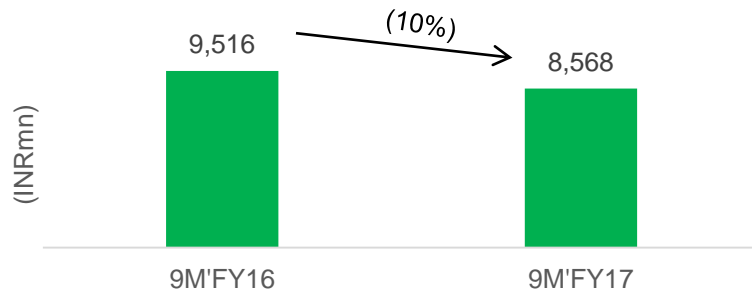
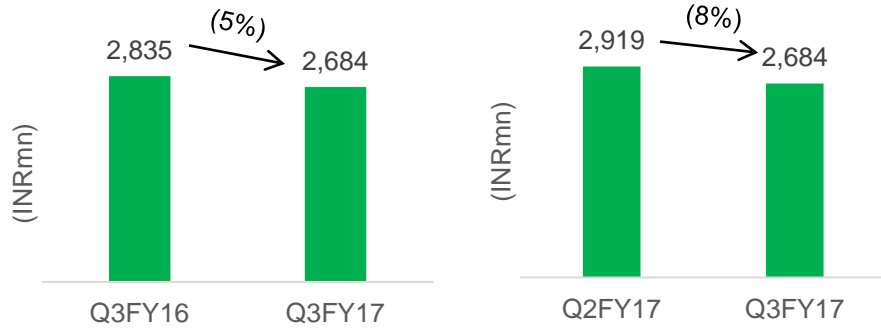
- YoY growth of 3% in ZAR
- 4<sup>th</sup> largest generic company<sup>1</sup> & #1 CVS player<sup>1</sup>

## LatAm

- **Mexico:** IMS growth of 12% vs 9% market growth<sup>2</sup>
- **Brazil:** IMS growth of 25% vs market growth of 12%<sup>3</sup>

# API

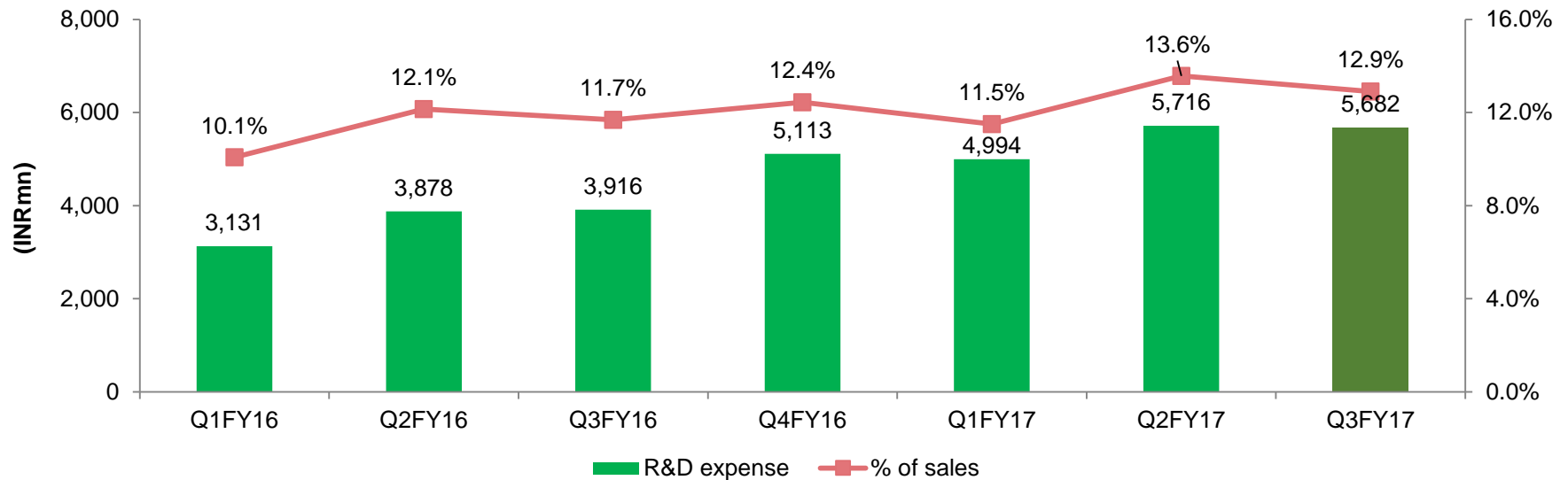
## Commentary



- Enhanced focus on pipeline of complex and first-to-file APIs
- 173 US DMFs as of end Q3 FY17



# R&D Expenses



- R&D expenses for Q3FY17 were Rs. 5,682 mn, at 12.9% of net sales vs 3,916 mn, 11.7% of net sales in Q3FY16
- Talent pool of 1,700+ scientists at R&D centers across the globe
- FTFs - 44 filings till date with 23 exclusives
- Total of 344<sup>1</sup> ANDA filings till date, of which 207<sup>1</sup> have been approved (11 approvals in Q3FY17)