

Alembic Pharmaceuticals Limited



Investor Presentation

December 2013

BSE:

Symbol: ALEMPHARM

Code: 533573

NSE:

Symbol: APLLTD

ISIN: INE901L01018

www.alembic-india.com



Safe Harbour 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.

Agenda



The Alembic Journey



Insight - Alembic Overview



Insight - Strategic Advantage



Growth Drivers



Business Strategy and Approach



Financials



Corporate Social Responsibility



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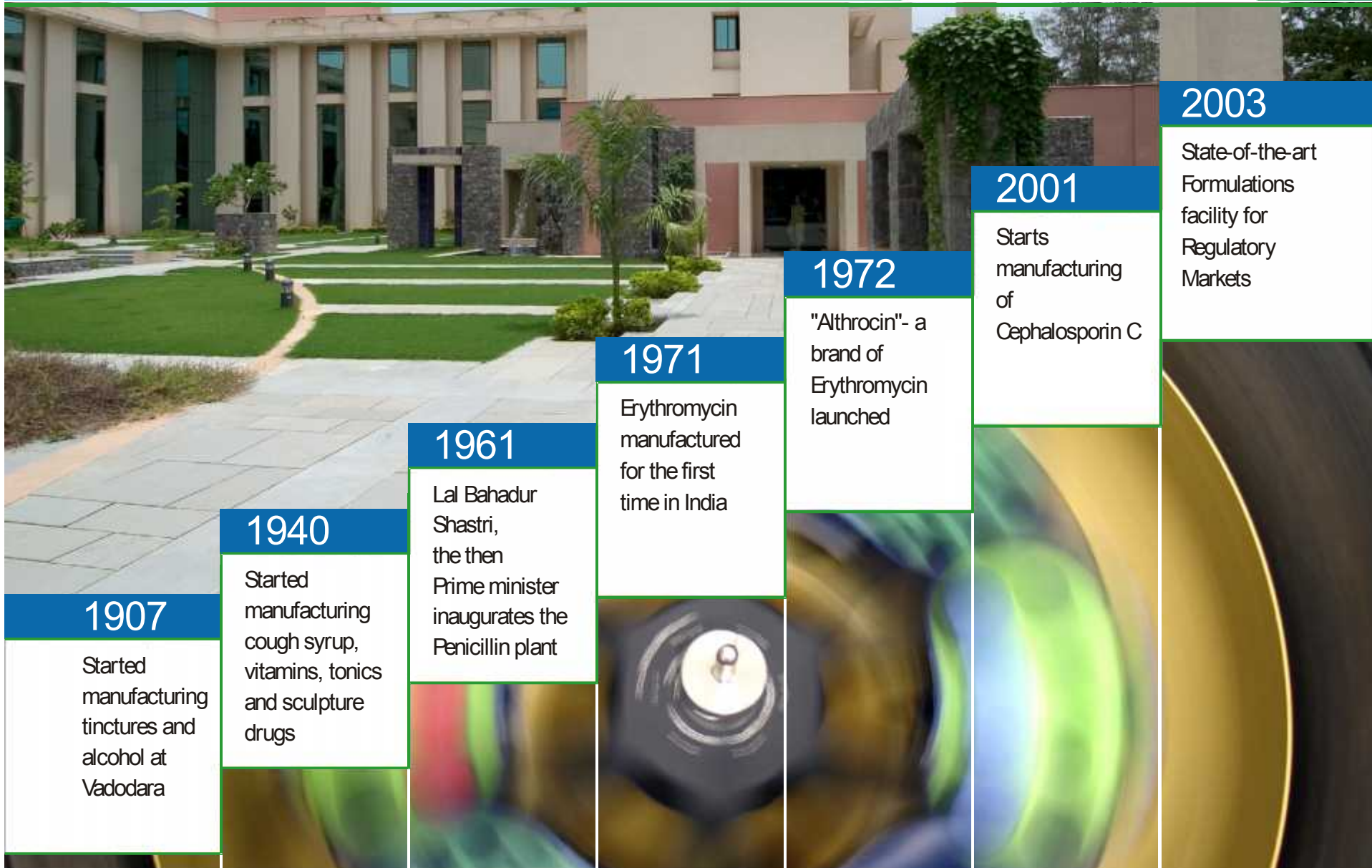
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The Alembic Journey



1907

Started manufacturing tinctures and alcohol at Vadodara

1940

Started manufacturing cough syrup, vitamins, tonics and sculpture drugs

1961

Lal Bahadur Shastri, the then Prime minister inaugurates the Penicillin plant

1971

Erythromycin manufactured for the first time in India

1972

"Althrocin"- a brand of Erythromycin launched

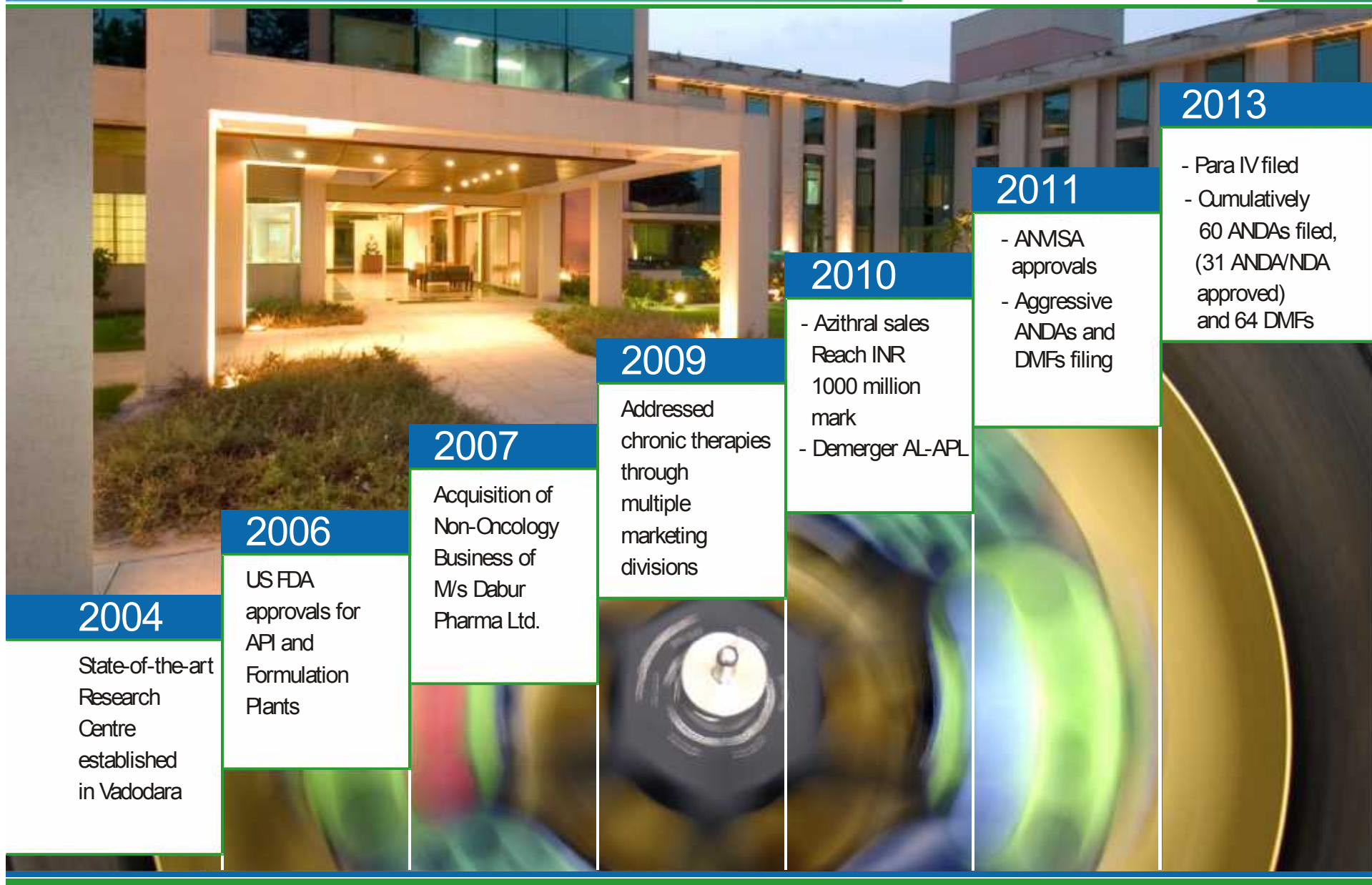
2001

Starts manufacturing of Cephalosporin C

2003

State-of-the-art Formulations facility for Regulatory Markets

The Alembic Journey



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Insight - Alembic Overview



Branded Formulations



Revenue of INR 8860 million in the India market for the financial year 2012-13



Ranked 21st in the Indian Formulations market with a market share of 1.76%*



Ranked 15th in Doctors Prescription Universe**



Well equipped Formulations Plant located at Baddi, Himachal Pradesh



Robust product basket with export sales of INR 440 million in the financial year 2012-13 in International Branded Formulations



Strong presence in anti-infective, pain management, cough & cold



Thrust on Cardiology, Gynecology, GI, Diabetes, Orthopedics, Rheumatology and Ophthalmology segments



Dermatology division launched

*Source: ORG November, 2013 **Source: ORG Prescription Audit

Insight - Alembic Overview



International Division



Business size of
INR 5960 million in the
financial year 2012-13



Sales in Regulatory
Generics Market of INR 2450
million in the financial year
2012-13



1 US FDA
approved
Formulations
Plant



World-class
R&D and F&D
facility



Alliances with leading
generic players in USA,
Canada, Europe, Australia,
Brazil and South Africa



Robust product basket
with 31 ANDA/NDA approvals
(60 filings) and 64 DMFs.
and Para IV filing

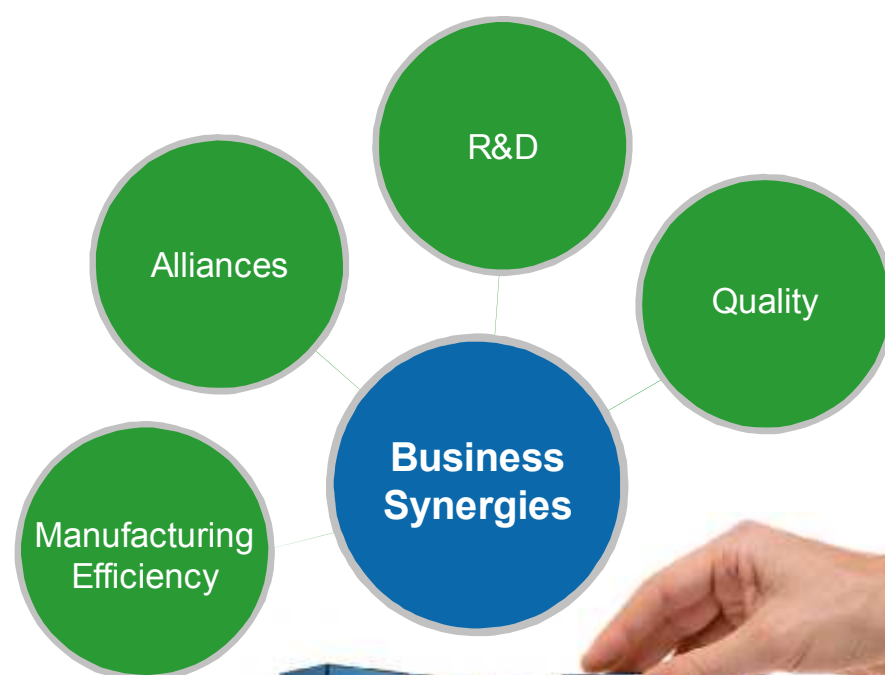
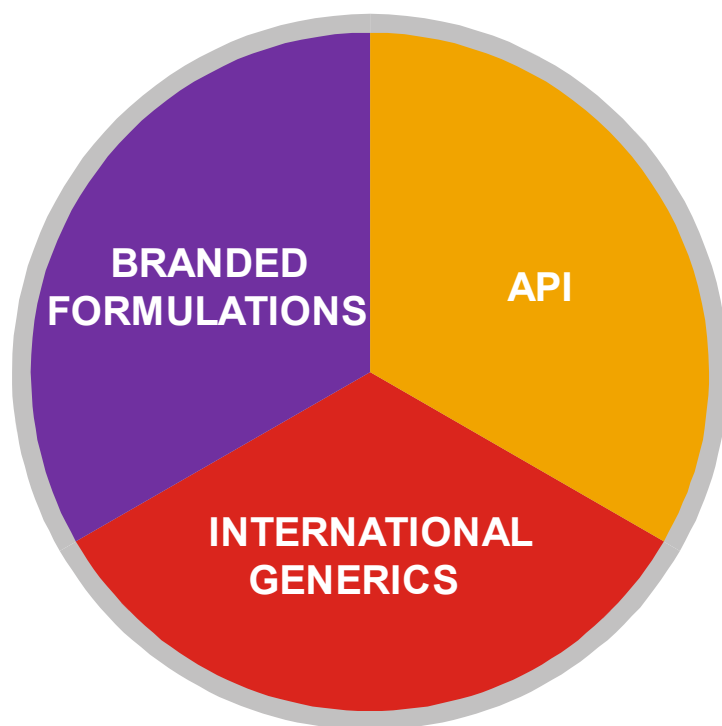


3 US FDA
approved
API Plants



Approved
Bio Equivalence
Centre

Business Portfolio



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Strategic Advantage

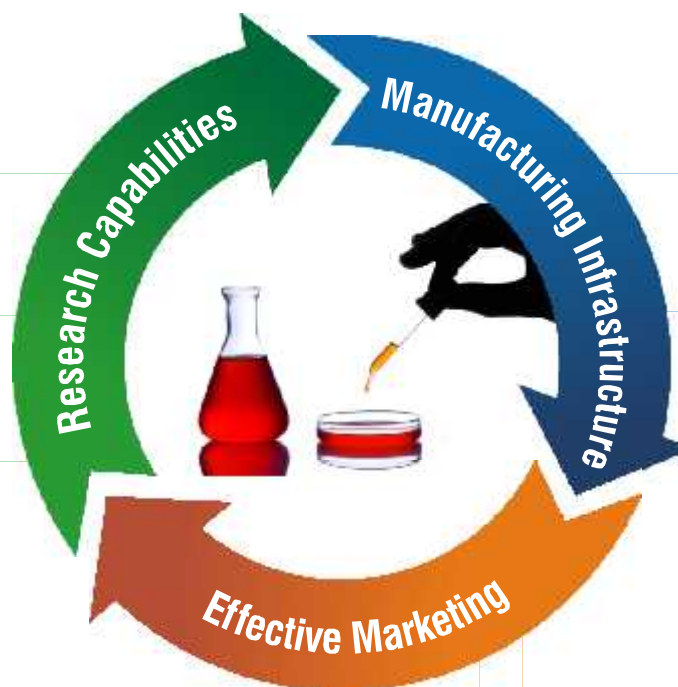


Alembic Research Centre is the first in India to be Information Security Certified

Highly talented pool of 300 Research Scientists

R&D / F&D / Captive Bio-equivalence facility

Therapy focused marketing through 12 marketing arms on PAN India basis



Well-developed Infrastructure facility - 4 US FDA approved plants

High-end quality / RA structure

Manufacturing excellence with optimal cost benefits

Therapy focused marketing through over 3,900 field force covering over 1 lac doctors

Strong partnership and alliance in Generic space

Long term relationship with API customers

Manufacturing Infrastructure



Formulations - Generics (Regulatory Markets)



USFDA, MCC, MHRA, ANVISA, TPD approved formulations facility at Panelav

Current annual production capacity of plus 3 billion tablets/capsules

Branded Formulations



Formulations plant at Baddi, Himachal Pradesh

API



USFDA, EDQM, TGA, WHO approved API facility at Panelav (2 units) and at Karkhadi (1 unit)



Manufacturing Infrastructure



Certifications



Australian Government
Department of Health and Ageing



ANVISA
Agência Nacional de
Vigilância Sanitária

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, Liquid Oral Products

BIO EQUIVALENCE CENTRE



State-of-the-art 90-bedded new Bio Centre

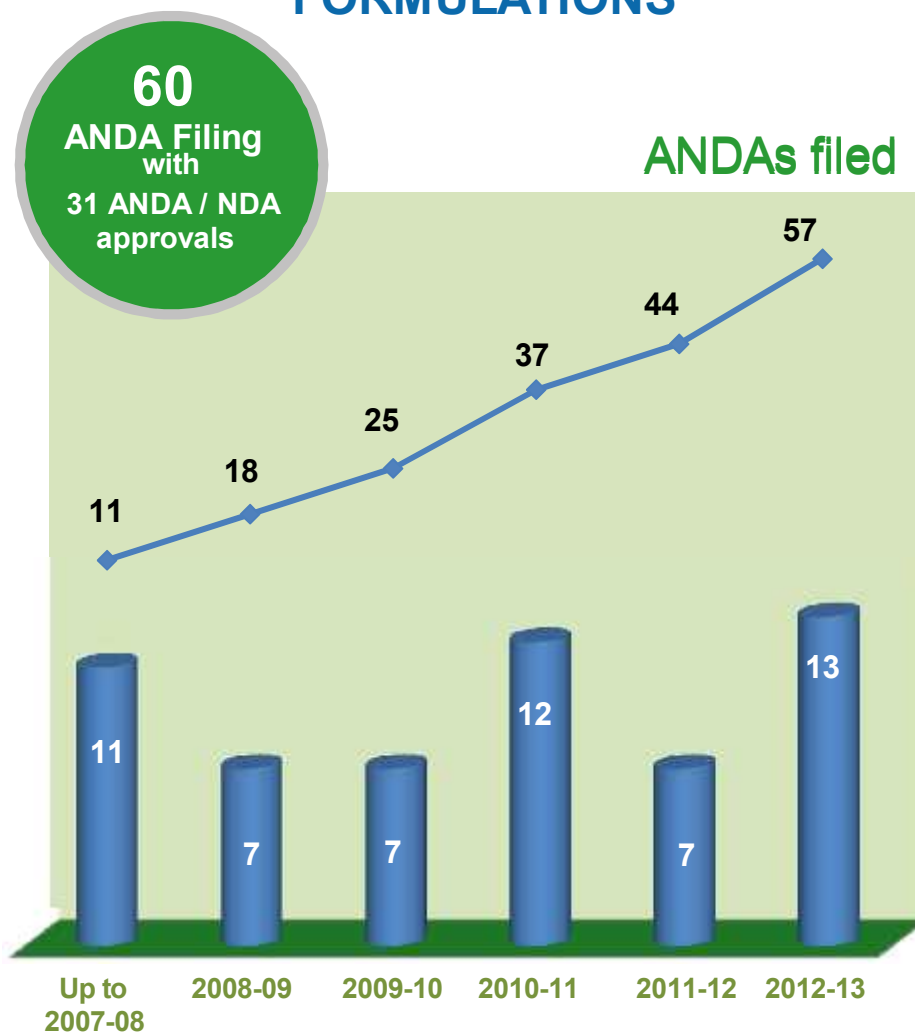
100 Bio Pilot Studies

50 Pivotal Studies

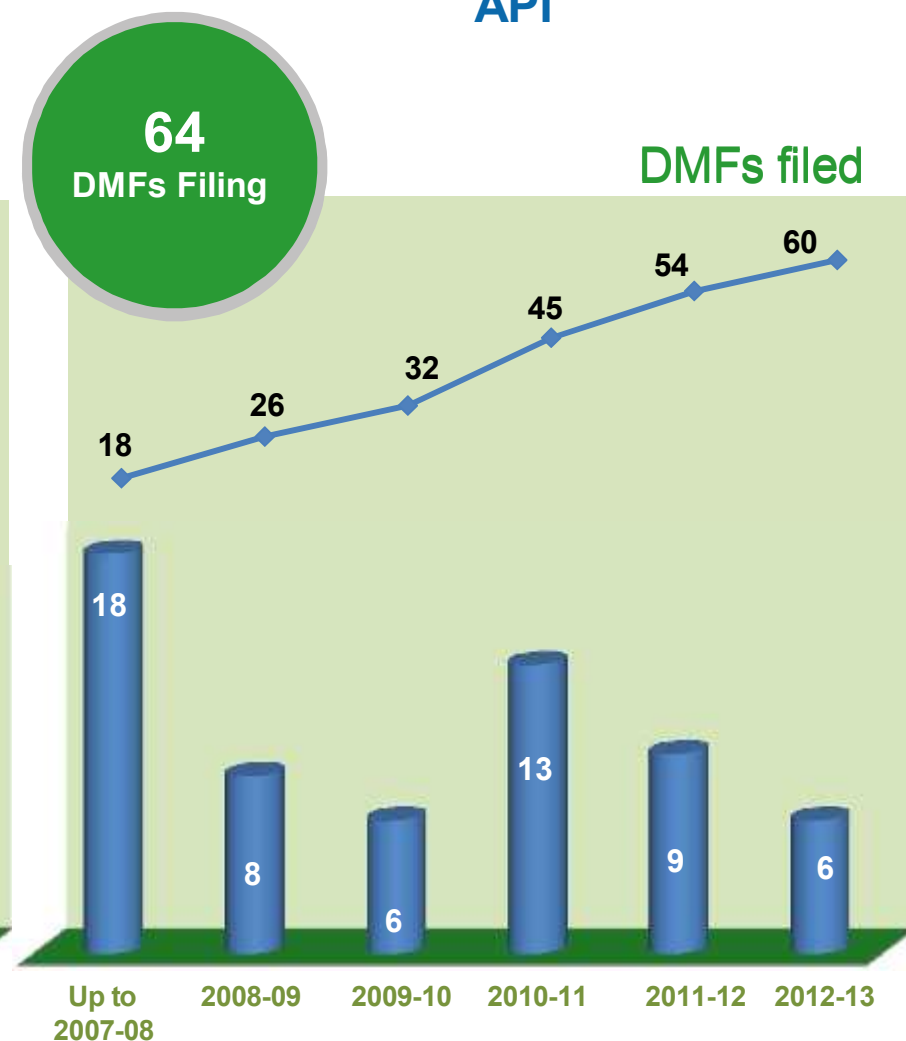
Research Capabilities



FORMULATIONS



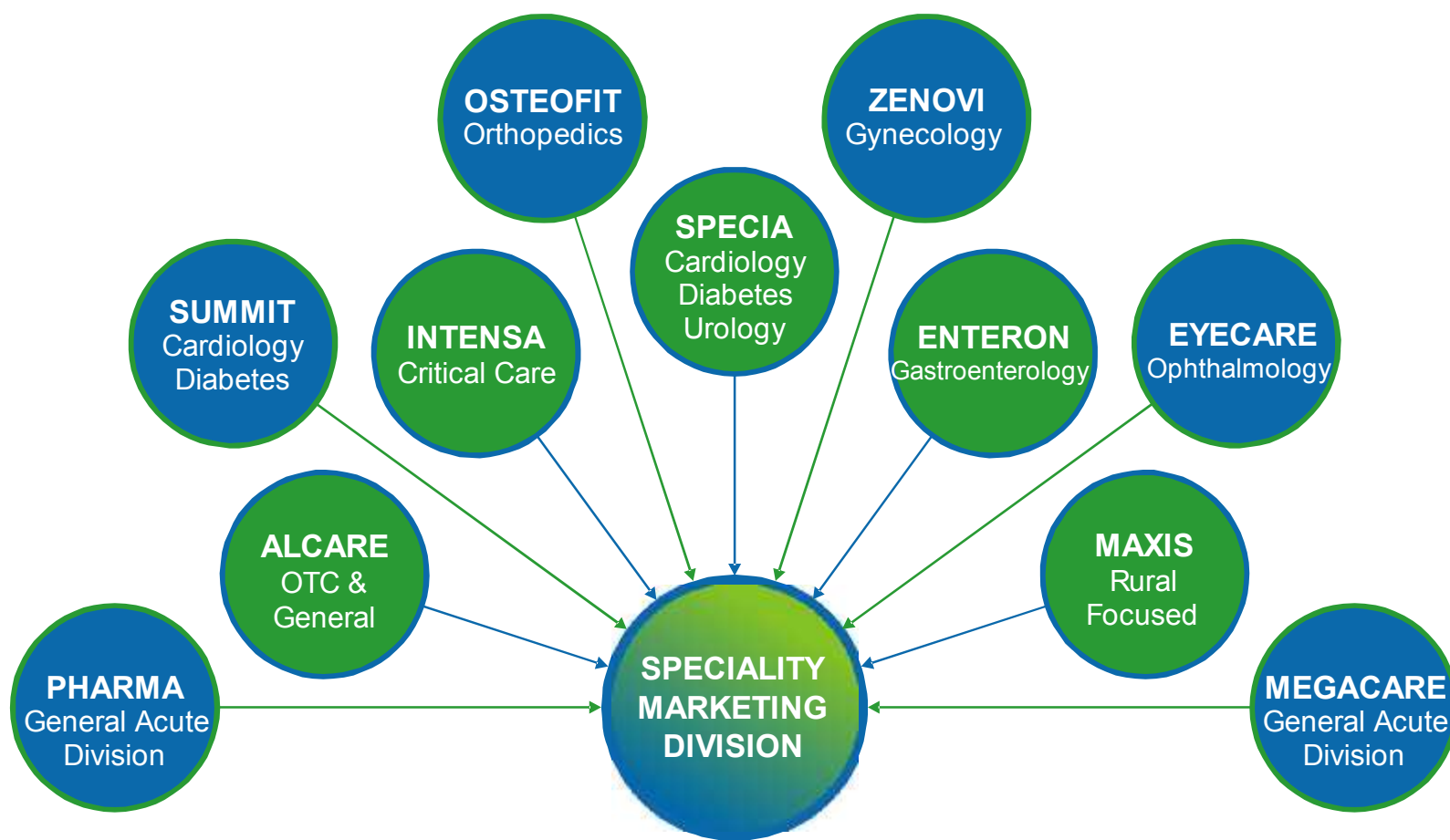
API



Effective Marketing



PAN India Marketing and Distribution Network



New Segment entered: Dermatology

Future Segment: Respiratory therapies



PAN India Marketing and Distribution Network

GENERIC & NSA



VETERINARY



**OTHER
PRODUCT
PORTFOLIO**



Major Product Portfolio



Top Products	Therapeutic Area	Ranking*
Azithral	Anti Infective	34
Althrocine	Anti Infective	60
Wikoryl	Cough & Cold	150
Roxid	Anti Infective	166
Gestofit	Gynecology	283



Other Products	Therapeutic Area
Rekool	Gastroenterology
Zeet/Bro-Zeet	Cough & Cold
Tellzy	Cardiology
Gestofit	Gynecology
Sharkoferrol	Tonic
Tetan	Cardiology
Livfit	Hepaprotectives
Zofix	Anti Infective
Ulgel	Antacid and Anti Flatulant
Glisen	Anti Diabetic
Ovygin	Gynecology

* Source: ORG November, 2013

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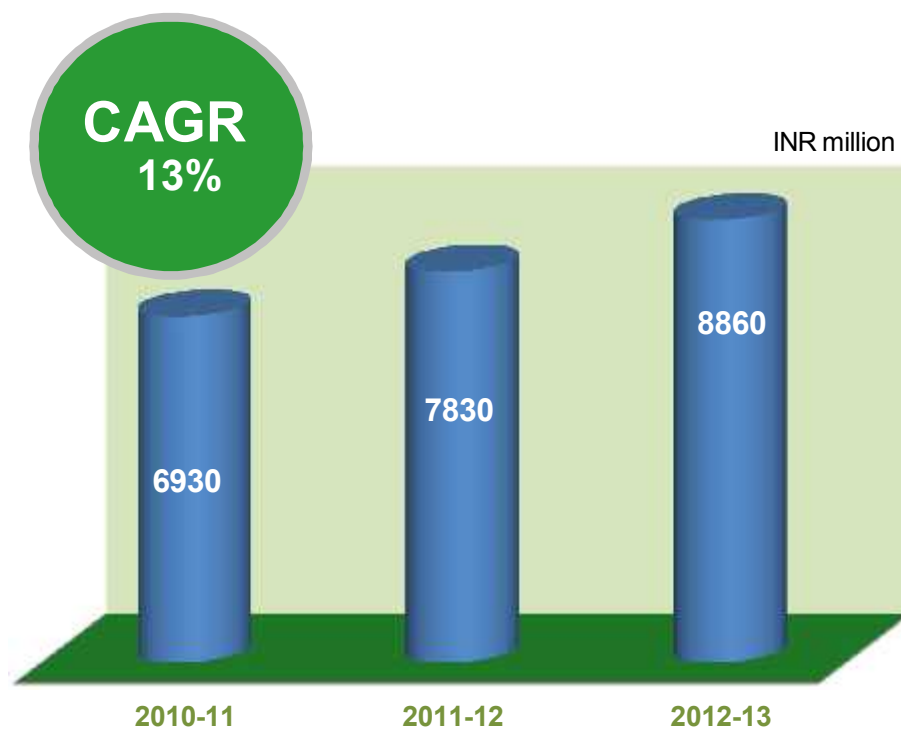
Corporate Social Responsibility >



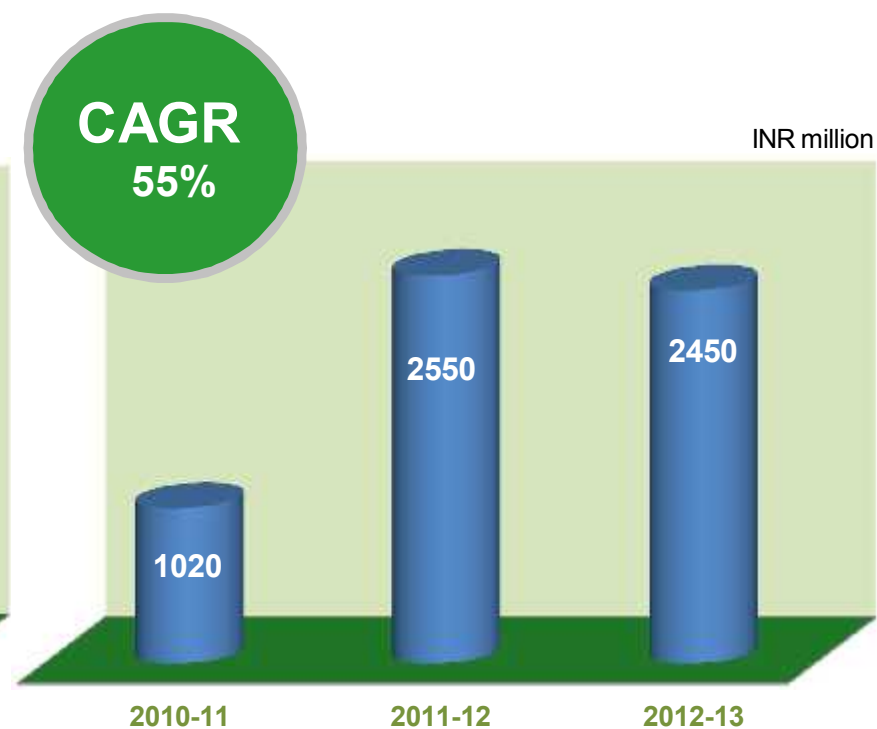
Growth Drivers



Branded Formulation Business



International Generic Business



Branded Formulations

➤ **Enhanced focus on existing branded business**

Through effective pan-India distribution network and therapy based marketing and by pushing ahead acute and chronic segments like anti-infectives and cough & cold medications

➤ **Launch 20-25 new products**

Launch of new products to boost sales momentum and brand build up

➤ **Enter into new therapeutic segment**

Future identified therapy – Respiratory will further expand the company's spread



Expected
annual growth
15-18%



International Generics

➤ Superior cost efficiency

Position Alembic as a cost efficient dependable quality manufacturer

➤ Expanded annual production capacity

Annual production to increase from 2.6 billion tablets/capsules to 5 billion tablets/capsules in 2013-14

➤ ANDA filings and approvals for off-patent drugs

Over the next five years, products that currently generate more than USD 142 billion In sales are expected to go off-patent. Alembic can tap these opportunities by launching new generic products at appropriate times.

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Business Strategy & Approach



Sustainable Business Streams

Retaining and consolidating strong presence in acute therapies in the domestic market

Growing chronic therapies through multiple marketing divisions



Vertical Integration

Vertical integration in R&D and manufacturing of intermediates, APIs and dosage forms.

Cost efficient processes



High Growth in Advanced Markets

Partner in international market through alliances with big pharma, leading generic players and MNC distributors

Para IV and NDA Filings
Technically complex products

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Financial Highlights – Quarterly



Consolidated Q III - FY 13-14

INR million

Sales	Q III / 13-14	Q III / 12-13	Business Share '13	Growth %
Formulation				
India Branded	2,296	1,999	47%	15%
India Generics	274	278	6%	-2%
International Branded	197	150	4%	31%
International Generics	1,296	611	27%	112%
API	756	670	16%	13%
Export Incentive	48	13		
Grand Total	4,867	3,721	100%	31%
Total Domestic	2,749	2,547	56%	8%
Total Export	2,118	1,174	44%	81%

Financial Highlights – Quarterly



Result Highlight (Consolidated) Q III - FY 13-14

INR million

Particulars	Q III / 13-14	Q III / 12-13	Growth %
EBDITA (Before R&D)	1,312	911	44%
R&D Expenses	290	217	-
EBDITA (Post R&D)	1,022	694	47%
PBT	888	601	48%
PAT	659	483	37%



Financial Highlights – YTD DEC FY 14



Consolidated YTD DEC - FY 14

INR million

Sales	YTD DEC FY 14	YTD DEC FY 13	Business Share '13	Growth %
Formulation				
India Branded	6,664	5,900	47%	13%
India Generics	866	888	6%	-2%
International Branded	462	313	3%	48%
International Generics	3,288	1,581	23%	108%
API	2,608	2,718	19%	-4%
Export Incentive	144	76		
Grand Total	14,032	11,476	100%	22%
Total Domestic	8,055	7,725	57%	4%
Total Export	5,977	3,751	43%	59%

Financial Highlights – YTD DEC FY 14



Result Highlight (Consolidated) YTD DEC FY 14

INR million

Particulars	YTD DEC FY 14	YTD DEC FY 13	Growth %
EBDITA (Before R&D)	3,516	2,380	48%
R&D Expenses	852	516	-
EBDITA (Post R&D)	2,664	1 864	43%
PBT	2.298	1,512	52%
PAT	1,742	1,216	43%



Financial Highlights – 2012-13



Consolidated 2012-13

INR million

Sales	2012-13	2011-12	Business Share '12	Growth %
Formulation				
India Branded	7,696	6,750	50%	14%
India Generics	1,167	1,076	8%	8%
International Branded	441	567	3%	(22)%
International Generics	2,358	2,418	15%	(2)%
API Export	3,505	3,735	23%	7%
Export Incentive	93	133	1%	
Grand Total	15,260	14,679	100%	4%
Total Domestic	10,088	8,772	66%	15%
Total Export	5,172	5,907	34%	(12)%

Financial Highlights – 2012-13



Result Highlight (Consolidated) 2012-13

INR million

Particulars	2012-13	2011-12	Growth %
EBDITA (Before R&D)	3,295	2,795	18%
R&D Expenses	736	586	-
EBDITA (Post R&D)	2,559	2,209	16%
PBT	2,064	1,610	28%
PAT	1,653	1,301	27%

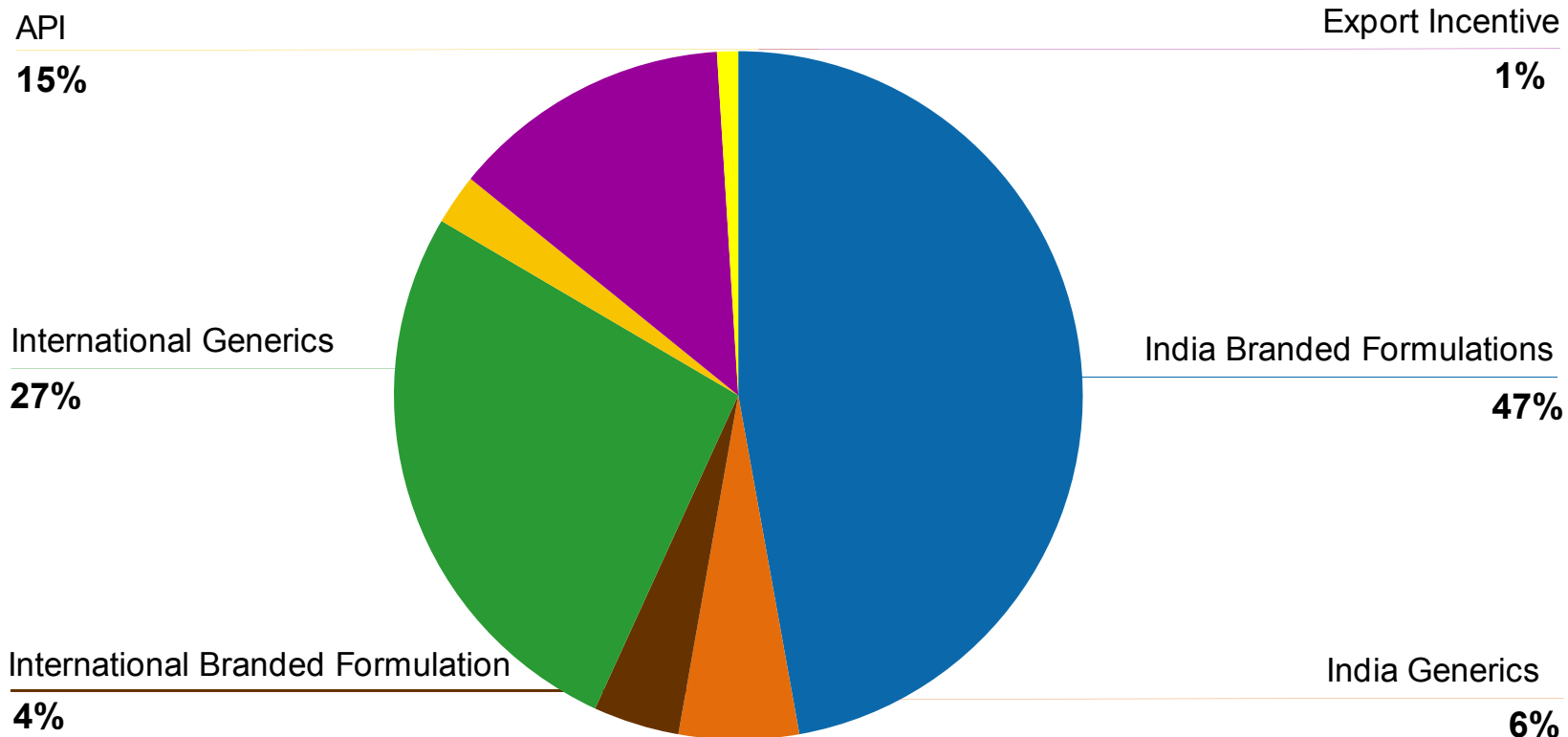


Revenue Overview



Sales Composition

Q III – FY 13-14

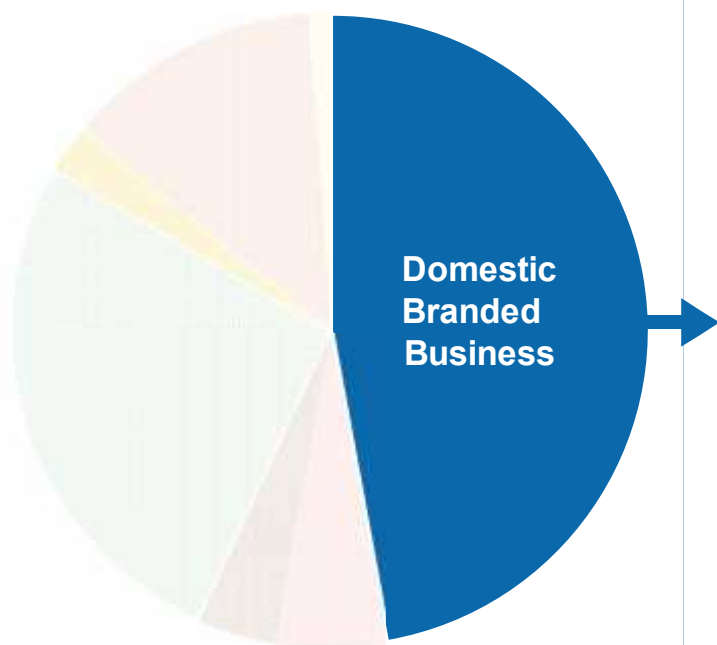


Revenue Overview

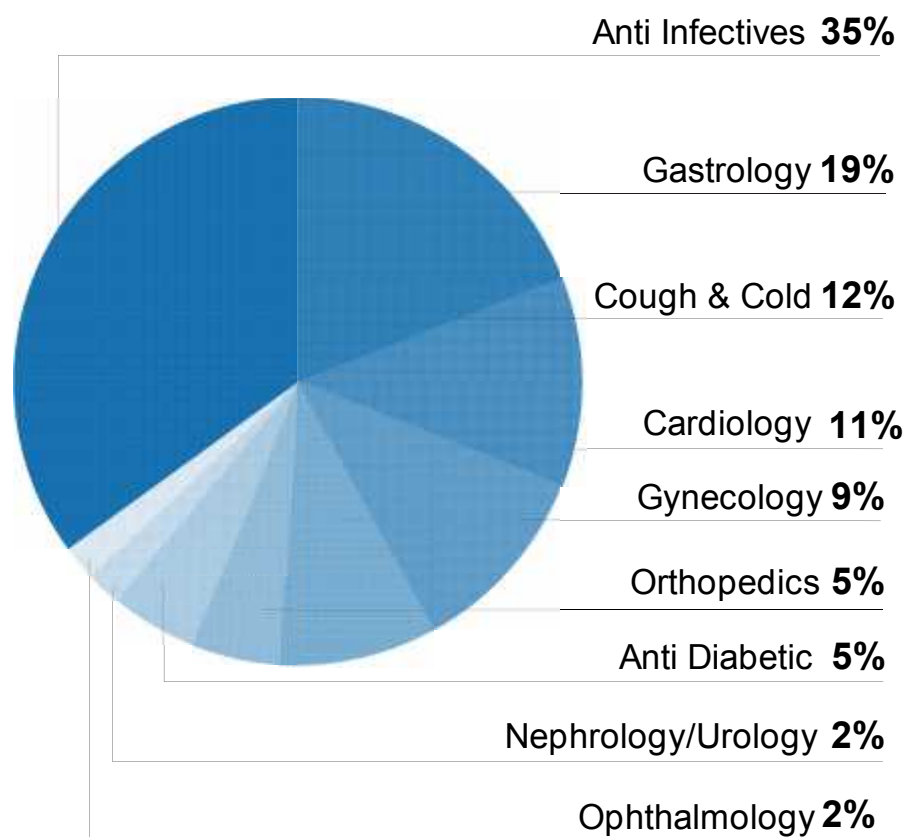


Sales Composition

Q III - FY 13-14



Therapy Based Sales Break up



(Source : ORG November 2013)

Revenue Overview



Sales Composition

2012 - 2013

API Export

16%

API Domestic

7%

International Generics

15%

International Branded Formulations

3%

Export Incentive

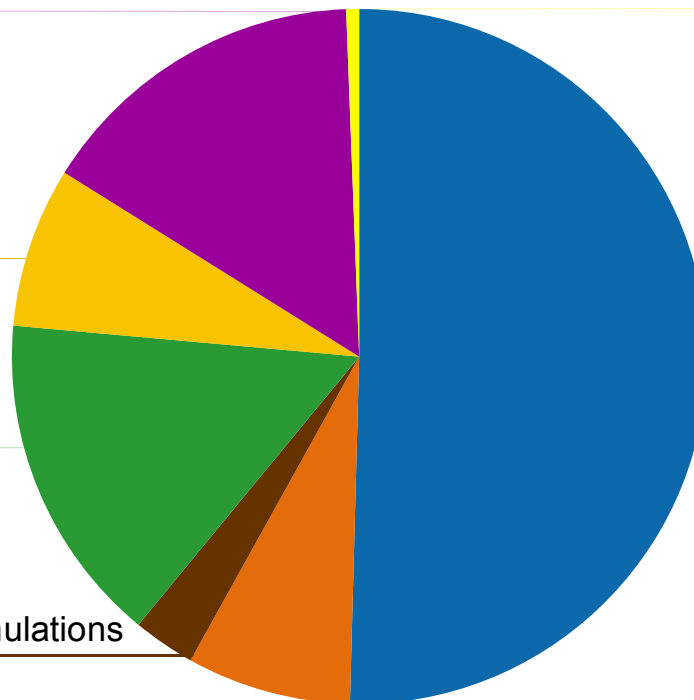
1%

India Branded Formulations

50%

India Generics

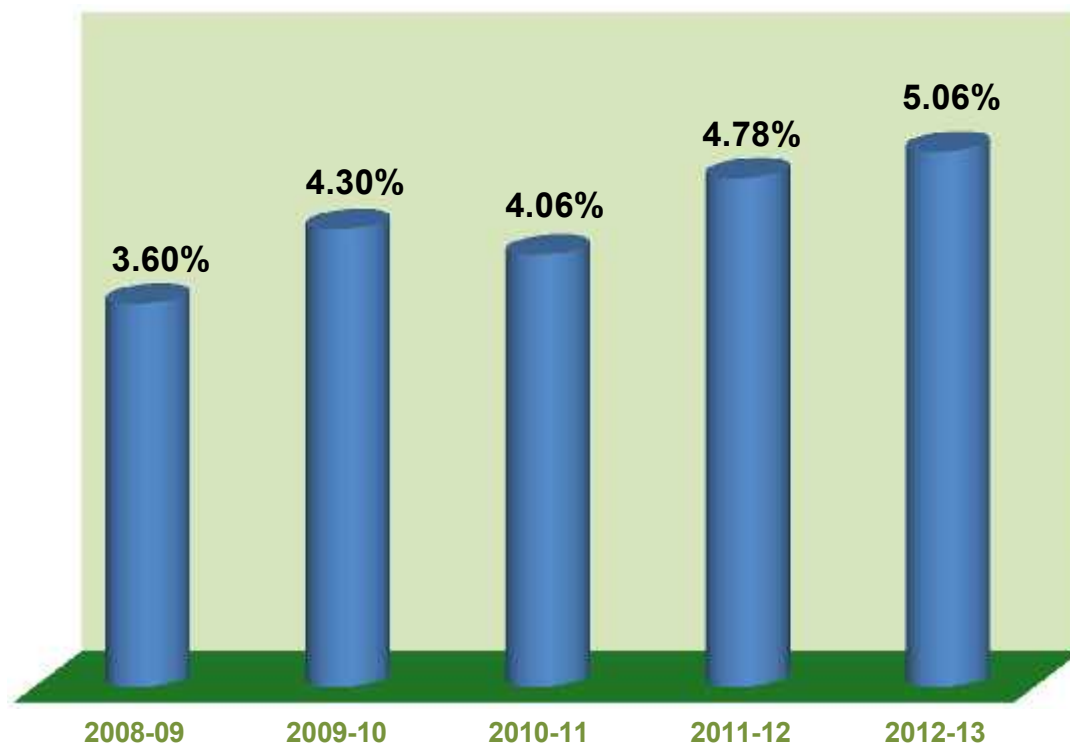
8%



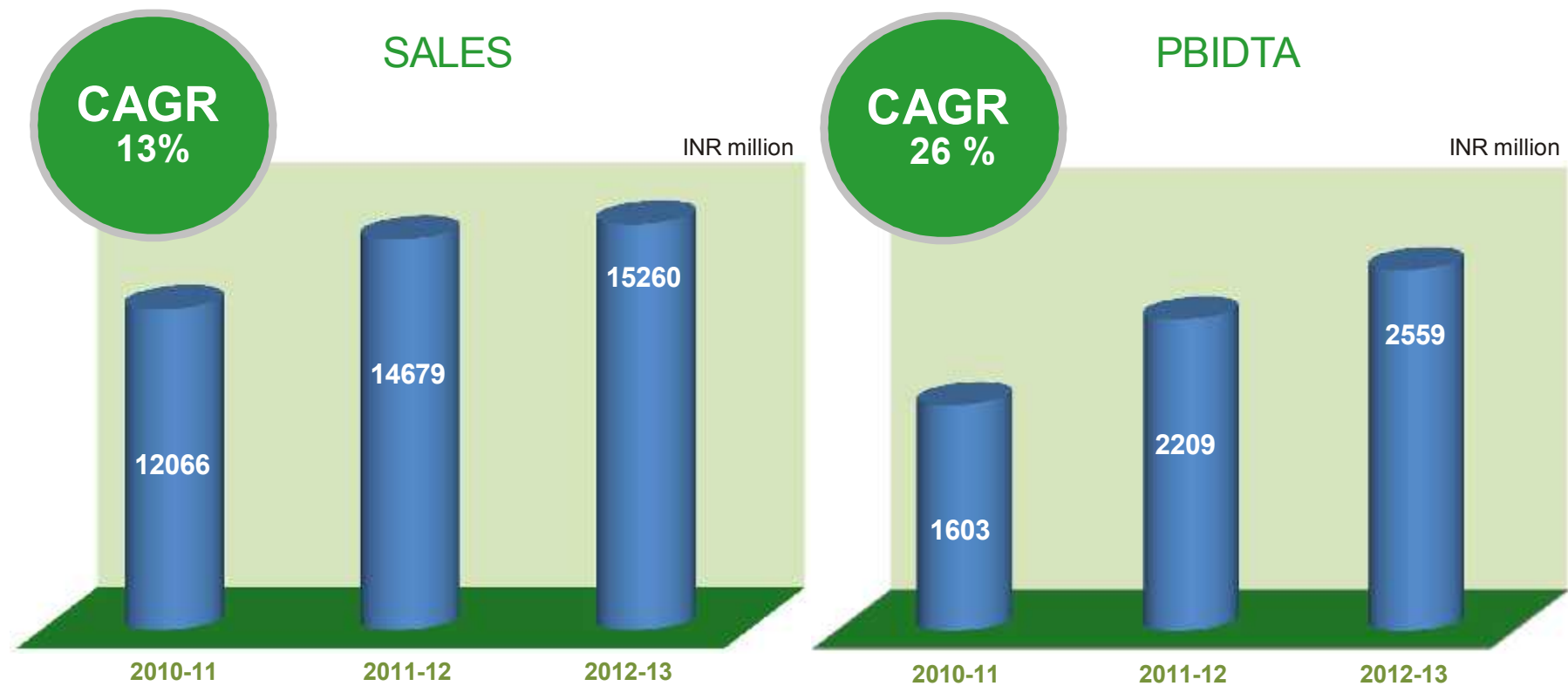
R & D Expense

Increased Thrust on Research to create Intellectual Property

R&D spend as a % to Sales



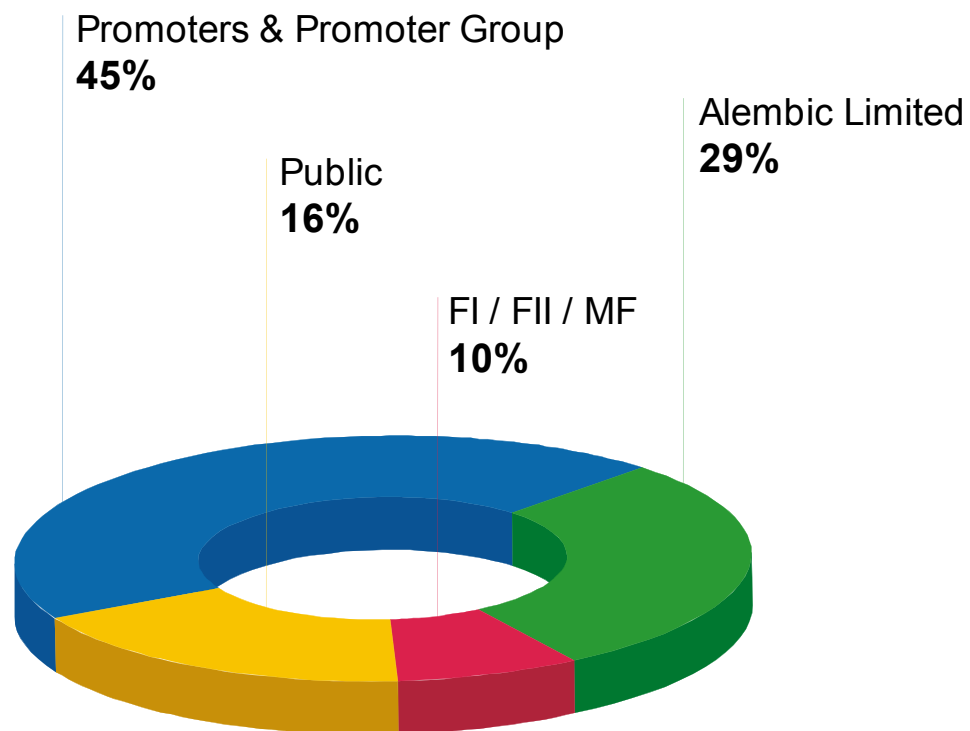
Financial Snapshot



Shareholding Pattern



Alembic Pharmaceuticals Limited



As on 31st December 2013



Total Paid up Capital
INR 377.03 million

Total No. of Shares
188.52 million

Total No. of Shareholders
46,361

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Corporate Social Responsibility



Rural Development Society



Rural Development Society is a Social Responsibility Initiative of Alembic founded in 1979

Enhancement for self employment and income generation for economic development

School, hostel and medical facilities for local villagers

Corporate Social Responsibility



Environment



Alembic believes in clean and green chemistry

Zero discharge facilities comprising of state-of-the-art aeration system, ultra filtration and reverse osmosis plant, evaporation and incineration plant

Dedicated scrubbing system for process gas emissions

For updates and specific queries please visit : **www.alembic-india.com**
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Thank You