

Press Presentation – Q4 & FY19



Safe Harbor Statement



This presentation contains forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact, including, but not limited to, those that are identified by the use of words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects” and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in India and other key global markets in which we operate;
- The ability to successfully implement our strategy, our research and development efforts, growth & expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Allocations of funds by the Governments in our key global markets;
- Changes in laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry; and
- Changes in political conditions in India and in our key global markets.

Should one or more of such risks and uncertainties materialize, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements.

For more detailed information on the risks and uncertainties associated with the Company’s business activities, please see the company’s annual report filed in Form 20-F with the US SEC for the fiscal year ended March 31, 2018 and quarterly financial statements filed in Form 6-K with the US SEC for the quarters ended June 30, 2018, September 30, 2018, December 31, 2018 and our other filings with US SEC. Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events.

Financial highlights

₹ Cr

	Q4 FY19	QoQ Gr%	YoY Gr%	FY19	YoY Gr%
Revenues	4,017	4%	14%	15,385	8%
EBITDA	882	2%	53%	3,419	42%
PBT	585	1%	56%	2,244	56%
PAT	434	-10%	44%	1,880	92%

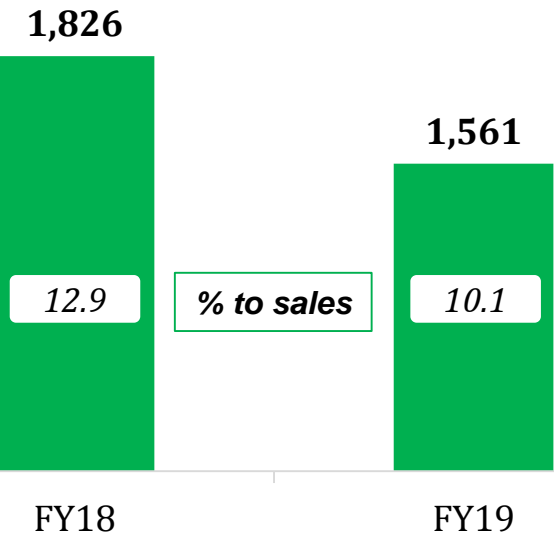
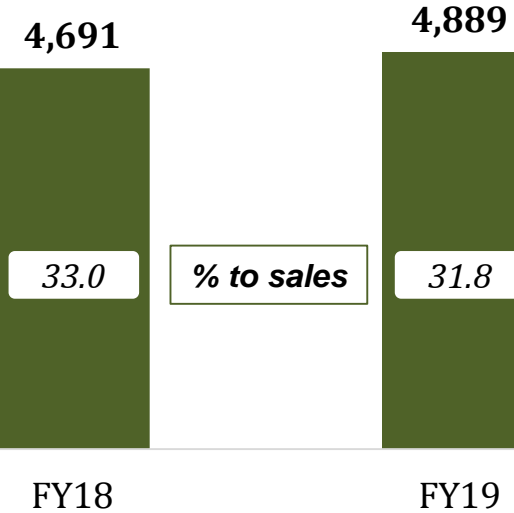
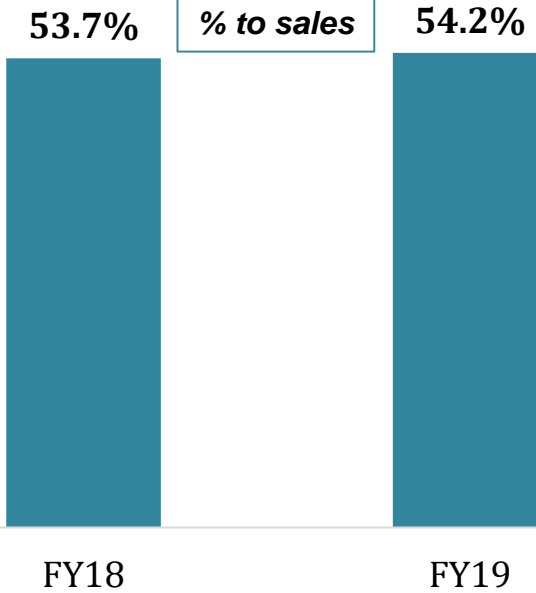
P&L Metrics

₹ Cr

Gross margin

SG&A Expenses

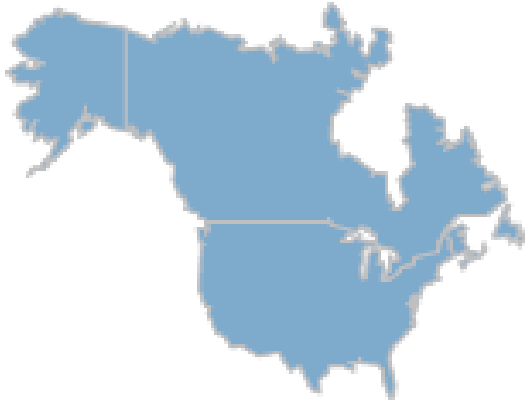
R&D Expenses



North America

Revenues

**Q4
FY19** ₹ **1,496cr** YoY Gr **3%**
QoQ Gr **1%**



FY19 ₹ **5,996cr** YoY Gr **0.2%**

- Revenues for North America - flat for FY19.
- New launches, market share gains for existing products and favorable forex rate offset by price erosion
- 24 new products launched during the year
 - 5 during Q4'19 – major ones being Propofol injection and Tadalafil (Adcirca and Cialis).
- **U.S. Generics filing update:**
 - 20 ANDAs filed with the US FDA in FY19
 - 110 pending approval (107 ANDAs + 3 NDAs), which includes 60 Para IV filings of which we believe 34 have first to file status

India

Revenues

**Q4
FY19** ₹ **650cr** YoY Gr 6%
QoQ Dc (4)%



FY19 ₹ **2,618cr** YoY Gr 12%

- YoY growth driven by traction in the base business performance and new product launches
- We launched “Demfo” and “Nabota” in Q4’19
- During the year we gained 3 ranks in IQVIA MAT rankings (13th in Mar-19 vs.16th in Mar-18)
- **IQVIA IMS growth rates**

March 2019	MQT	MAT
IPM	7.7%	10.5%
Dr. Reddy’s	11.0%	11.3%

Emerging Markets

Revenues

**Q4
FY19** ₹ **701cr** YoY Gr **27%**
QoQ Dc **(9)%**



FY19 ₹ **2,889cr** YoY Gr **28%**

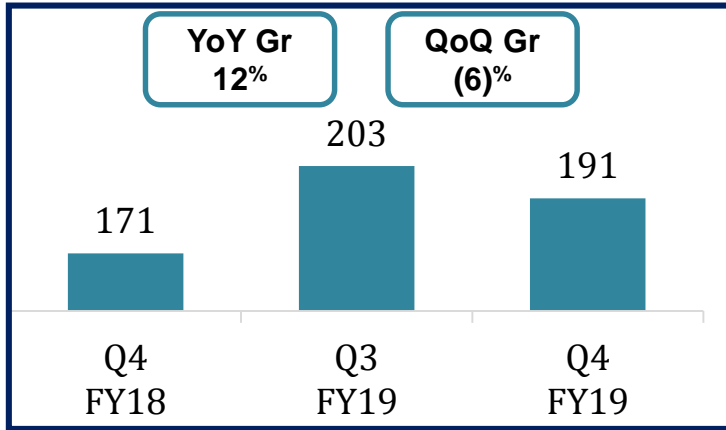
Region	Q4'19	YoY Gr	QoQ Gr	FY19	YoY Gr
Russia	362	41%	(12)%	1,530	21%
CISR	118	3%	(18)%	524	34%
RoW	221	23%	0%	835	36%
EM	701	27%	(9)%	2,889	28%

- **Russia:** In local currency terms, FY19 sales grew by 26%. Growth majorly due to scale up of Nasivin and improvement in base business
- **CISR:** FY19 growth driven by higher sales in Uzbekistan, Kazakhstan & Romania
- **RoW:** FY19 growth aided by new launches, volume traction in key products and scale up in new markets, major one being Brazil

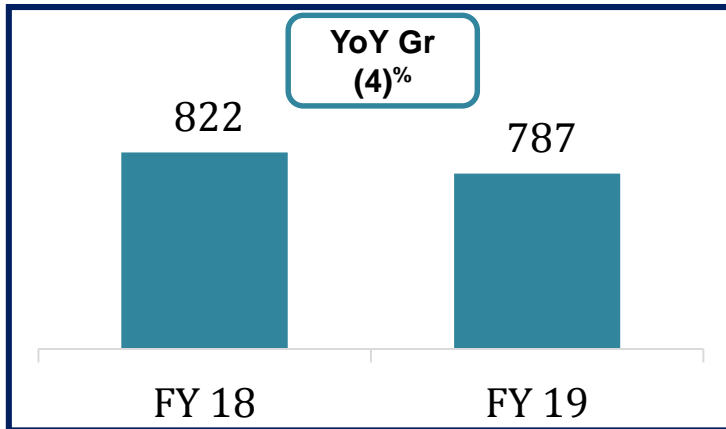
Other Businesses

₹ Cr

Revenues

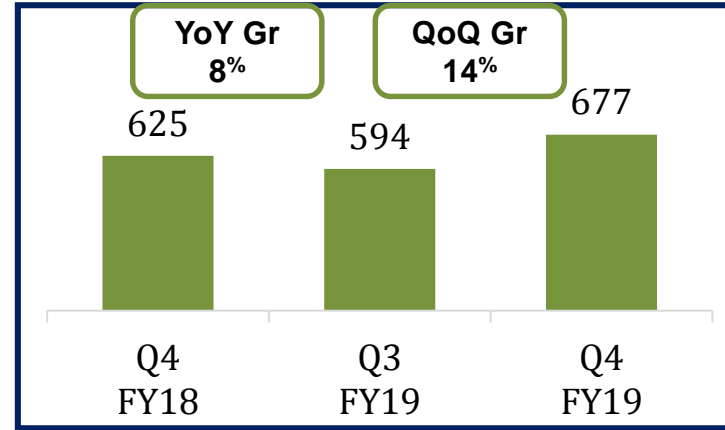


Europe

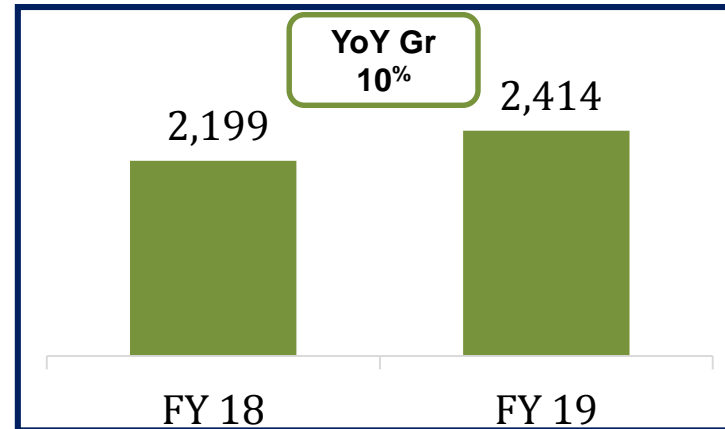


FY19 revenue impacted by price erosion

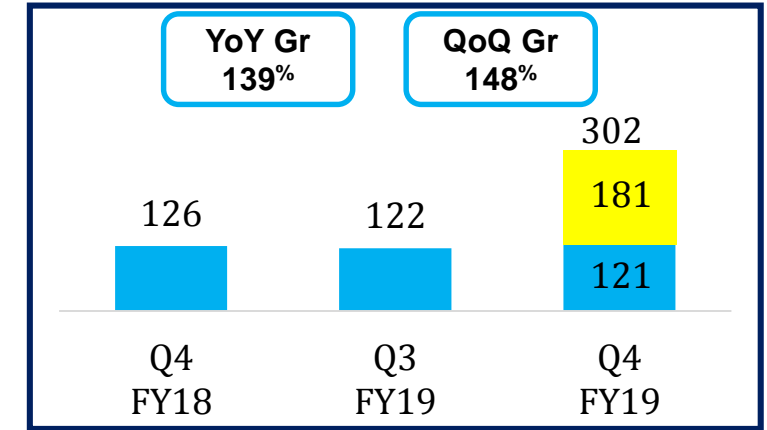
Q4'19 growth aided by new launches



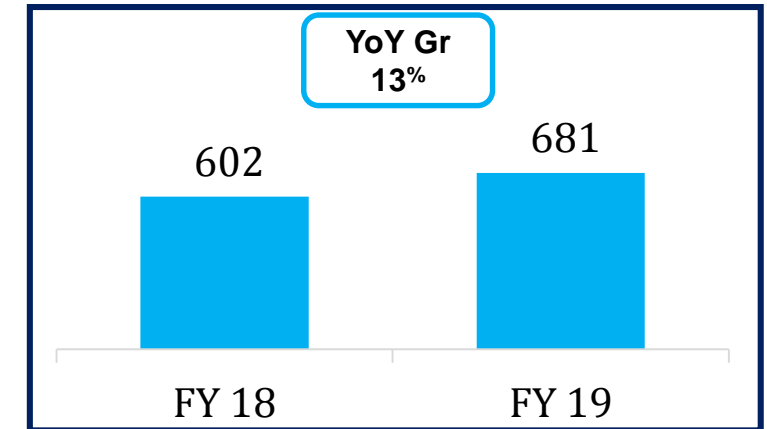
PSAI



Growth driven by sales from key molecules and favorable forex



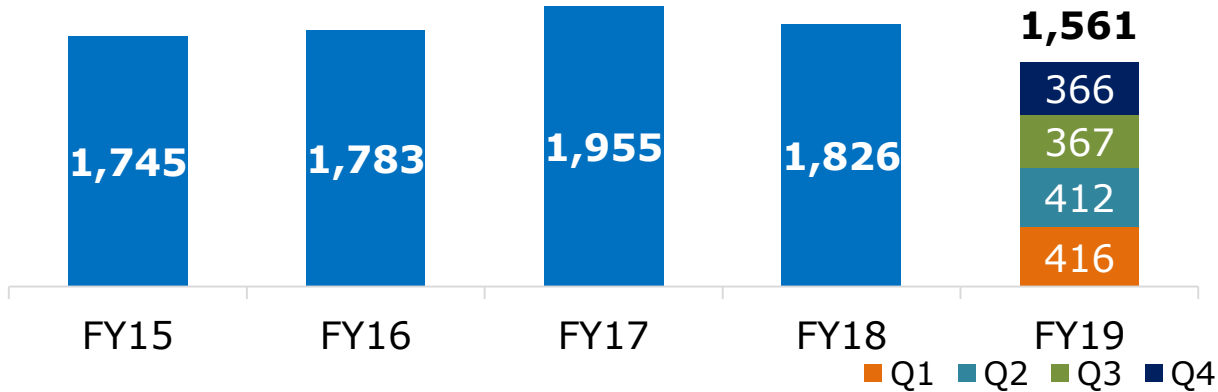
PP & Others



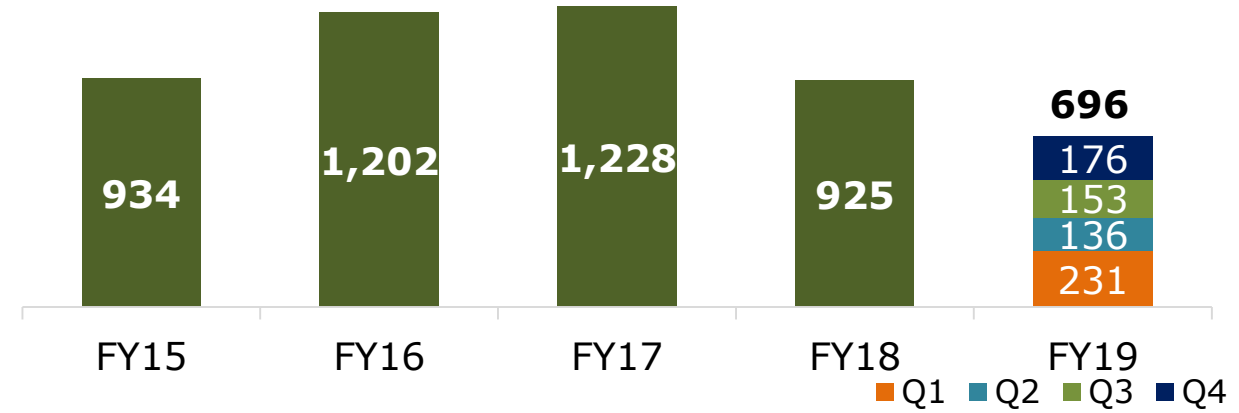
Q4'19 includes ₹ 181 cr from sale of PP Derma brands

Capex, R&D & free cash flows

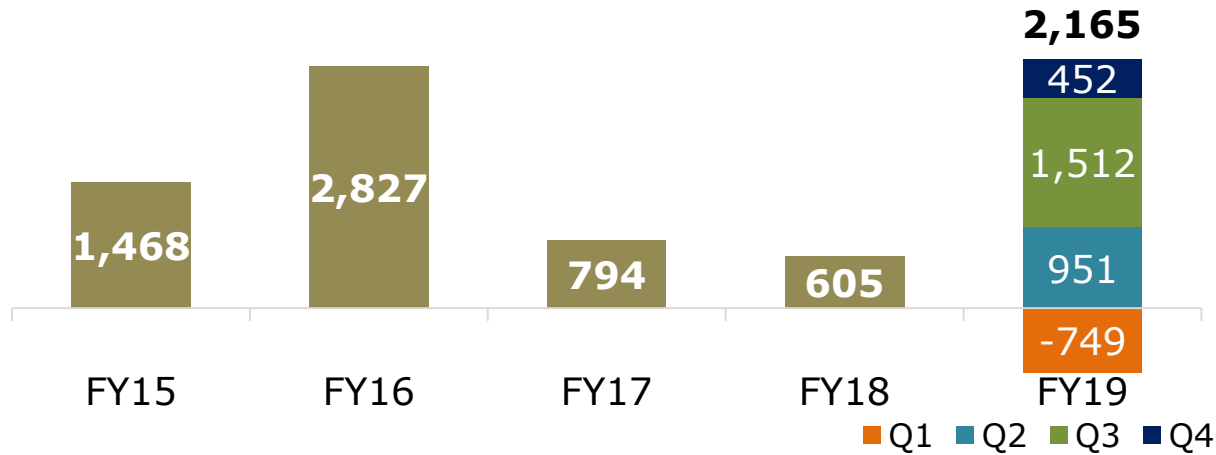
R&D expenses (₹ Cr)



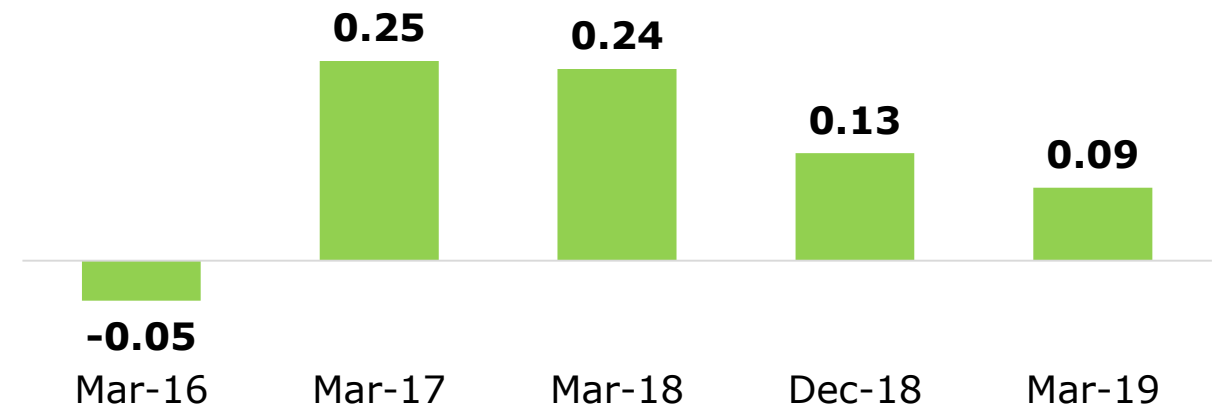
Capex (₹ Cr)



Free cash flow (₹ Cr)



Net Debt / Equity



FCF as above is before acquisition related pay-outs

Key Priorities



**Resolution of
CTO 6 Warning
Letter**

**Achieve market
leading growth
across
businesses**

**Build healthy
pipeline of
products**

**Continue with
the productivity
improvements**

**Drive
innovation to
deliver value**



Questions?



THANK YOU

