



Investor Presentation

Q3 FY 18

7th Feb 2018

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Strong Growth Momentum across India, South Africa, Europe and API
Cost optimization across all spend lines driving strong EBITDA improvement

**Financials
Q3**

Revenue Rs 3914 crs

7% vs. LY

[↑ ~10% vs LY on a like-to-like basis
adjusted for GST]

EBITDA 20.9%

21% vs. LY

PAT 10.2%

25% vs. LY

[When adjusted¹ for one
offs in the quarter]

**Growth
Continues
Across
Markets**

India

13% vs. LY

On a like-to-like basis GST
adj growth at
~ **22%**

South Africa

7% vs. LY

*Highest ever
quarterly sales*

Europe

19% vs. LY

API

29% vs. LY

**US
Launches
&
R&D**

**Approval & Launch of
Budesonide
(gPulmicort) and
Decitabine (gDacogen)**

Q3 R&D: 7.6% of Sales

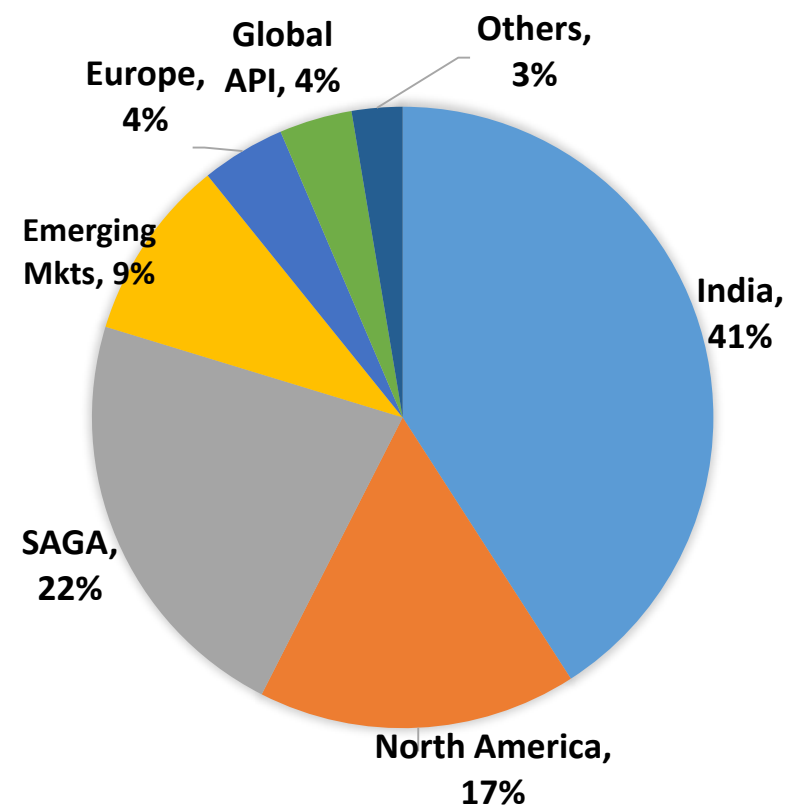
gAdvair: Clinical Trial on track
2 follow-on trials expected to begin
soon

1. Adjusted for the impact of Deferred Tax accounting reflecting the changes in the US Tax rates and drop in value of intangibles

Q3 FY18 (Consolidated)

	Actuals (Rs Cr)	vs Q3 FY 17
Total Income from Operations	3,914	7%
<i>a) Domestic Sales</i>	1,632	12%
<i>b) Int'l Sales</i>	2,203	5%
<i>c) Other Operating Income</i>	79	-5%
EBITDA	819	21%
EBITDA %	20.9%	
PAT²	401	7%/25%³
PAT %	10.2%	

Revenue¹ Break-up



1 Others: Includes CNV business, Vet and others; SAGA includes South Africa, Sub-Saharan Africa and Cipla Global Access

2 PAT impacted by one-off related to drop in value of intangibles for US

3 Adjusted for the impact of Deferred Tax accounting reflecting the changes in the US Tax rates and drop in value of intangibles

Strong cash flow generation leading to continuous improvement in balance sheet health

Balance Sheet Health

In Rs crs

	Mar'17	Sept'17	Dec'17
Equity	12964	13679	14166
Net Debt	2651	2416	1888
Net Debt/Equity	0.20	0.18	0.13
Net Debt/EBITDA¹	1.07	0.92	0.68

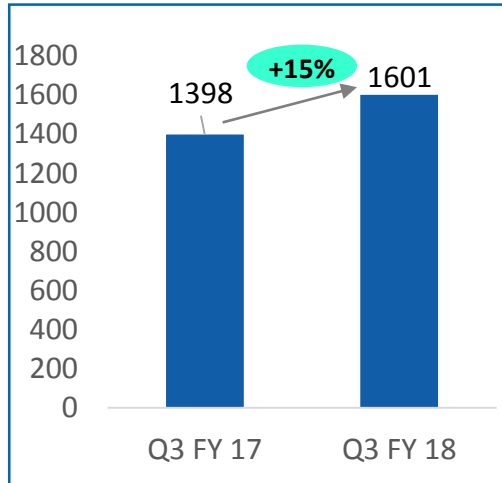
¹ Trailing Twelve Months EBITDA

India (Rx + Gx) Sales



Q3 Y-o-Y

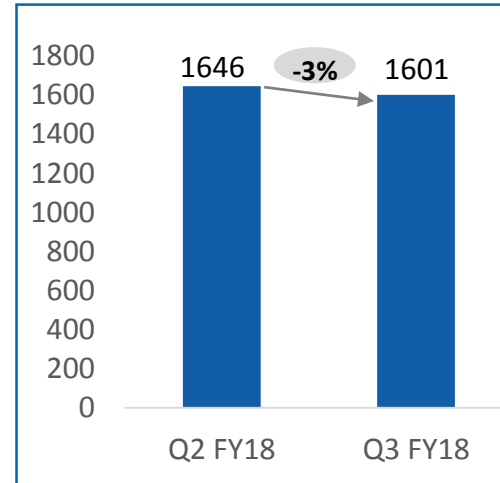
Rs Cr



On a like-to-like basis GST adj growth at ~22%

Q3 Q-o-Q

Rs Cr



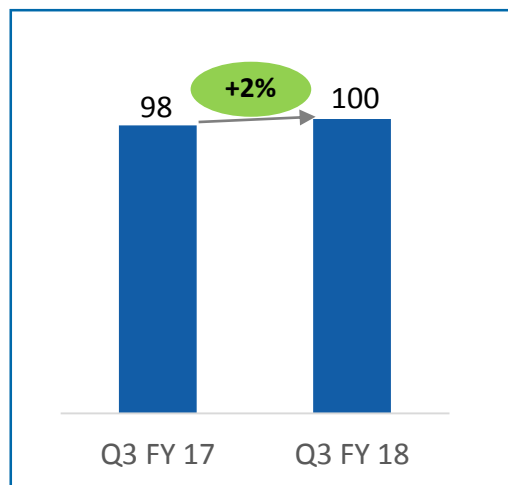
Key Business Highlights¹

- Cipla out-performed the market (12% Vs Mkt 10%) with increase in market share by 10bps to 5.3%
- Key therapeutic areas delivered above market performance including Cardiac (12% Vs Mkt 7%), Anti-infective (14% vs 11%), Respiratory (14% Vs Mkt 12%), Derma (18% Vs Mkt 17%)
- Leveraging our commercial strength to build strategic partnerships with MNCs; launched 6 in-licensed products in YTD Dec'17
 - ❖ Improved ENT portfolio with launch of Rapid Rhino (nasal device)

¹ IMS Q3FY18

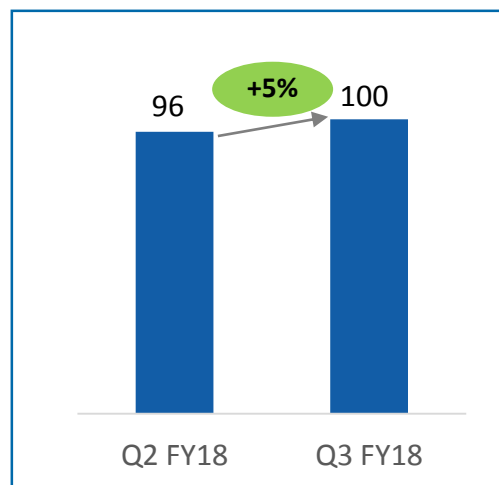
Q3 Y-o-Y

\$ Mn



Q3 Q-o-Q

\$ Mn

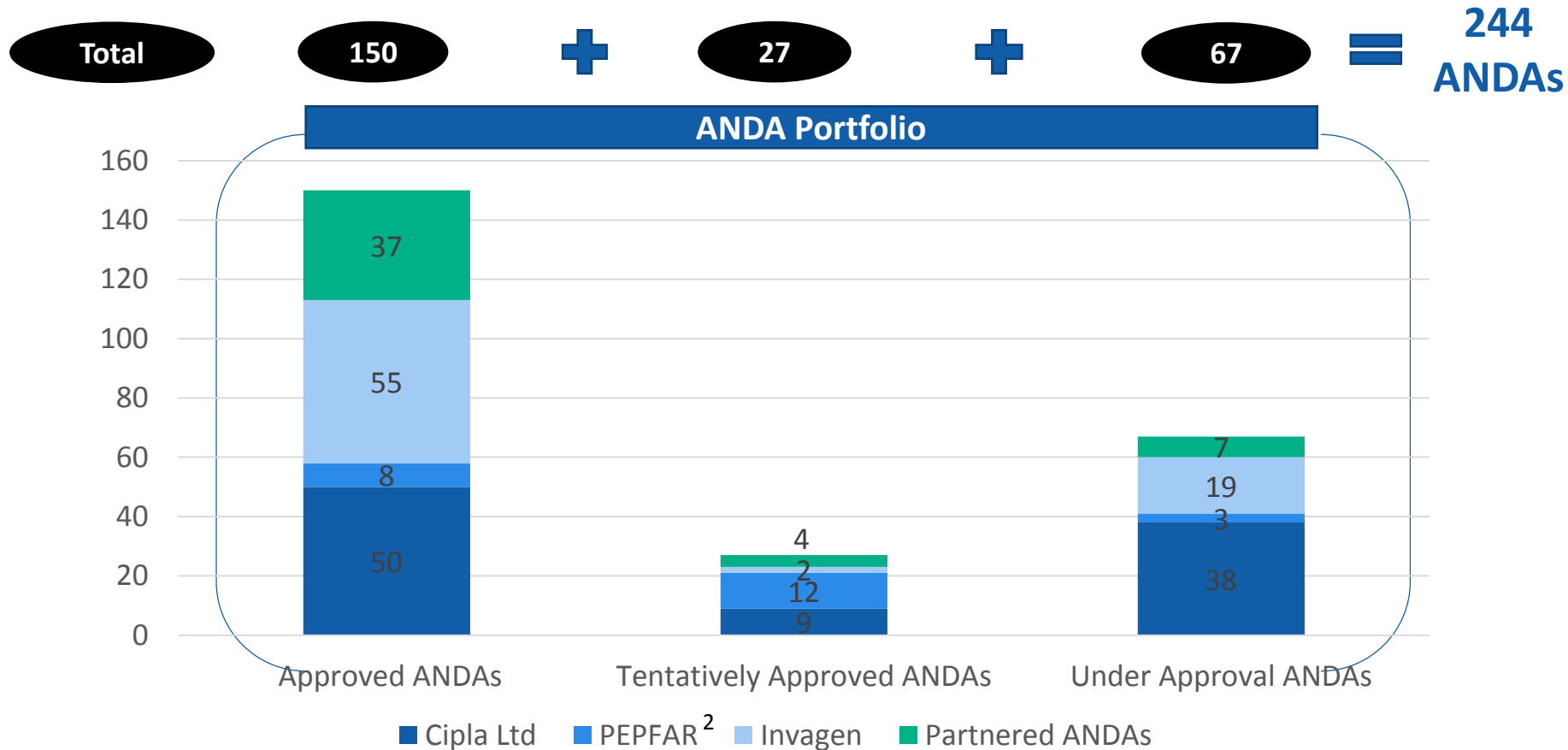


Key Business Highlights

- Approval received for Budesonide (gPulmicort) and Decitabine (gDacogen); Healthy contracted shares to help build stronger trajectory in the coming quarters
- Consistently ranked amongst the Top 10 most dispensed generic companies in the US
- Strong performance across key existing and new products
 - 13 of the 48^{1,2} (27% of portfolio) are in the leadership (#1) position.
 - 31 of 48 (65%) products ranked among top 3
- Filed 2 products in Q3FY18 taking the 9months count to 10 filings; expecting to file 10+ products in Q4

1 Market statistics as per IMS MAT Dec'17 | 2 Products covered under IMS

ANDA¹ Portfolio & Pipeline (As on 31st Dec'17)



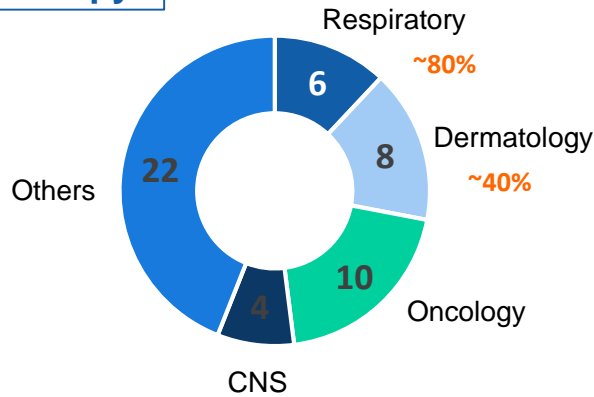
1 Does not include Vet product ANDAs

2 PEPFAR approved ANDAs can be commercialised in US

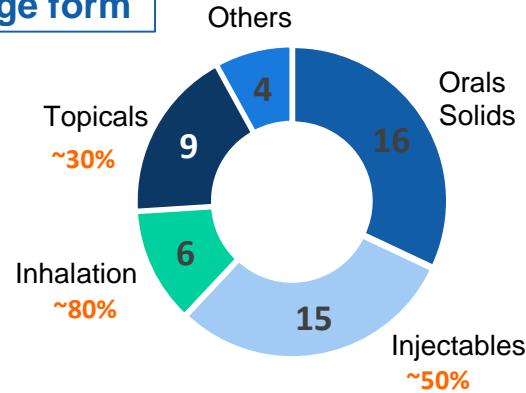
Filings for under-development products in the US will bolster future growth

Split of top 50 projects

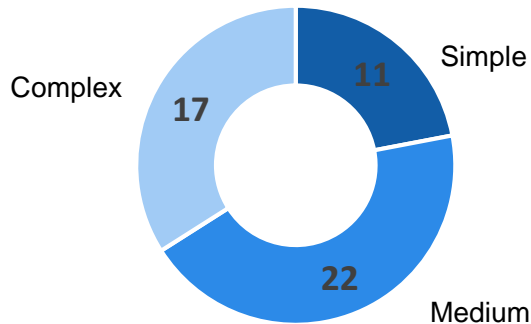
Therapy



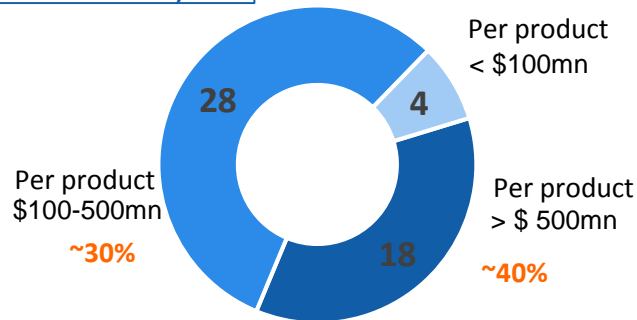
Dosage form



Complexity



Market potential (innovator sales)



16 Para IV Filings primarily in Respiratory, Oncology and Dermatology

15+ limited competition products

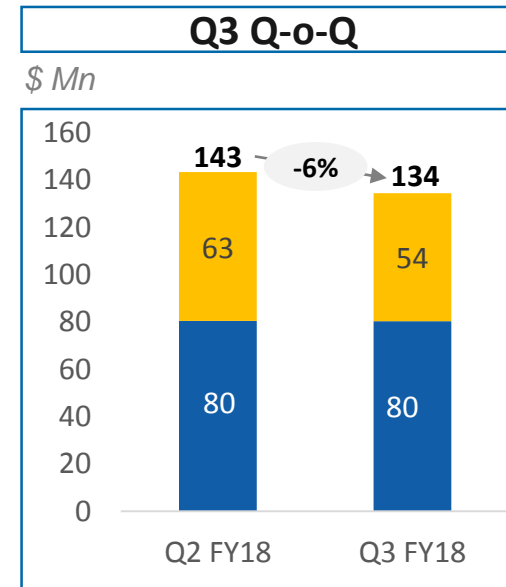
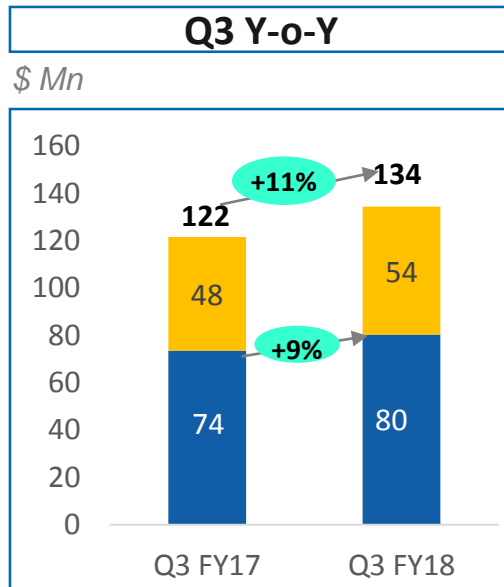
CNS, Respiratory and Oncology pipeline has a **brand market size of >US\$ 25bn**

FPSM DPI under development for regulated markets

Of the 200+ development projects, top 50 have market size of > US\$ 35bn

Limited competition products – indicative only¹

1. Competition stats are Cipla estimates

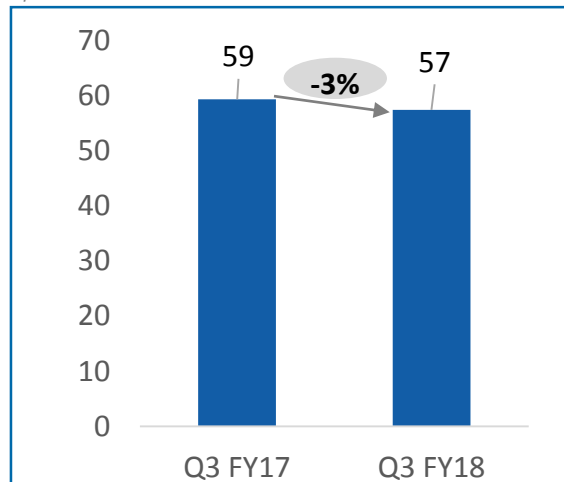


Key Business Highlights

- South Africa (SA) business delivered its highest ever quarterly sales in history of R1.09bn growing ~7% vs last year in local currency; second consecutive quarter of record-breaking sales
- Above market growth in South Africa private market; As per IMS MAT Dec'17, Cipla grew ahead of the market at 11.1% in the private market vs 10.3% market growth
- Partnering efforts saw a significant boost with new launches coming from Anmarate acquisition and a deal with iNova (Valeant)
- Concluded a deal with Adcock Ingram to commercialise their comprehensive over the counter portfolio in Uganda and expand our footprint in Sub-Saharan Africa.

Emerging Markets¹

\$ Mn



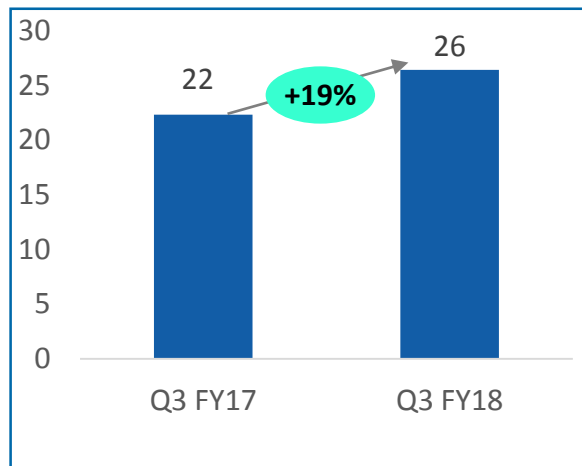
- Strong in-market sales growth across key DTM markets
- FPSM in Australia gaining traction; targeting to increase market share in FY19
- Geo-political uncertainties in several Middle Eastern markets

impacting sales

1. Includes formulations business of markets other than US, India, SAGA and Europe

Europe

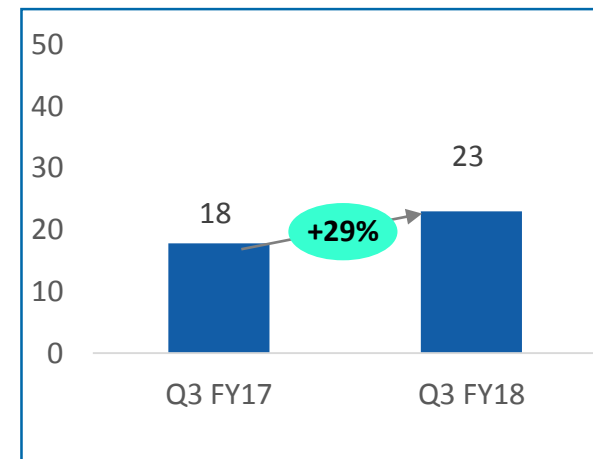
\$ Mn



- Strong growth momentum maintained with 19% growth for Q3 FY18
- Expanded respiratory franchise with approval for Beclomethasone in UK; first generic in the market
- Closed deal with Pharma S for sale of Croatian entity to further sharpen focus on select markets

API

\$ Mn



- Continued growth (29%) in Q3 over LY due to successful deliveries for Launch of Products with Key Customers
- Substantial increase in margins due to launch quantities supplied and product mix
- Improved traction in seedings and lock-ins with key customers

US

Limited competition portfolio launches on track; **10 ANDAs** filed in YTD Dec'17

India

Strong growth momentum continues with 10bps increase in market share; focus on in-licensing leading to new launches

South Africa

Highest ever quarterly sales reported in Q3FY18; Cipla grew ahead of the market at **11.1%** in private market

Specialty

Phase 1A study for Tizanidine patch progressing smoothly; in advanced stages of discussion for assets in Neurology and Respiratory

R&D

Advair trials progressing smoothly; two additional trials to begin soon

Thank you

Registered Office :

Cipla Limited, Cipla House, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013

For any queries, please contact

Naveen Bansal

Investor.Relations@cipla.com

For more information please visit

www.cipla.com