NATCO Pharma Limited

Expanding Horizons

Investor Presentation

February 2017

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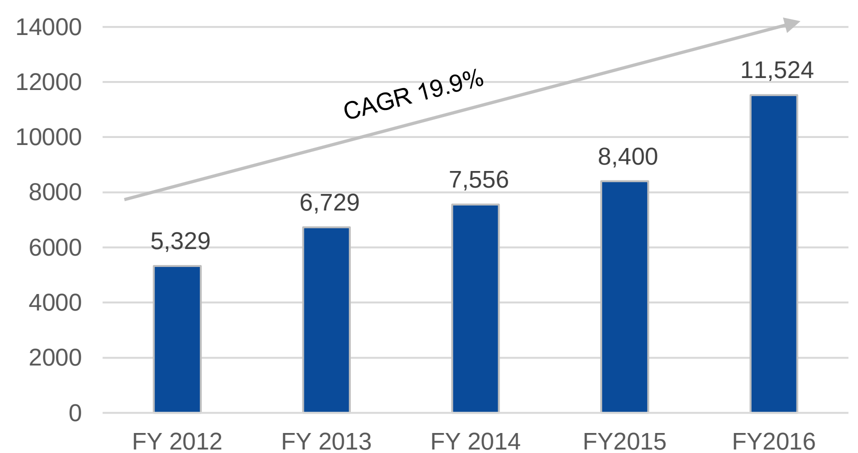
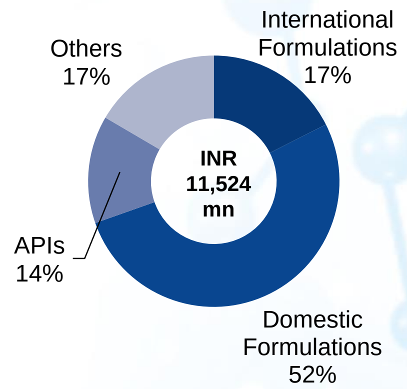
NATCO Pharma at a Glance

- **Vertically integrated** pharmaceutical company with focus on **niche therapeutic areas and complex products** in Finished Dosage Formulations ("FDF") and Active Pharmaceutical Ingredients ("APIs")
- Diversified business model with presence across segments including Domestic & International formulations, API manufacturing and drug discovery
  - Products marketed in over 40 countries
  - Portfolio of **43 niche ANDA filings** in the US **including 20 Para IV** filings (as of 15-Feb-2017) and **36 USDMFs filings** (as of 31-Dec-2016)
  - Target to file 10+ ANDA's in the US during the next 2 fiscal years.
- **Strong position in domestic oncology and gastro hepatology segments**
- **Portfolio of 28 products** (as of 31-Dec-2016) catering to various oncology diseases including breast, brain, bone, lung and ovarian cancer
  - **Launched the generic version of Gilead's Sovaldi (Sofosbuvir) and its combinations under its brands HEPCINAT** and **HEPCINAT LP** for the treatment of Hepatitis C
- **Strong R&D capabilities** supported by two well equipped research centres and seven approved manufacturing facilities (five formulations and two APIs)
- Incorporated in 1981 and headquartered in Hyderabad currently employs over 3,500 employees across all locations

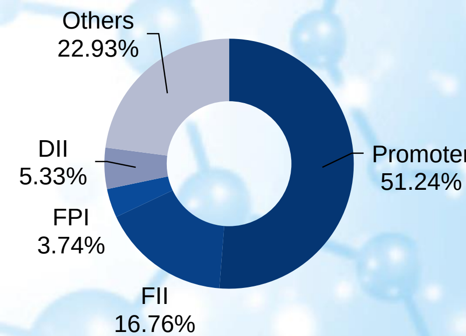
Total Net Revenue, Consolidated Basis (INR mn)



FY2016 Revenue Segmentation



Shareholding Pattern
(as of 31-December-2016)



Company Evolution

1986: Inaugurated Parentals Manufacturing facility at Nagarjunasagar, Telangana

1993: Inaugurated Natco Chemical Division

1995: Natco merged three of the group companies with the parent company

1997: Inaugurated Natco Research Center (NRC) at Hyderabad

2003: Launched Oncology division with introduction of flagship brand VEENAT (generic Imatinib Mesylate) for the treatment of chronic Myelogenous Leukemia

2006: Inaugurated finished dosage facility at Dehradun, Uttarakhand, India

2007: Launched first ANDA in the U.S. Market

2008: First Paragraph IV Certification application in the United States

2009: Inaugurated Natco Organics Ltd. at Chennai, India, with facilities dedicated for Cyto-toxic APIs.

2011: Incorporated Natcofarma Do Brazil

2012: Natco won compulsory license from Bayer for its patent – protected anti-cancer drug Nexavar in India

2013: Incorporated Natco Pharma Inc. in Canada

2014: Incorporated Natco Pharma Australia Pty

2015: Launched generic Sovaldi and its combinations for the treatment of Hepatitis C in India & Nepal, under its brand **HEPCINAT** & **HEPCINAT LP**

2016: Sold U.S. based Save Mart pharmacy store

Natco Organics Ltd. amalgamated with Natco Pharma Ltd.

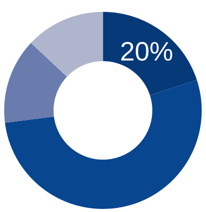
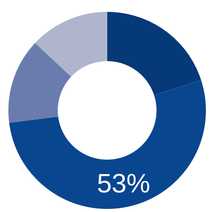
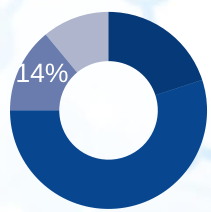
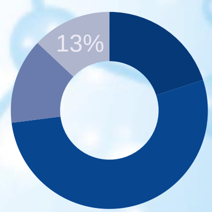
Launched first generic version of Tamiflu in U.S. in collaboration with Alvogen

2017: Launched first generic version of Sofosbuvir/Velpatasvir under its brand Velpanat in Nepal.

Launched new Cardiology and Diabetology division for India market

NATCO

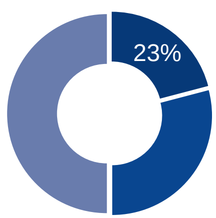
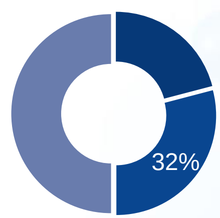
Key Business Segments

	Formulations		API (Domestic & Exports)	Others
	International	**Domestic**		
Overview	▪ Portfolio of niche and complex products for US ▪ 43 niche ANDA filings in the US (as of Feb-15-2017) – 19 product approvals (1 yet to be launched) 24 products under review ▪ Emerging presence in Canada, Brazil, Europe, Asia, Australia and RoW markets	▪ Leading Player[1] in India's generic oncology space led by flagship brands like Geftinat, Erlonat, Veenat, Sorafenat and Bortenat ▪ Specialist sales force of 200+ personnel and over 490 distributors ▪ Heralds a new beginning in the gastro-hepatology therapy segment with the launch of Hepcinat	▪ Filed 36 DMFs in US with over 20 products under development (as of Dec-31-2016) ▪ Vertically integrated for most of its FDF products ▪ Exports focused on the US, Europe and Brazil	▪ Operates one pharmacy store in US (Sold on April 7, 2016) ▪ Operates in Brazil, Canada, Singapore and Australia through following subsidiaries: – Natco Farma Do Brazil – Natco Pharma (Canada) Inc. – Natco Asia Pte Ltd., Singapore – Natco Pharma Australia Pty ▪ Selective contract manufacturing business and other operating income
FY16 Revenue (INRmn)	**INR 2311.20 mn ***	**INR 6341.96 mn**	**INR 1627.08 mn**	**INR 1580.10 mn**
FY16 Revenue Contribution				

* Including Profit Sharing from marketing partners (1) Source: Report On Pharmaceutical Industry by CARE Ratings, 2015 Note: All numbers are Gross Revenue

All data as of March 31, 2016.

Key Domestic Formulations Segments

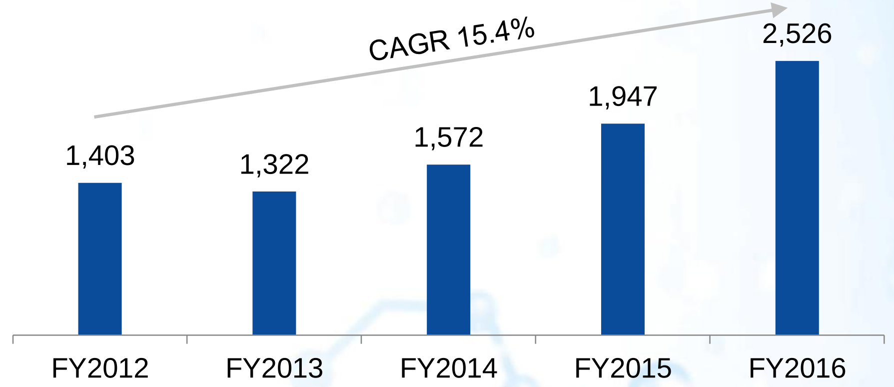
	Oncology	Specialty Pharma	CnD
	Hematology / Solid Tumors	Virology / ICU / Ortho	Cardiology / Diabetology
Overview	▪ The domestic oncology division deals with haemato-oncology and solid tumor products. ▪ These product portfolios consist of molecules that are of decisive therapeutic importance in cancers of blood, liver, kidney, lung, brain, breast, ovary etc.	▪ The Pharma specialities division deals with products related to Orthopaedics and Gastroenterology. ▪ The orthopaedics range covers all the important Bisphosphonates, including the oral and injectable drugs. All of them are segment first introductions and have established good brand equity. ▪ The Gastroenterology range deals with the novel drugs for Chronic Hepatitis-C that have brought a paradigm shift to the treatment and clinical outcome.	▪ The Cardiology and Diabetology (CnD) division was launched in early 2017. ▪ Current portfolio of products include: ▪ The anti diabetics range which offers one of the highest prescribed DPP4 inhibitors. ▪ The cardiovascular range which offers a comprehensive list of anti-hypertensives.
FY16 Revenue (INRmn)	**Oncology : INR 2525.5 mn** **Third Party : INR 144.96 mn**	**Pharma : INR 2594.1 mn** **Third Party : INR 1077.40 mn**	**N/A**
FY16 Revenue Contribution			**N/A**

All data as of March 31, 2016.

Leading Position in Domestic Oncology Segment

- **Focus on oncology segment in domestic market** and hold leading market share in operated portfolio of product
- Entered the segment with launch of **Veenat (Imatinib generic version**) in 2003
- Progressively widened its oncology product range from **6** in 2003-04 to **28** as on 31-Dec-2016
  - Portfolio catering to Breast, Brain, Bone, Lung, and Ovarian Cancers
- Sales and marketing of the product is supported by strategically located **logistics network of 200+ marketing personnel & over 490 distributors**

Oncology Revenue - Gross (INRmn)



Oncology Portfolio	No. of Active Brands*
Hematology	11
Solid Tumors	17

INR100mn+ Brands (FY16)


(Veenat)


(Lenalid)

(Erlonat)


(Geftinat)

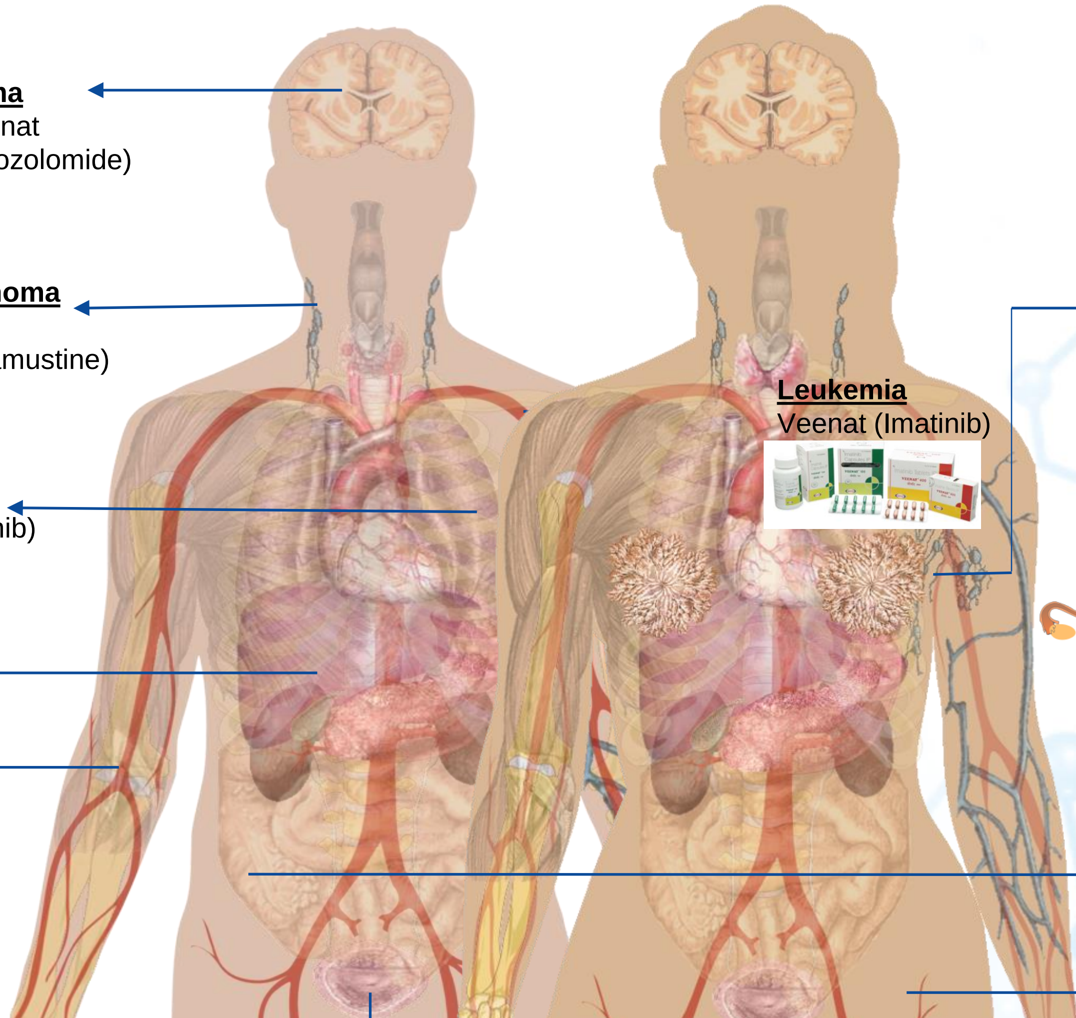

(Sorafenat)


- ✓ Substantial reduction in the **treatment cost of Chronic Myeloid Leukemia** via launch of generic Imatinib
- ✓ Granted a compulsory license to launch Bayer's patent – protected anti-cancer drug Nexavar in India

*As on 31-Dec-2016

Leading Position In Domestic Oncology Segment (Cont'd)

Key brands listed:



Glioma
Temonat
(Temozolomide)

Lymphoma
Bendit
(Bendamustine)

Lung Cancer
Geftinat (Geftinib)

HCC/RCC/DTC
Sorafenat
(Sorafenib)

Myeloma
Bortenat (Bortezomib)

Leukemia
Veenat (Imatinib)

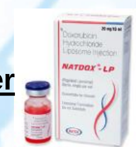
Supportive Care
Zoldonat
(Zoledronic Acid)

Breast Cancer
Fulvenat (Fulvestrant)

Xtane (Exemestane)

Letronat (Letrozole)

Ovarian Cancer
Natdox-LP



Colorectal Cancer
Capnat (Capecitabine)

Bone Marrow Transplant
Thioplan (Thiotepa)

Prostrate Cancer
Kabanat (Cabazitax

Expanding Presence in Domestic Specialty Pharma Segment

Domestic Specialty Pharma

- Portfolio of 13 products catering primarily to Gastroenterology, Orthopaedics and Critical Care/CNS
- Currently products in oral and injectables dosage forms
- Select contract manufacturing assignments

HepC Opportunity

- Launched generic Sofosbuvir and its combinations for the treatment of Hepatitis C in India & Nepal under its brand **HEPCINAT** & **HEPCINAT LP**
  - Medicine used for chronic hepatitis C infection and sold globally by Gilead Sciences, Inc., under its brand Sovaldi
- Non-exclusive licensing agreement with Gilead Sciences for 101 countries including India reaching a target population of 103 million people
- Launched generic Daclatasvir in India under its brand **Natdac**
- Non-exclusive, royalty free licensing agreement with Medicines Patent Pool (MPP) and Bristol-MyersSquibb to manufacture and sell generic versions of Daclatasvir.
- Is one among the generic manufacturers who are first to launch Sofosbuvir, the combination drug Sofosbuvir+Ledipasvir, and Daclatasvir in India, thus is amongst the market share leaders in India

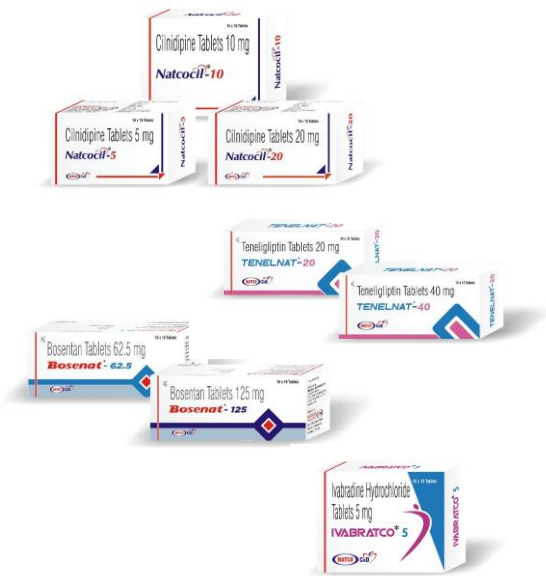
Overview of Key Non-Hepcinat Products

Products		Active Ingredient	Dosage Form	Therapeutic Area
	Natzold	**Zoledronic Acid**	**Infusion Solution**	**Orthopaedics, Supportive Care**
	Glatimer	**Glatiramer Acetate**	**Injection**	**Multiple Sclerosis**
	Teravir	**Tenofovir**	**Tablets**	**Hepatitis-B**

Expanding Domestic presence with launch of new CnD Division

Cardiology and Diabetology

- Launched Cardiology and Diabetology (CnD) division in early 2017.
- Current portfolio of products include:
- The anti diabetics range which offers one of the highest prescribed DPP4 inhibitors – Teneligliptin & Teneligliptin +Metformin for the treatment of type 2 diabetes Mellitus to cater to the Diabetes capital of the world.
- The cardiovascular range which offers a comprehensive list of anti-hypertensives including major brands like Cilnidipine & its combinations (NATCOCIL & range) which is a first line treatment of hypertension, Ivabradine (IVABRATCO) for stable angina & CHF, Bosentan (BOSENAT) used in the management of PAH (Pulmonary Arterial Hypertension).



Overview of Key CnD Products

NATCO Brands	Active Ingredient	Indication
Natcocil	Cilnidipine	Hypertension
Tenelnat	Teneligliptin	Type 2 Diabetes Mellitus
Bosenat	Bosentan	Pulmonary Arterial Hypertension
Ivabratco	Ivabradine	Stable angina

Expanding US Footprint Through a Differentiated Product Pipeline of Niche and Complex Products

- Pipeline of **niche and complex generics** products in US
- **38 ANDA filings including 16 Para IV** filings with USFDA (as on March 31, 2016) targeting a combined market of over **US$16.3 bn**^
- **19 approved** ANDAs (1 yet to be launched)
- Adopts **partnering strategy to develop and market products** for the US with globally renowned pharmaceutical companies

Overview of US Portfolio (5 filings done in FY17 not included in analysis below)

Addressable Market^	ANDAs Filed	ANDAs Under Review	Approved ANDAs
Count	38#	19	19*
Addressable Market^	~ US$16.4 bn	~ US$13.4 bn	~US$3bn

Portfolio of 38 ANDAs including 16 Para IV filings some of which are believed to be First-to-file (FTF)

- * 1 yet to be launched; ^ Source: IMS; Based on annual sales of products for 12-month period Jan-2015 to Dec-2015; # One ANDA filing withdrawn

NATCO

Expanding US Footprint Through a Differentiated Product Pipeline of Niche and Complex Products (Cont'd)

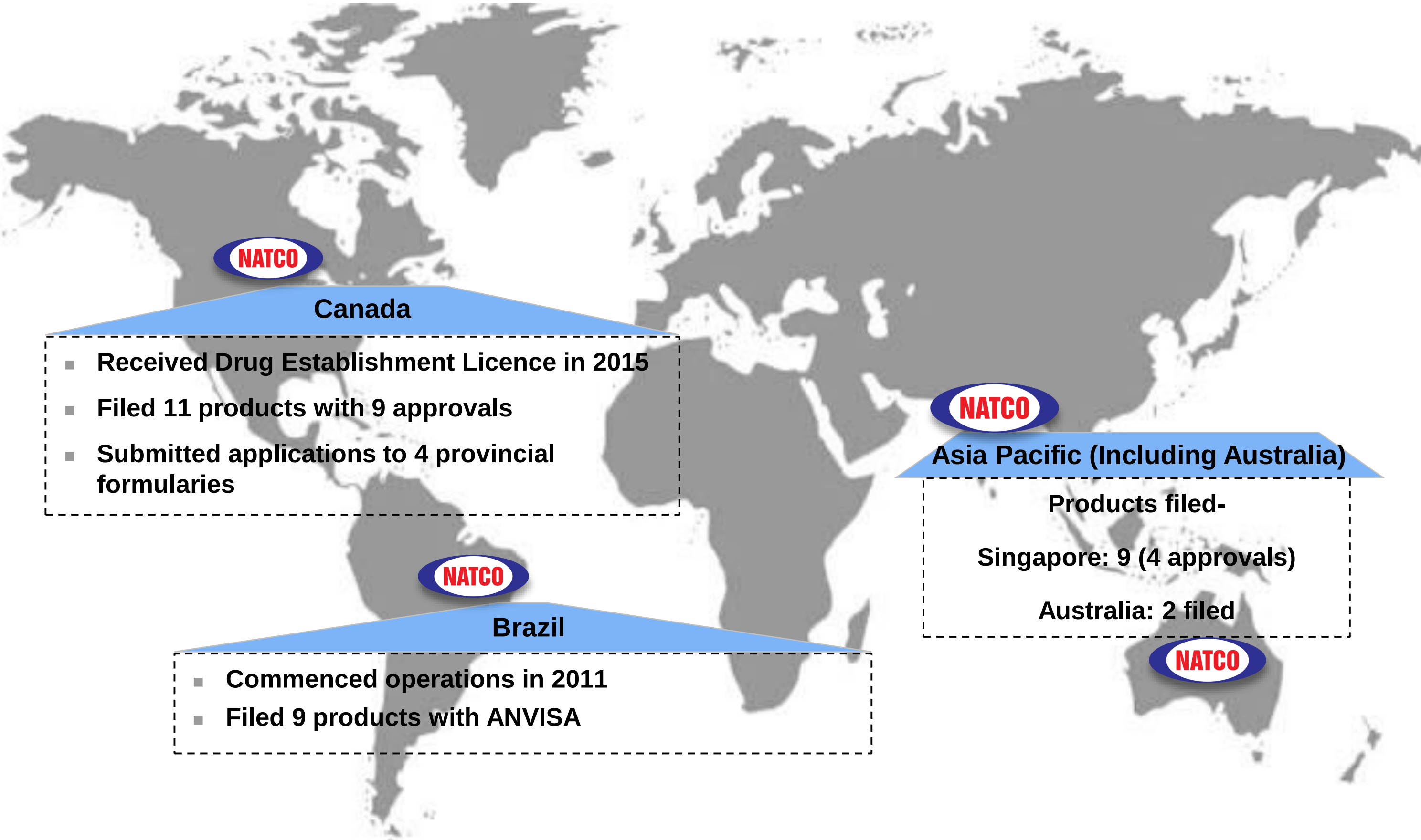
Overview of Key Filings						
Key Brand	**Molecule**	**Therapeutic Segment / Indication**	**Dosage Form**	**Para IV**	**Para III**	**Market Size (US$mn)#**
Copaxone 20&40mg	Glatiramer 20&40mg	Multiple Sclerosis	PFS	✓		4,349.60
Gleevec	Imatinib Mesylate	Cancer - CML	Tablets	✓		2,375.38
Gilenya	Fingolimod	Multiple Sclerosis	Capsules	✓		1,765.16
Treanda	Bendamustine	Leukemia	Injection	✓		709.70
Nuvugil	Armodafinil	Antidepressants	Tablets	✓		482.11
Tamiflu	Oseltamivir Capsules	Influenza Infection	Capsules	✓		402.98
Entocort	Budesonide	Crohn's Disease	Capsules		✓	370.53
Vidaza	Azacitidine	Myelodysplastic syndrome	Injection		✓	238.63
Doxil	Doxorubucin	Cancer, Ovarian	Injection (liposomal)		✓	202.94
Jevtana	Cabazitaxel	Prostate Cancer	Injection	✓		137.28
Fosrenol	Lanthanum Carbonate	End stage renal disease	Tablets	✓		118.56
Tykerb	Lapatinib Ditosylate	Breast Cancer	Tablets	✓		73.89
Revlimid*	Lenalidomide	Multiple Myloma	Capsules	✓		3,534.90
Nexavar*	Sorafenib	Liver, Kidney Cancer	Tablets	✓		300.00
Tracleer*	Bosentan	Hypertension	Tablets		✓	487.50

- **US FDF product portfolio is predominantly focused on high-barrier-to-entry products that are difficult to formulate, difficult to manufacture or may face complex legal and regulatory challenges**
- **16 Para IV filings with combined market size of US$14.0bn[1]**

Source: IMS; Based on annual sales of products for 12-month period Jan 2015 to Dec 2015 * Represents REMS product, Market size estimated from respective Innovator's Annual Report

Expanding Europe & RoW Presence

RoW formulation growth to be driven by launches in EU, scale up in Latin America and Canada and phased launch of generic Sovaldi



Canada

- **Received Drug Establishment Licence in 2015**
- **Filed 11 products with 9 approvals**
- **Submitted applications to 4 provincial formularies**

Brazil

- **Commenced operations in 2011**
- **Filed 9 products with ANVISA**

Asia Pacific (Including Australia)

Products filed-

Singapore: 9 (4 approvals)

Australia: 2 filed

Europe

- Sell our products in Eastern Europe, UK and Germany
- 4 approvals
- Distribution arrangements with our business partner

Venezuela

- Sell our FDF products (oncology) to third parties

HepC driven markets

- Filed in over 40 countries
- Received approvals and import permits for over 10 countries

All data as of December 31, 2016.

NATCO

De-risked Business Model through Partnership with Global Pharmaceutical Players

Mitigation Strategy

US Market reach and Regulatory Challenges

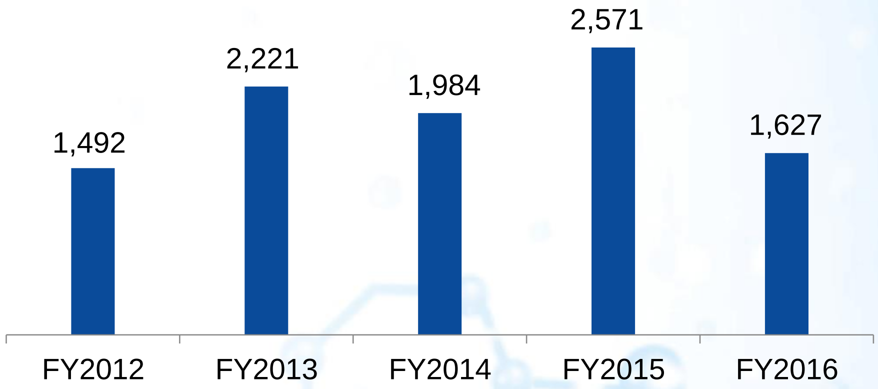
- Adopted and successfully implemented partnership strategy for international formulations product
  - Has product specific partnerships with global generic players at different stages of a potential ANDA filing
  - Entered into de-risked arrangements with marketing partner whereas the partner undertakes the responsibility of lengthy and complex litigation and regulatory issues and securing the ANDA approval
  - Global generic pharmaceutical companies have significant insight into global legal procedures and protocols enabling us to draw on their experience to successfully obtain the necessary regulatory approvals and effectively commercialize our products.

NATCO

Strong In-House API Development with Vertical Integration for Key Formulation Products

- Strategically important business – develops APIs primarily for **captive consumption** of its FDF portfolio as well as third party sales
- Portfolio of **36 USDMFs** with over **20 products** under development (as of 31-Dec-2016)
- Focuses on **complex molecules** in **oncology** and **CNS** segments
  - Other therapeutic areas of focus includes Anti-asthmatic, Anti-depressant, Anti-migraine, Anti-osteoporosis and G I Disorders
- Exports are focused on the US, EU, Canada, Latin America and South-East Asia
- **Vertical integration for several APIs** a key competitive advantage

Gross API Revenue (INR mn)

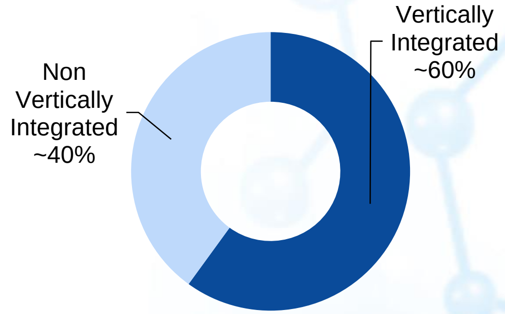


Strategic Advantage with Backward Integration in Critical APIs

API Strengths

- ✓ Complex multi-step synthesis & scale-up
- ✓ Semi-synthetic fusion technologies
  - Fermentation / Biotech / Synthetic / Separation technologies
- ✓ Containment / High potency APIs
- ✓ Peptide (Solid phase) pharmaceuticals

Vertically Integrated ANDAs



Total Addressable Market (US$ mn)[1]

~US$10.6bn

(1) Source: IMS. Denotes size of FDF markets of vertically integrated ANDAs

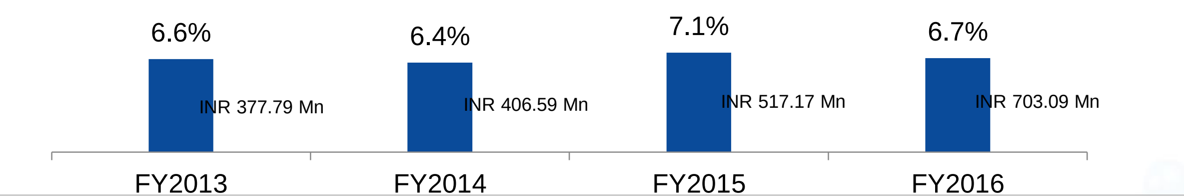
All data as of March 31, 2016.

Strong Research & Development Capabilities

Strong R&D capabilities demonstrated by its complex and niche product filings in formulations and API segments

- Two well equipped research facilities with capabilities across synthetic chemistry, biotech & fermentation, nano pharmaceuticals, new drug discovery & cell biology
  - Currently engaged in discovery and development of two key molecules which are in clinical phase studies - NRC-AN-019 (brain tumour, pancreatic cancer and CML) and NRC-2694 (Breast Cancer); NRC-019 has received orphan drug status in USA

R&D as % of Standalone Revenue



Function	No. of Labs	No. of Scientists
Process Research	10	80
Discovery - NCEs (Anti-cancer segment)	2	10
Analytical Development	5	45
Therapeutic Peptides	3	15
New formulation / Cell Biology / Animal house Toxicology / Molecular modeling & RDD	5	40
Biotechnology & Fermentation	3	15
Containment labs for high potency products	2	10
Bio-Analytical lab	2	10
NDDS & nano-pharmaceuticals	2	15
Development & Quality Assurance	1	10

16 ANDAs Approved
(including 3 tentative approvals)
16 Para IV Filings

36 US DMFs Filed
Over 20 API products Under Development

184 International Patents Filed
131 International Patents Granted

180 Indian Patents Filed
83 Indian Patents Granted

All data as of December 31, 2016.

NATCO

Commitment to Manufacturing Excellence with a Culture of Quality and Compliance

Formulations Manufacturing Facilities

Kothur Facility

- Capability: Tablets, Capsules, Pellets, Injectables
- Key Regulatory Approvals: GMP, USFDA, German Health Authority, ANVISA
- USFDA Last Audit : January 2017

Nagarjuna Sagar Facility

- Capability: Ampoules, Vials, Lyophilized vials, Parenterals, Sterile Dry Powders
- Key Regulatory Approvals: GMP

Dehradun Unit 6 Facility

- Capability: Tablets, Capsules, Injectables
- Key Regulatory Approvals: GMP

Dehradun Unit 7 Facility

- Capability: Tablets, Capsules
- Key Regulatory Approvals: GMP, Public Health Service of the Netherlands (EU GMP)

Guwahati Facility

- GMP Compliant Facility
- Capability: Tablets, Capsules

Formulations Facility Under Progress

Vishakapatnam Facility

- Located in a Special Economic Zone (SEZ)
- Capability: Cytotoxic & other Oral Solid Dosages
- Targeted towards US & other International regulated markets

API Manufacturing Facilities

Mekaguda Facility

- Key Regulatory Approvals: GMP, USFDA, German Health Authority, PMDA (Japan), Cofepris (Mexico)
- USFDA audit: Last approval - January 2015

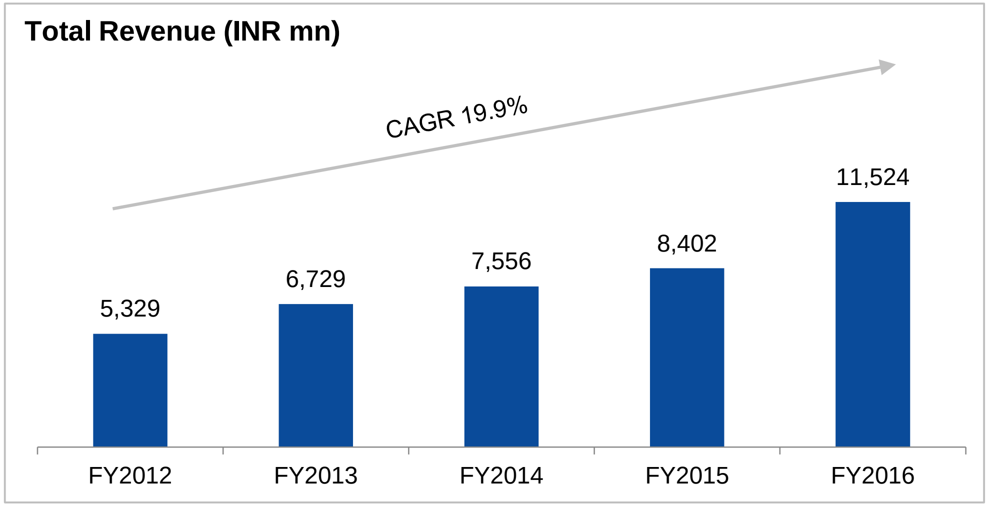
Chennai Facility

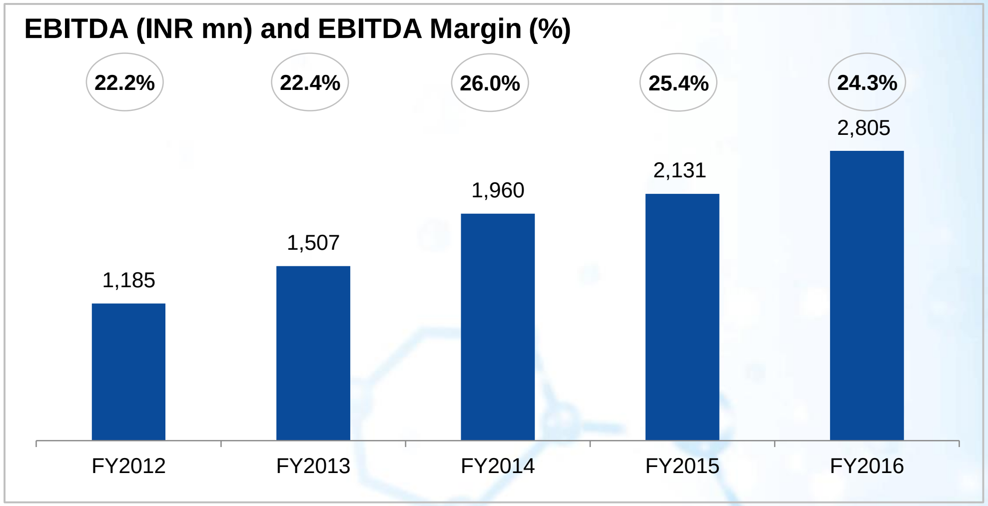
- Key Regulatory Approvals: GMP
- USFDA audit: Last approval – August 2016

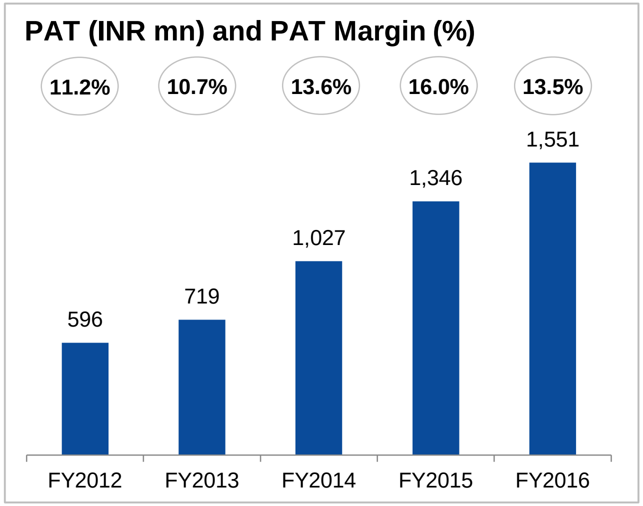
Experienced Management

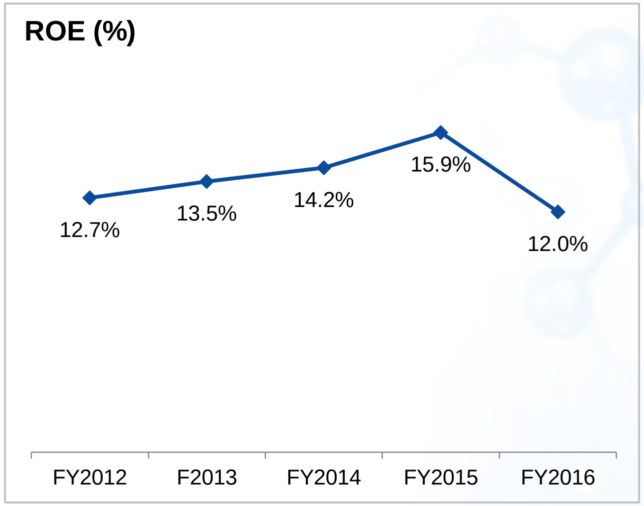
	**Mr. V.C Nannapaneni** *Chairman and Director*	▪ Holds Masters degree in Pharmaceutical Administration from the Long Island University, US ▪ Over 42 years of experience in the Pharmaceutical Industry
	**Mr. Rajeev Nannapaneni** *Vice Chairman & CEO*	▪ Holds bachelors degree in Quantitative Economics and History from Tufts University, Boston, USA ▪ Holds wide experience and exposure in General Management and Product Development
	**Dr. A.K.S Bhujanga Rao** *President (R&D and Technical)*	▪ Awarded Ph.D.in Synthetic Organic Chemistry from the Indian Institute of Science (IISc), Bangalore ▪ Wide expertise in technology transfer to commercial scale, quality control regulatory affairs and Patents
	**Dr. Linga Rao** *President (Technical Affairs)*	▪ Holds Masters degree in Science (Applied Chemistry) & Ph.D in Chemistry from JNTU, Hyderabad ▪ Over 35 years of experience in the pharmaceutical industry and has been working with Natco for over 21 years
	**Mr. P.S.R.K Prasad** *Executive Vice President*	▪ Holds B.E. Mech. Engg. from Andhra University, Visakhapatnam ▪ Responsible for looking after the general administration, engineering, regulatory, training, environmental matters, safety, health, production and maintenance activities of the Company
	**M. Adinarayana** *Company Secretary & VP-Legal & Corporate Affairs*	▪ Bachelors in Commerce and Bachelors in Law from Andhra University, Fellow Member of Institute of Company Secretaries of India ▪ 22+ years of experience within the Company in legal, secretarial and patent litigation areas
	**Mr. S.V.V.N.Appa Rao** *CFO*	▪ Over 25 years of experience including 20 years within the Company covering areas of accounting, financial controller, treasury ▪ Responsible for finance and treasury functions at the Company
	**Mr. Rajesh Chebiyam** *Vice President - Business Development & Corp Support*	▪ Holds MBA from Babson College (USA) and Masters degree in Chemical Engineering from University of Rhode Island ▪ 20+ years of experience across supply chain, operations, business development, sales and strategy

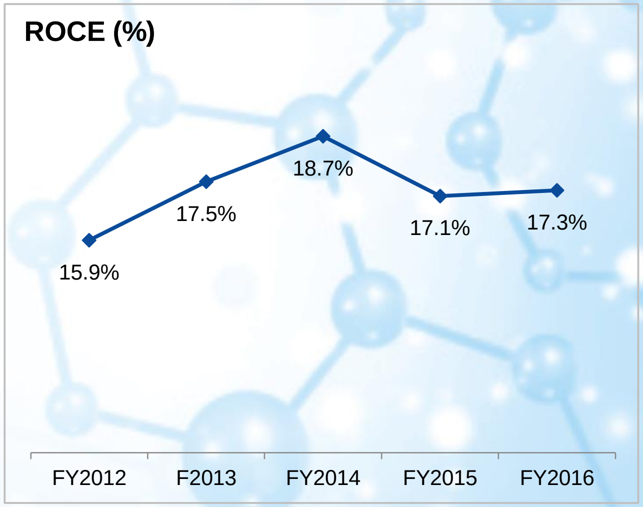
Demonstrated Track Record of Topline and Earnings Growth











Historical Financials

Consolidated Profit & Loss Statement (INR Mn)

Particulars	31-Mar-16	31-Mar-15	31-Mar-14
Revenue from operations (gross)	11794	8,382	7,447
Less : Excise duty	378	129	58
Revenue from operations (net)	11,416	8,253	7,389
Other income	108	149	167
Total revenue	**11524**	**8,402**	**7,556**
Expenses			
Cost of material consumed	3,037	1,673	1,601
Purchase of stock in trade	905	843	889
Change in Inventory	(530)	(92)	(158)
Employee benefits	1.867	1,369	1,128
Finance costs	229	317	366
Depreciation	510	473	304
Other expenses	3,441	2,326	2,135
Prior period expenses	0	1	0
Total expenses	**9,458**	**6,908**	**6,266**
Profit before exceptional items and tax	**2,066**	**1,493**	**1,290**
Exceptional item	-	151	-
Profit before tax	**2,066**	**1,342**	**1,290**
Current Tax	448	325	323
Deferred Tax Benefit	31	(310)	(14)
PAT (Before Minority interest)	**1,538**	**1,303**	**981**
Minority Interest	(13)	(43)	(46)
PAT (After Minority interest)	**1,552**	**1,346**	**1,027**

Consolidated Balance Sheet (INR Mn)

Particulars	31-Mar-16	31-Mar-15	31-Mar-14
Share Capital	348	332	331
Reserves and Surplus	12,635	8,128	6,928
Net Worth	**12,983**	**8,461**	**7,259**
Minority Interest	49	50	69
Long-term borrowings	-	970	955
Deferred Tax Liabilities	144	119	431
Other Non-Current Liabilities	8	8	10
Long-term Provisions	125	95	111
Current Liabilities			
Short-term borrowings	984	1,685	986
Trade Payables	2,755	1,253	1,098
Other current liabilities	1,142	1,186	1,022
Provisions	49	13	17
Current Liabilities	**4,929**	**4,137**	**3,123**
Total Liabilities	**18,238**	**13,840**	**11,957**
Tangible Assets	7,046	6,640	6,127
Intangible Assets	89	459	320
CWIP	2,118	1,290	1,238
Non-current Investments	1	16	16
Long Term Loans & Advances	619	570	542
Other Non-Current Assets	42	35	32
Non Current Assets	**9,915**	**9,011**	**8,276**
Current Investments	210	1	3
Inventories	3,573	2,200	1,811
Sundry Debtors	2,616	1,924	1,188
Cash and Bank Balances	451	134	110
Loans and Advances	1,038	551	543
Other Current Assets	435	19	25
Current Assets	**8,323**	**4,830**	**3,681**
Total Assets	**18,238**	**13,840**	**11,957**

Consolidated Cash Flow Statement (INR Mn)

	31-Mar-16	31-Mar-15	31-Mar-14
Profit Before Tax	2,066	1,342	1,290
Add: Depreciation and Amortization	510	473	304
Less: Change in Working Capital	(1500)	(860)	(161)
Others (inc Tax & Other Adjustments)	(52)	(29)	7
Cash flow from operations	**1,024**	**927**	**1,440**
Net Capex	(1,393)	(1,192)	(1,104)
Others	(362)	45	14
Cash Flow from Investing	**(1,755)**	**(1,148)**	**(1,089)**
Proceeds from Equity	3,344	-	1,085
Net Borrowings	(1,993)	714	(911)
Dividend Paid	(261)	(199)	(193)
Finance Cost Paid	(246)	(299)	(343)
Movement in minority interest	12	75	10
Cash Flow from Financing	**856**	**291**	**(353)**
Effect of currency adjustments	(8)	(48)	4
Net Increase/Decrease in Cash	117	22	3
Opening Balance	124	102	100
Closing Balance	**242**	**124**	**102**

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Historical Financials (contd.)

Segmental Breakdown (INR Mn)

Revenue Division	Quarter ended			Nine months ended
	Q3 – FY17	Q2 – FY17	Q3 – FY16	Q3 – FY17
API, Domestic	186.3	146.2	60.7	414.8
API, Exports	320.9	330.0	327.2	863.2
API Gross Revenue	**507.2**	**476.1**	**387.9**	**1278.0**
Formulations, Exports	1738.0	1354.4	361.7	3478.5
Income from Profit Sharing	1843.2	37.1	59.0	2005.9
Formulations Onco	882.7	773.7	588.5	2388.2
Formulations, Brand Pharma Non Onco	1121.4	1124.4	752.3	3589.6
Formulations, 3rd party, & miscel	184.4	268.6	357.7	662.3
Formulations Gross Revenue	**5769.9**	**3558.3**	**2119.2**	**12124.5**
Total Gross Revenue (including service income)	**6305.0**	**4035.8**	**2519.7**	**13437.2**
Other Operating & Non-Operating Income	419.5	550.6	118.5	1162.6
Stand-Alone Total Gross Revenue	**6724.4**	**4586.4**	**2638.2**	**14599.8**
Total Revenue, all subsidiaries	123.7	118.2	297.3	402.2
Consolidated TOTAL Gross Revenue	**6848.1**	**4704.6**	**2935.5**	**15002.0**

Consolidated Financial Results (INR Mn)

	Quarter ended			Nine months ended
	Q3 – FY17	Q2 - FY17	Q3 - FY16	Q3 – FY17
Total Revenues	**6848.1**	**4704.6**	**2935.5**	**15002.0**
EBITDA	**2663.1**	**1079.9**	**664.1**	**4567.1**
EBITDA Margin (%)	38.9%	22.9%	22.6%	30.4%
PAT, comprehensive income	**1947.6**	**659.7**	**370.4**	**3078.3**
PAT Margin (%)	28.4%	14.0%	12.6%	20.5%

The Company adopted Indian Accounting Standards ("Ind AS") from 1 April 2016 and prior period figures have been reclassified wherever required to conform to the classification of the current period.

NATCO

Q3 – FY17 Highlights

(October – December 2016)

Key Highlights

- Launched the first generic equivalent of TAMIFLU® Capsules in the USA market on December 12, 2016
- Received final approval for generic Budesonide Capsules, 3 mg, for USA market
- Received final approval for Generic Armodafinil tablets for USA market
- Received final approval for Generic Bendamustine HCl Powder for USA market
- Launched first generic version of Sofosbuvir/Velpatasvir under its brand Velpanat in Nepal
- Launched new Cardiology and Diabetology division for India market

Financial Highlights

Oncology

Q3 FY17 recorded a revenue of approximately INR 880 million, reflecting 14% growth over Q2 FY17.

Branded Pharma

The revenues remained stable at approximately INR 1120 million in spite of demonetization pressure.

Exports

Net sales of approximately INR 3580 million was driven predominantly by the sales of Oseltamivir product in the USA for the quarter, including profit sharing arrangement from our marketing partner.