Alembic Pharmaceuticals Limited

Investor Presentation

September 2012

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

Agenda

The Alembic Journey

Insight - Alembic Overview

Insight - Strategic Advantage

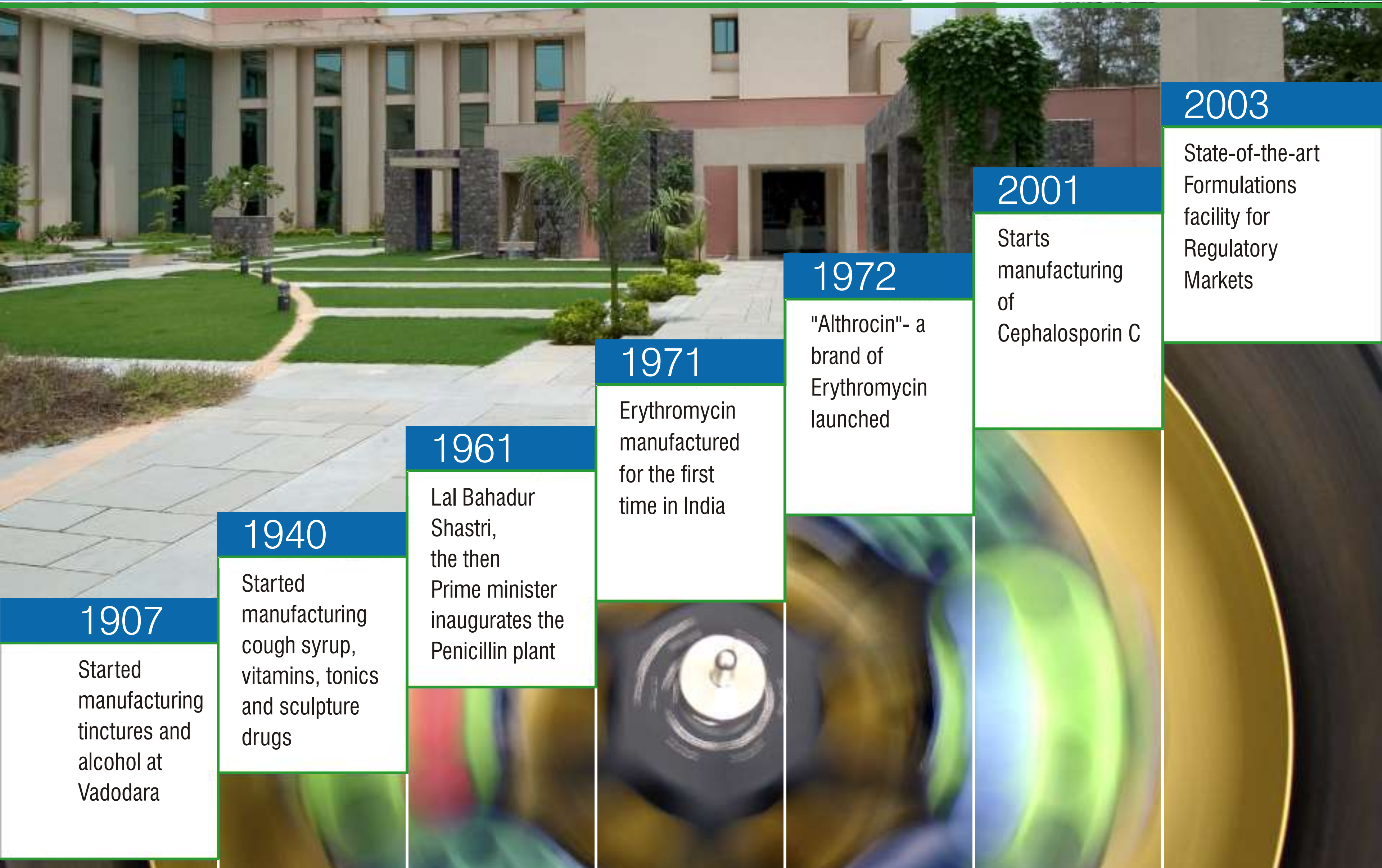
Growth Drivers

Business Strategy and Approach

Financials

Corporate Social Responsibility

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

Alembic
Touching Lives over 100 years

2004
State-of-the-art Research Centre established in Vadodara

2006
US FDA approvals for API and Formulation Plants

2007
Acquisition of Non-Oncology Business of M/s Dabur Pharma Ltd.

2009
Addressed chronic therapies through multiple marketing divisions

2010
- Azithral sales Reach INR 1000 million mark
- Demerger AL-APL

2011
- ANVISA approvals
- Aggressive ANDAs and DMFs filing

2012
- Para IV filed
- Cumulatively 50 ANDAs filed, (21 approved) and 66 DMFs filed

Agenda

- The Alembic Journey
- **Insight - Alembic Overview**
- Insight - Strategic Advantage
- Growth Drivers
- Business Strategy and Approach
- Financials
- Corporate Social Responsibility

Branded Formulations

Revenue of INR 7830 million in the domestic market for the financial year 2011-12

Ranked 22nd in the Indian Formulations market with a market share of 1.74%*

Ranked 15th in Doctors Prescription Universe**

Well equipped Formulations Plant located at Baddi, Himachal Pradesh

Robust product basket with export sales of INR 570 million in the financial year 2011-12 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 August, 2012 **Source: ORG Prescription Audit

Insight - Alembic Overview

International Division

Business size of INR 6290 million in the financial year 2011-12

Sales in Regulatory Generics Market of INR 2550 million in the financial year 2011-12

1 US FDA approved Formulations Plant

World-class R&D and F&D facility

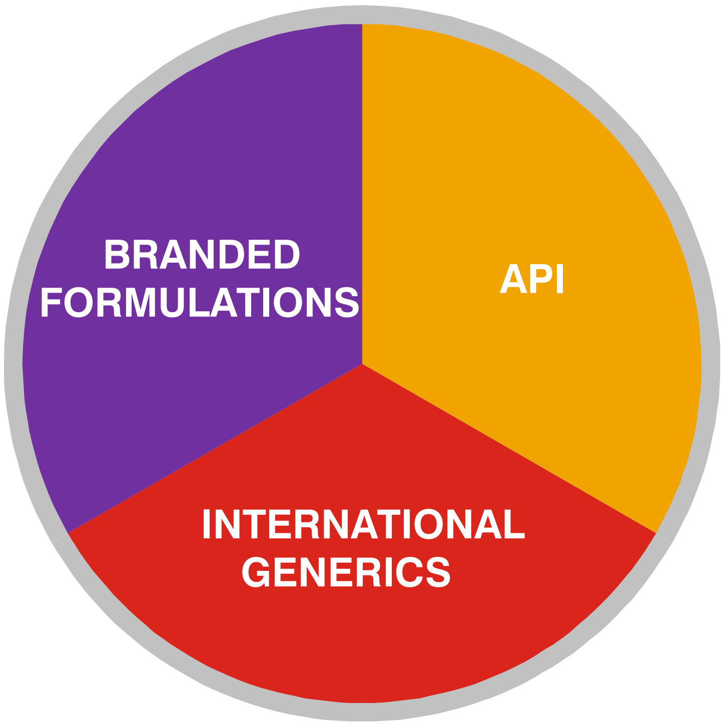
Alliances with leading generic players in USA, Canada, Europe, Australia, Brazil and South Africa

Robust product basket with 21 ANDA approvals (50 filings) and 66 DMFs. and Para IV filing

3 US FDA approved API Plants

Approved Bio Equivalence Centre

Business Portfolio



Agenda

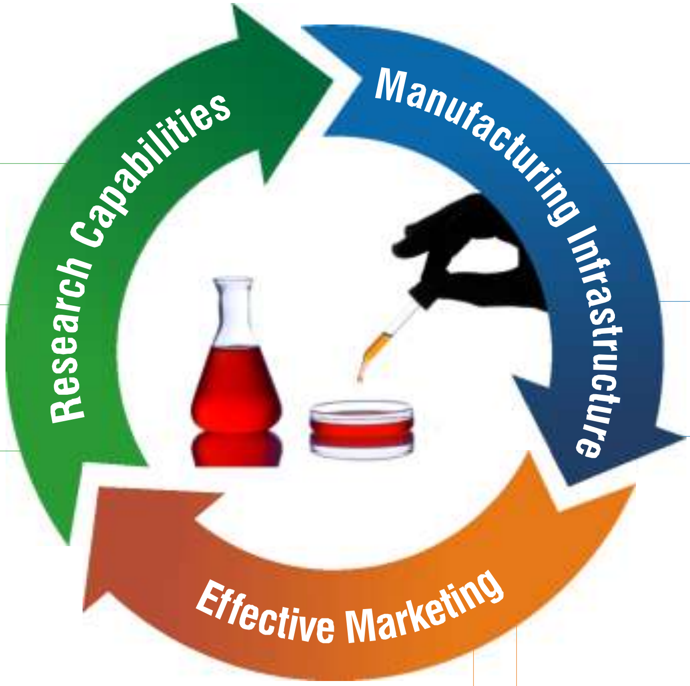
- The Alembic Journey
- Insight - Alembic Overview
- **Insight - Strategic Advantage**
- Growth Drivers
- Business Strategy and Approach
- Financials
- Corporate Social Responsibility

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



Well-developed Infrastructure facility - 4 US FDA approved plants

High-end quality / RA structure

Manufacturing excellence with optimal cost benefits

Therapy focused marketing through 12 marketing arms on PAN India basis

Therapy focused marketing through over 3,600 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 2.6 billion tablets/capsules

Expansion to 4 billion in financial year 2012-13

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

Alembic
Touching Lives over 100 years

Certifications

FDA

FDCA

mcc
MEDICINES CONTROL COUNCIL

Australian Government
Department of Health and Ag eing

MHRA

ANVISA
Agência Nacional de Vigilância Sanitária

Alembic Research Centre

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

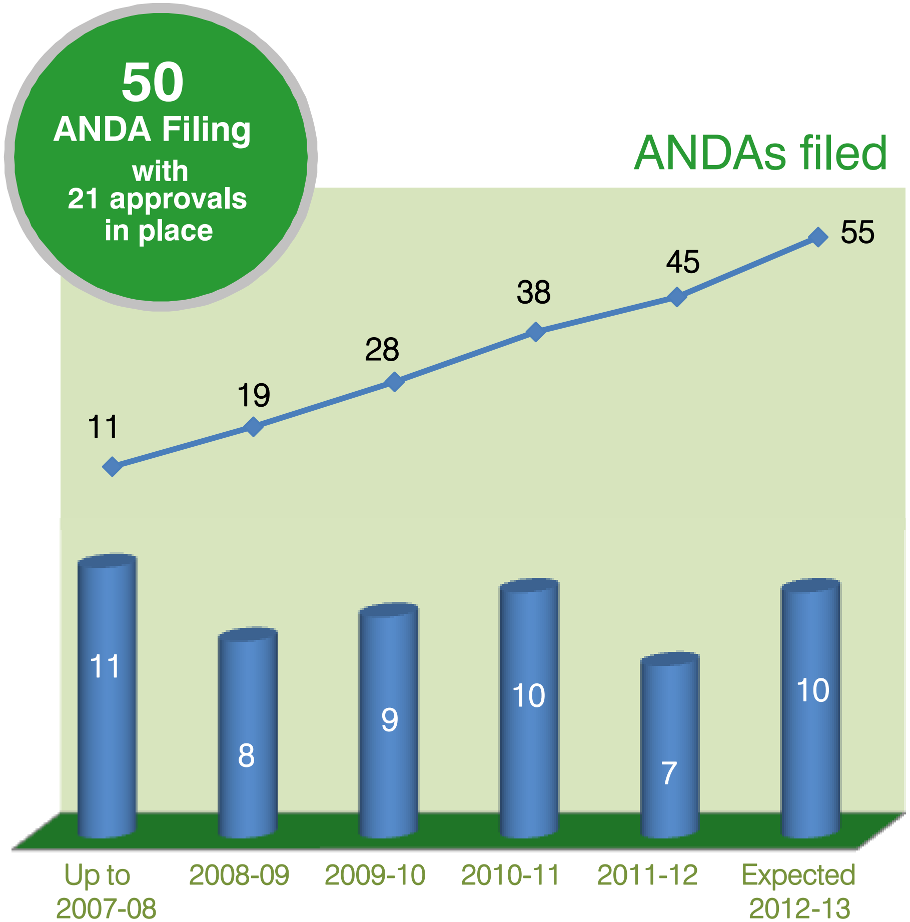
F&D CAPABILITIES

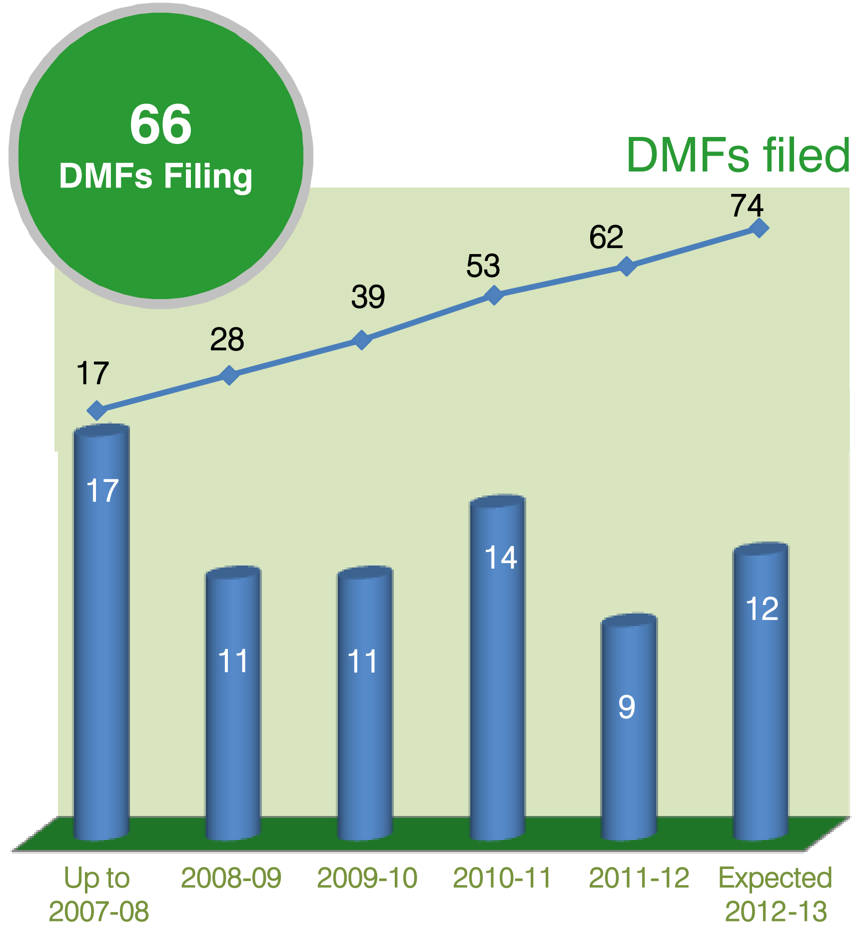
- Expertise in Drug Deliveries and Niche Formulations
- Well-defined Processes and Quality Systems
- Capabilities in Solid Oral, Liquid Oral Products

BIO EQUIVALENCE CENTRE

- State-of-the-art 90-bedded new Bio Centre
- 100 Bio Pilot Studies
- 25 Pivotal Studies (Capabilities)

Research Capabilities





Global Presence

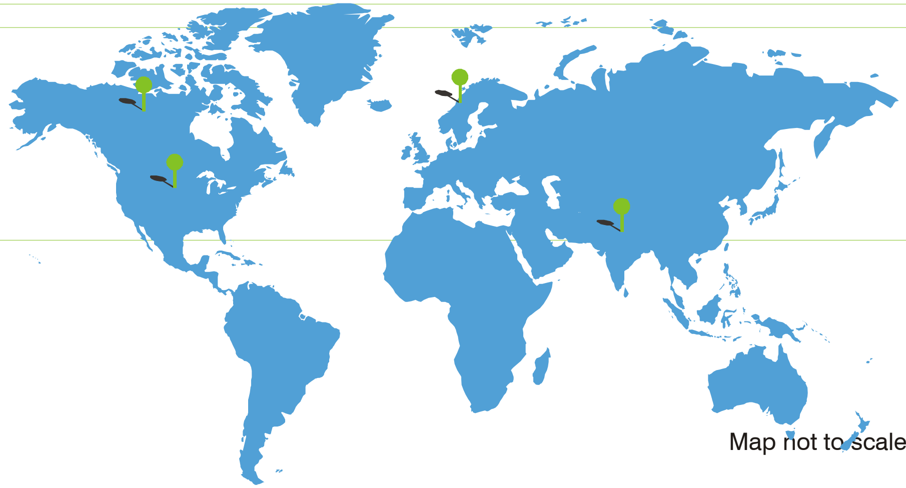
USA / CANADA Generics

21 ANDA Approvals:

- Pramipexole Dihydrochloride Tablets
- Famotidine Tablets USP
- Venlafaxine Hydrochloride Tablets
- Lithium Carbonate Capsules USP
- Metronidazole Tablets USP
- Metronidazole Capsules
- Meprobamate Tablets USP
- Metronidazole ER Tablets
- Fluoxetine Capsules USP
- Ropinirole Hydrochloride Tablets
- Theophylline Extended - Release Tablets
- Lamotrigine Tablets
- Losartan Potassium Tablets (Para IV)
- Irbesartan Tablets USP (Para IV)
- Hydrochlorothiazide Capsules
- Clonidine Hydrochloride Tablets USP
- Leflunomide Tablets USP
- Irbesartan and Hydrochlorothiazide Tablets USP
- Losartan Potassium-Hydrochlorothiazide Tablets
- Rivastigmine Tartrate Capsules
- Modafinil Tablets USP

EUROPE Generics

- Working on complex generics products
- Filings from Indian site



Map not to scale

Effective Marketing

PAN India Marketing and Distribution Network

New Segment entered: Dermatology

Future Segment: Respiratory therapies

PAN India Marketing and Distribution Network

GENERICS & NSA

VETERINARY

OTHER PRODUCT PORTFOLIO

Major Product Portfolio

Top Products	Therapatic Area	Ranking*
Azithral	Anti Infective	**26**
Althrocin	Anti Infective	**44**
Roxid	Anti Infective	**126**
Wikoryl	Cough & Cold	**144**

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

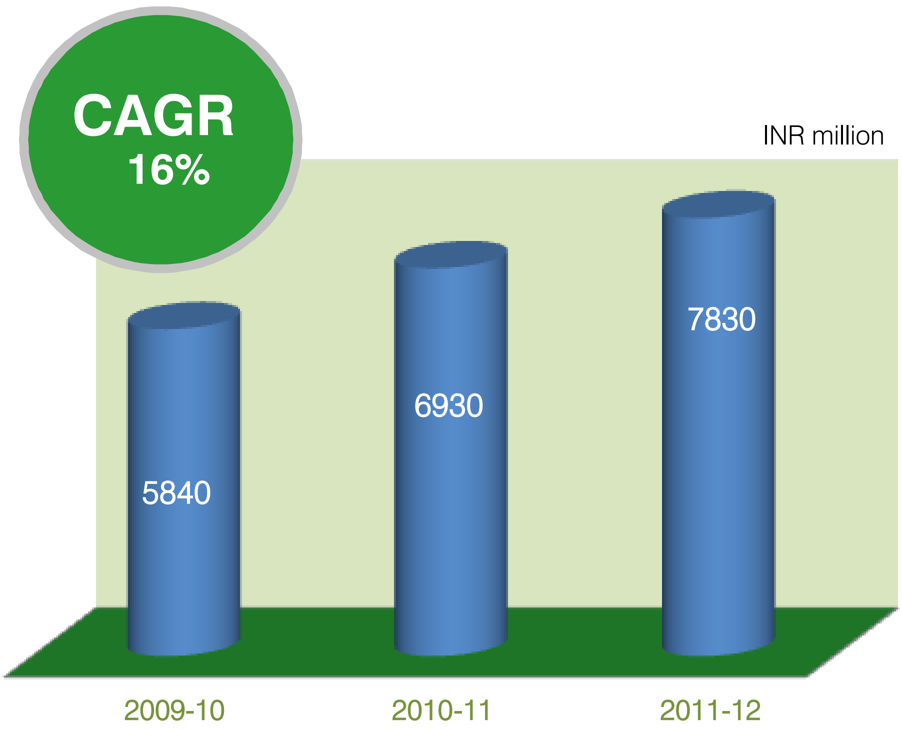
*Source: ORG August, 2012

Agenda

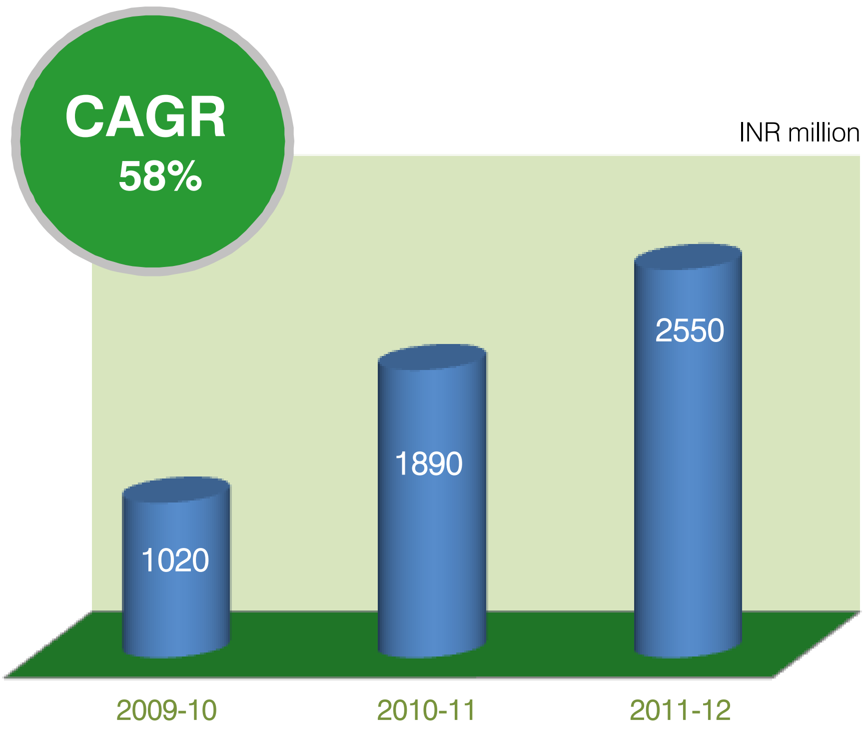
- The Alembic Journey
- Insight - Alembic Overview
- Insight - Strategic Advantage
- **Growth Drivers**
- Business Strategy and Approach
- Financials
- Corporate Social Responsibility

Growth Drivers

Branded Formulation Business



International Generic Business



Growth Drivers

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

Growth Drivers

Domestic Market

Continued capitalization of Dabur Pharma's assets

The non-oncology business of Dabur Pharma was acquired in 2007. Further capitalization of its assets will yield a stronger product line.

Enter into new therapeutic segment

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

.

Growth Drivers

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

Growth Drivers

International Generic Formulation

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.

Global alliances with leading Generic Businesses

Leverage on the core competencies of leading generic manufacturers in different markets

Agenda

- The Alembic Journey
- Insight - Alembic Overview
- Insight - Strategic Advantage
- Growth Drivers
- **Business Strategy and Approach**
- Financials
- Corporate Social Responsibility

Business Strategy & Approach

Sustainable Business Streams

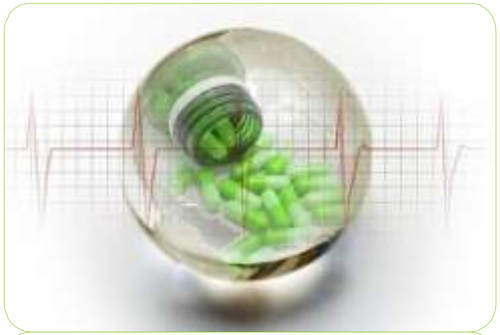
Retaining and consolidating strong presence in acute therapies in the domestic market

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

Agenda

- The Alembic Journey
- Insight - Alembic Overview
- Insight - Strategic Advantage
- Growth Drivers
- Business Strategy and Approach
- **Financials**
- Corporate Social Responsibility

Financial Highlights – Quarterly

Alembic Touching Lives over 100 years

Consolidated Q II - FY 12-13

INR million

Sales	Q II / 12-13	Q II / 11-12	Business Share '12	Growth %
Formulation				
Branded Domestic	2,198	1,954	54%	13%
Generic & NSA	340	315	8%	8%
Branded International	87	120	2%	(28)%
Total	**2,625**	**2,389**	**64%**	**10%**
International Division				
International Generics	510	714	13%	(29)%
API Domestic	334	220	8%	52%
API Export	576	604	14%	(5)%
Total	**1,420**	**1,538**	**35%**	**(8)%**
Export Incentive	30	53	1%	(43)%
Grand Total	**4,075**	**3,980**	**100%**	**2%**
Total Domestic	**2,891**	**2,490**	**71%**	**16%**
Total Export	**1,184**	**1,490**	**29%**	**(20)%**

Financial Highlights – Quarterly

Result Highlight (Consolidated) Q II - FY 12-13

INR million

Particulars	Q II / 12-13	Q II / 11-12	Growth %	Year 2011-12
EBDITA (Before R&D)	807	751	7%	2,790
R&D Expenses	160	146	-	586
EBDITA (Post R&D)	647	605	7%	2,204
PBT	530	450	18%	1,610
PAT	425	380	12%	1,301

Financial Highlights – Half Yearly

Alembic Touching Lives over 100 years

Consolidated H I - FY 12-13

INR million

Sales	H I / 12-13	H I / 11-12	Business Share '12	Growth %
Formulation				
Branded Domestic	3.901	3,458	50%	13%
Generic & NSA	610	535	8%	14%
Branded International	162	234	2%	(31)%
Total	**4,673**	**4,227**	**60%**	**11%**
International Division				
International Generics	971	1,325	13%	(27)%
API Domestic	638	568	8%	12%
API Export	1,411	1212	18%	16%
Total	**3,020**	**3,105**	**39%**	**(3)%**
Export Incentive	63	96	1%	(34)%
Grand Total	**7,756**	**7,428**	**100%**	**4%**
Total Domestic	**5,178**	**4,563**	**67%**	**13%**
Total Export	**2,578**	**2,865**	**33%**	**(9)%**

Financial Highlights – Half Yearly

Result Highlight (Consolidated) H I - FY 12-13

INR million

Particulars	H I / 12-13	H I / 11-12	Growth %	Year 2011-12
EBDITA (Before R&D)	1469	1,375	7%	2,790
R&D Expenses	299	267	-	586
EBDITA (Post R&D)	1,170	1,108	6%	2,204
PBT	911	805	13%	1,610
PAT	733	656	12%	1,301

Financial Highlights - Yearly

Comparison 2011-12 and 2010-11

INR million

Sales	2011 - 2012	2010 - 2011	Business Share '11	Growth %
Formulation				
Branded Domestic	6,750	5,984	46%	13%
Generic & NSA	1,076	950	7%	13%
International Branded	567	502	4%	13%
Total	**8,393**	**7,436**	**57%**	**13%**
International Division				
International Generics	2,418	1,738	16%	39%
API Domestic	942	945	6%	(0)%
API Export	2,792	1,799	19%	55%
Total	**6,152**	**4,482**	**42%**	**37%**
Export Incentive	133	148	1%	(10)%
Grand Total	**14,678**	**12,066**	**100%**	**22%**
Total Domestic	**8,771**	**7,880**	**60%**	**11%**
Total Export	**5,907**	**4,186**	**40%**	**41%**

Financial Highlights - Yearly

Result Highlight (Comparison 2011-12 and 2010-11)

INR million

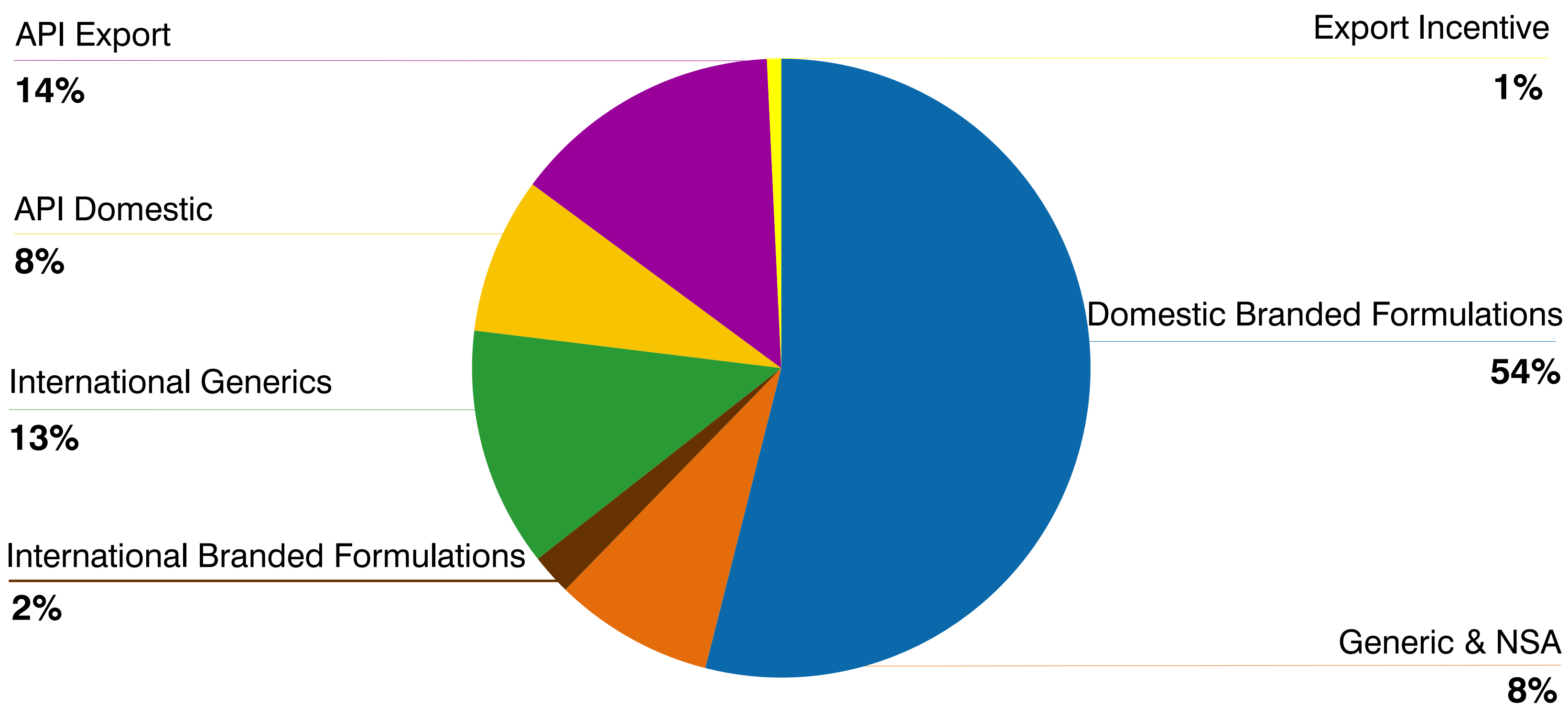
Particulars	2011-2012	2010-2011	Growth %
EBDITA (Before R&D)	2,900	2,087	39%
R&D Expenses (incl. CAPEX)	696	484	-
EBDITA (Post R&D)	2,204	1,603	38%
PBT	1,610	1,069	51%
PAT	1,301	854	52%



Revenue Overview

Sales Composition

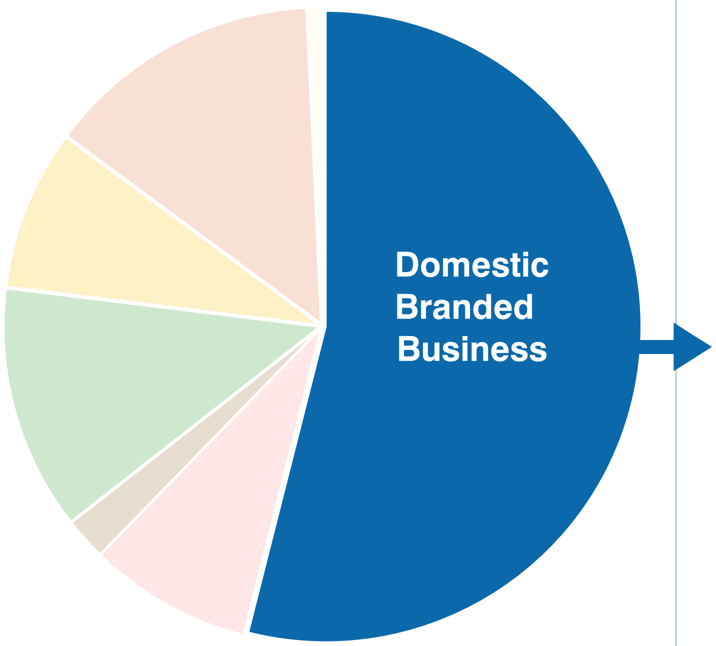
Q II – FY 12-13



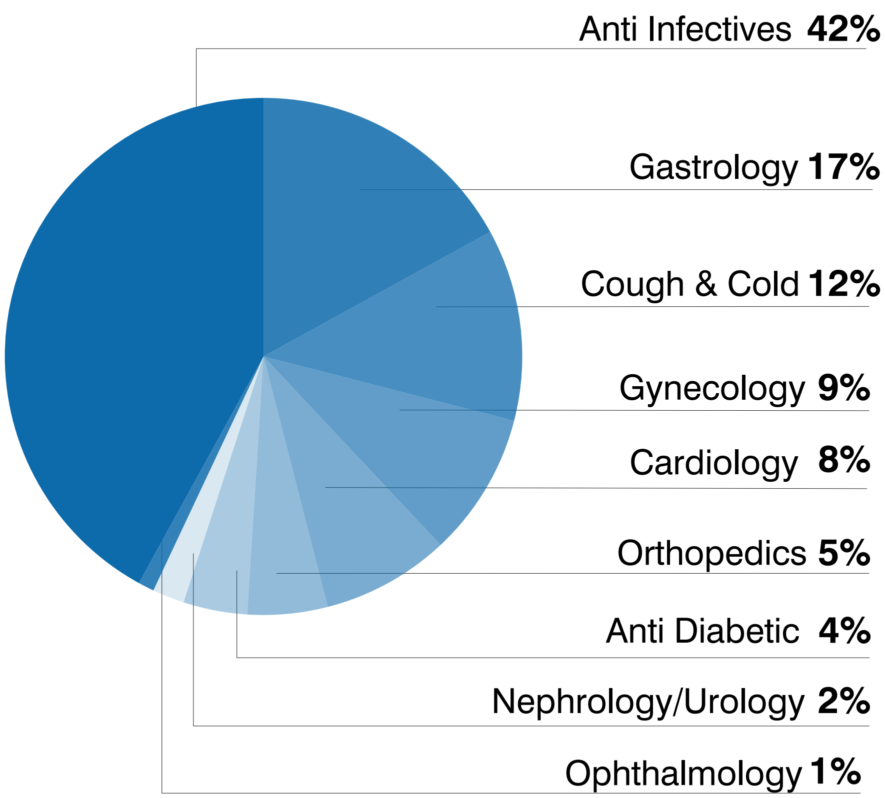
Revenue Overview

Sales Composition

Q II – FY 12-13



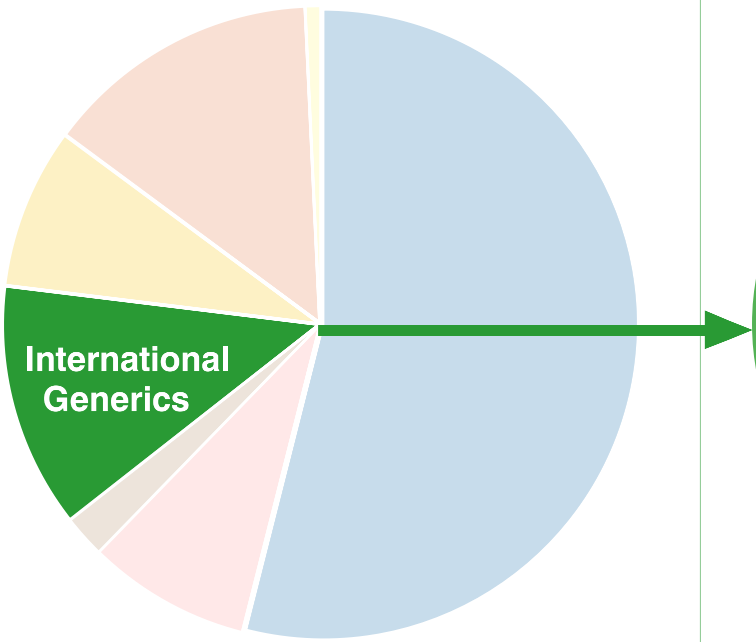
Therapy Based Sales Break up

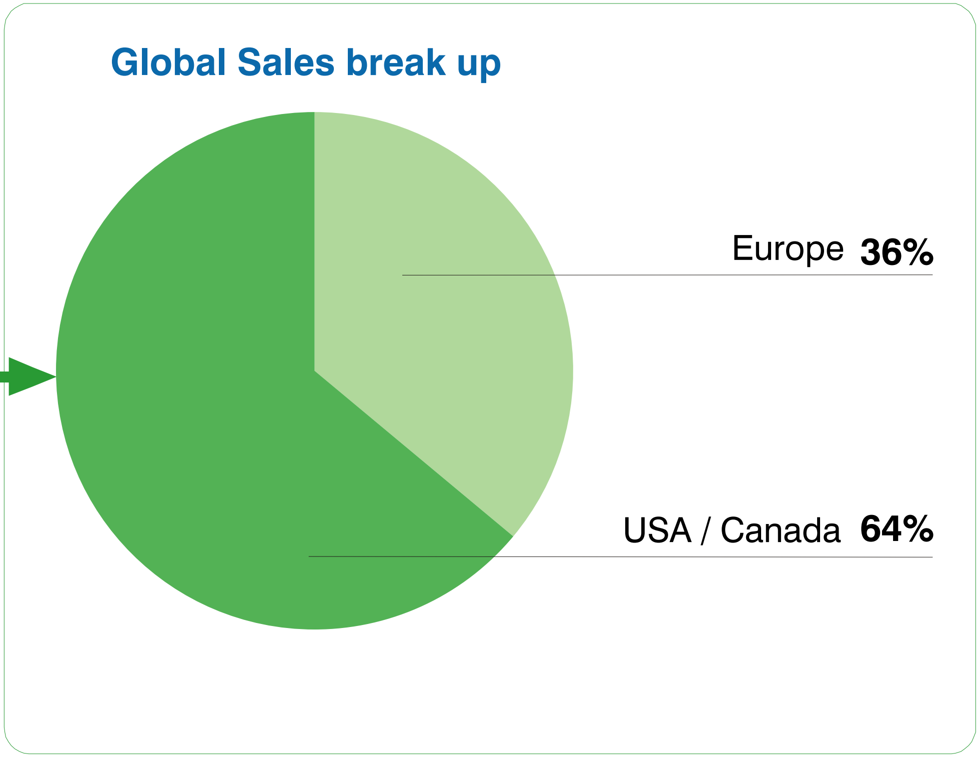


Revenue Overview

Sales Composition

Q II - 2012

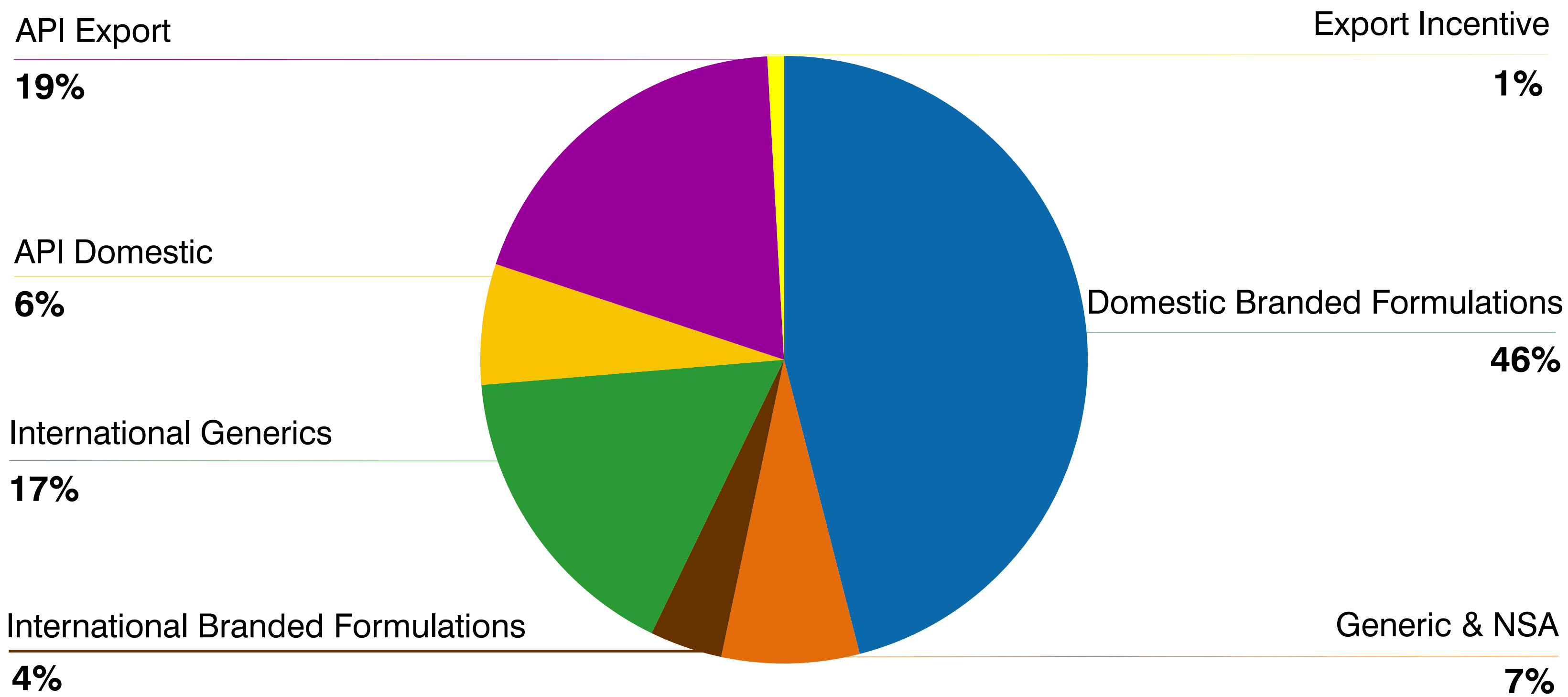




Revenue Overview

Sales Composition

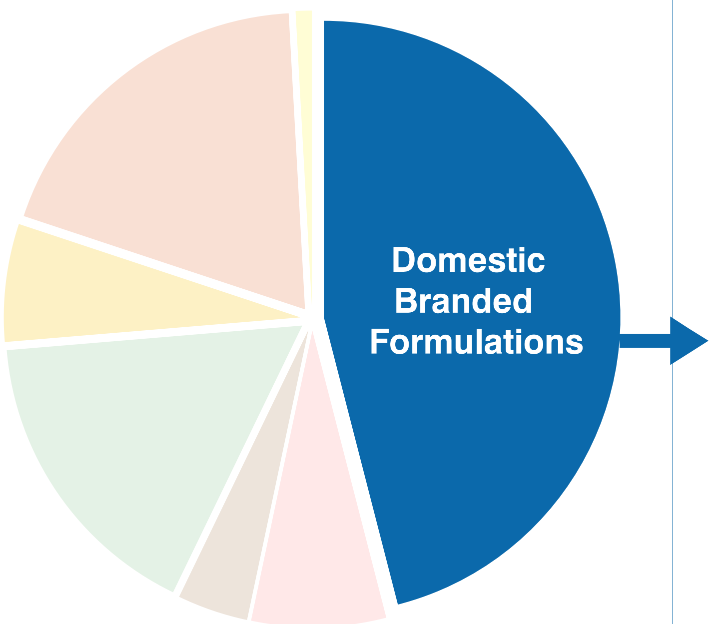
2011 - 2012



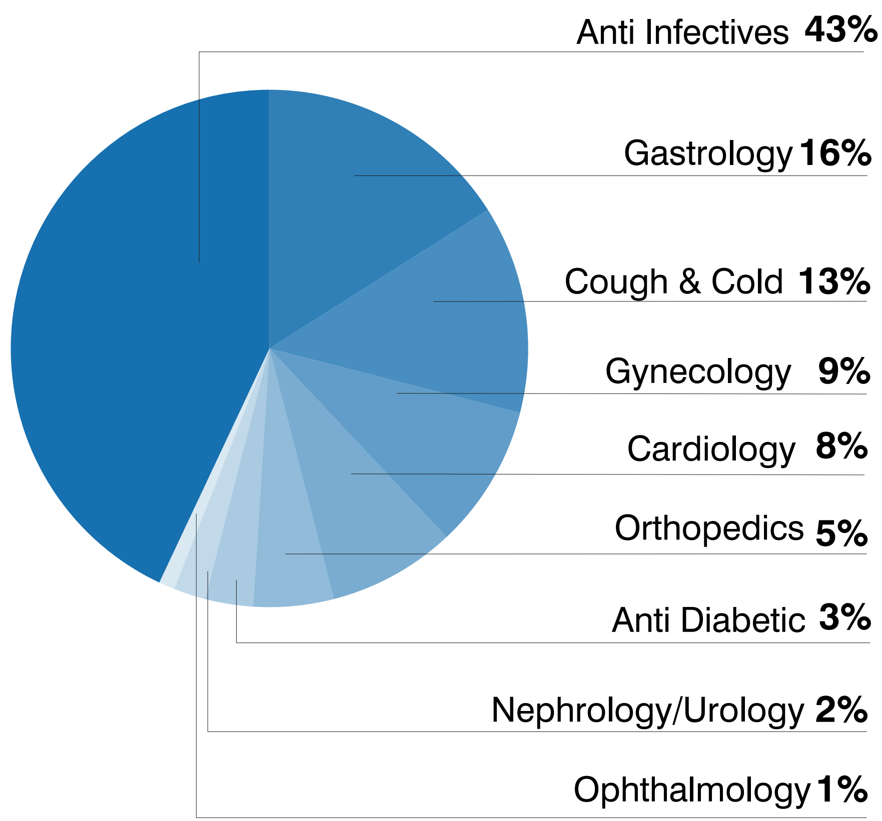
Revenue Overview

Sales Composition

2011 - 2012



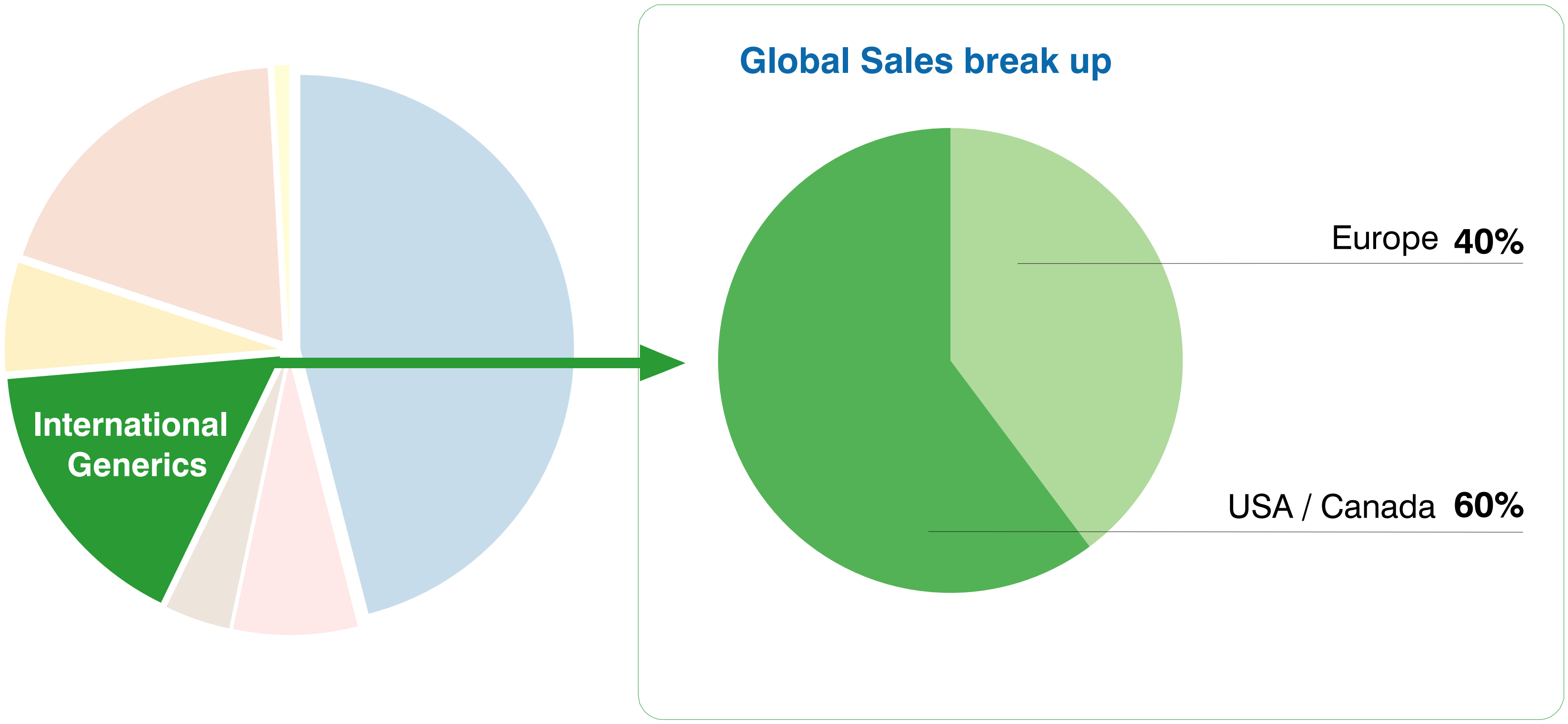
Therapy Based Sales Break up



Revenue Overview

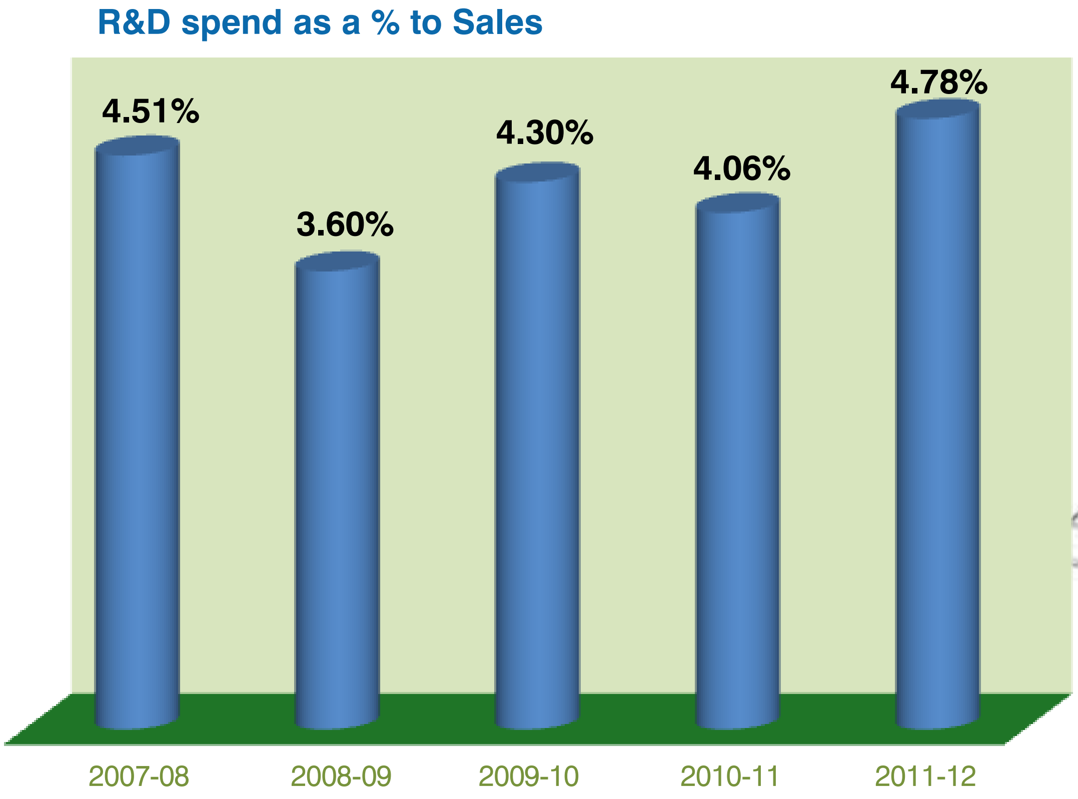
Sales Composition

2011- 2012

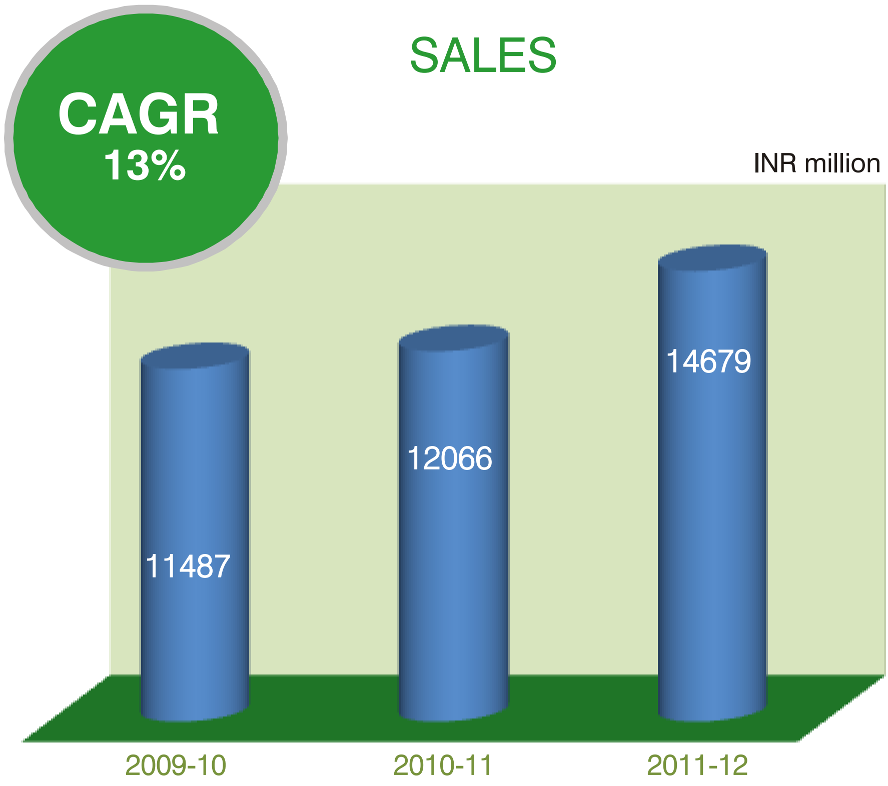


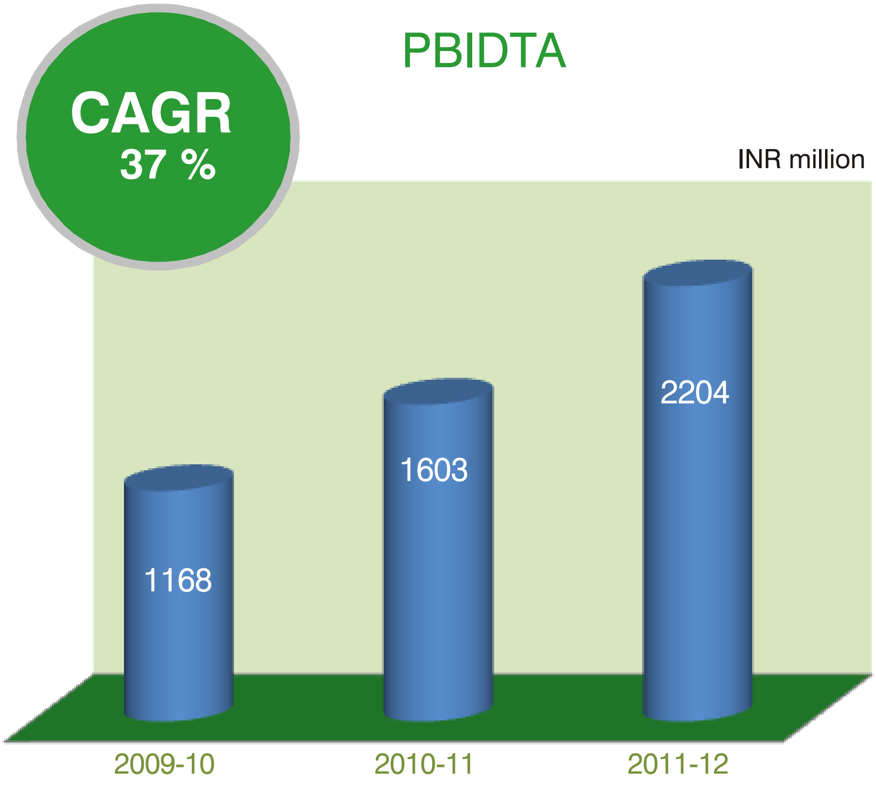
R & D Expense

Increased Thrust on Research to create Intellectual Property



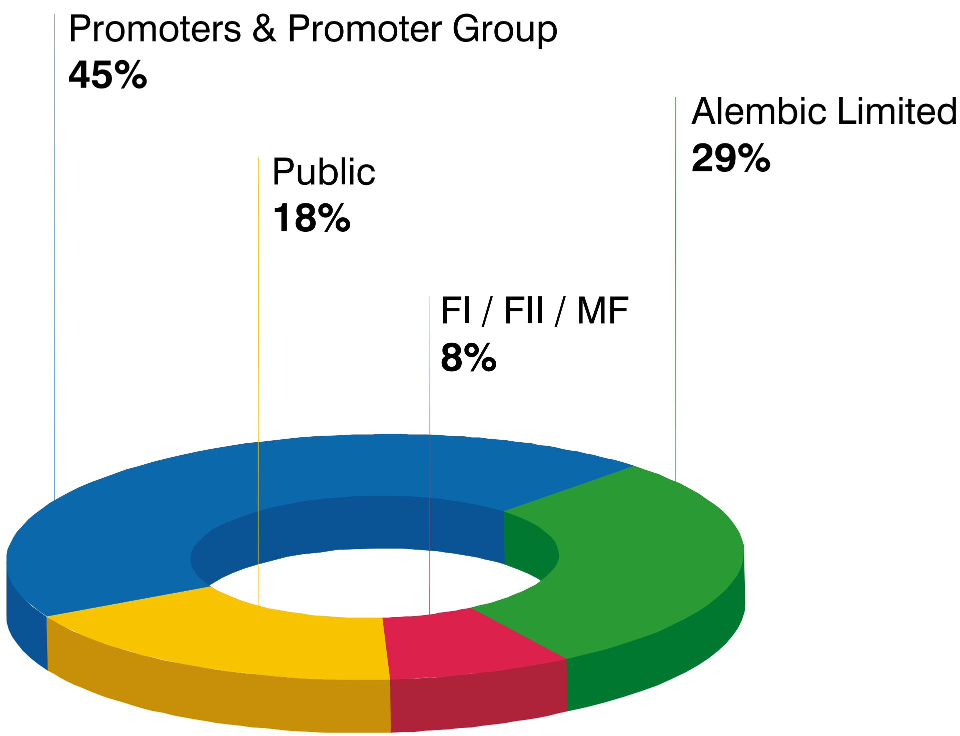
Financial Snapshot





Shareholding Pattern

Alembic Pharmaceuticals Limited



As on 30th September 2012

Total Paid up Capital
INR 377.03 million

Total No. of Shares
188.52 million

Total No. of Shareholders
50,378

Agenda

- The Alembic Journey
- Insight - Alembic Overview
- Insight - Strategic Advantage
- Growth Drivers
- Business Strategy and Approach
- Financials
- **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**
or feel free to contact

Mitanshu Shah
Tel.: 0265 - 300 7630 • Fax: 0265 - 228 2506
mitanshu.shah@alembic.co.in

Alembic Pharmaceuticals Limited

Alembic Road, Vadodara 390 003, India .Tel.: 0265 – 300 7000

Thank You