



LUPIN LIMITED

Investor Presentation – August 09, 2018

Q1 FY 2019

Safe Harbor 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 obtained 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; trends toward 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.

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Lupin - Awards and Accolades



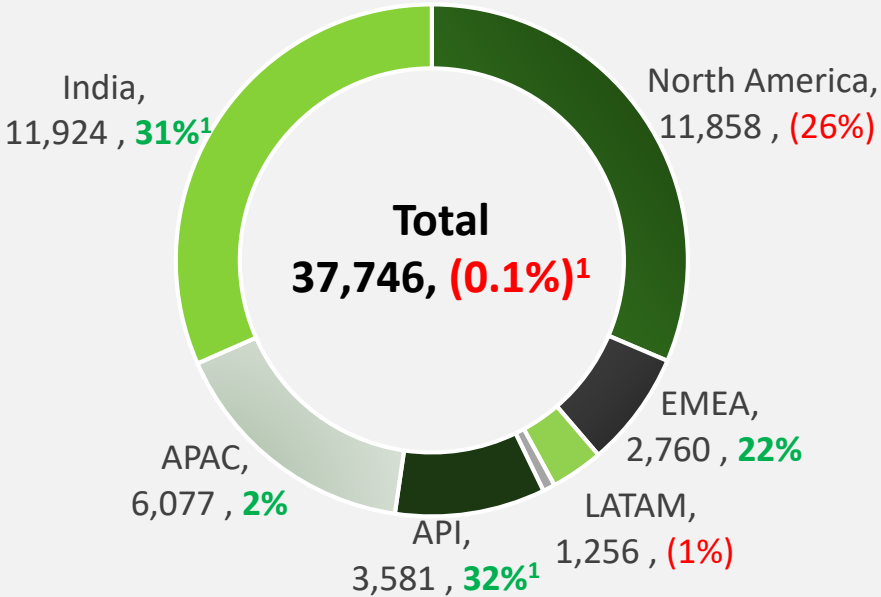
- **Dr. Desh Bandhu Gupta** inducted into the ‘Hall of Fame’, CNBC-TV18 - India Business Leader Awards 2018
- **Innovator Award** from BioNJ, New Jersey - 2018
- **Walmart Supplier of the Year Award** - 2018
- **India Pharma Bulk Drug Company of the Year** - 2018 - Department of Pharmaceuticals, Govt. of India
- **Cardinal Supply Chain Excellence Award** - 2018
- **“BEST Award”** from ATD – 2018
- Lupin ranked **No.1 in the Biotech and Pharma**, and **No. 4 amongst large organisations** in the list of top 100 – Great Place to Work 2017
- **Dun & Bradstreet Corporate Award** in the Pharmaceutical Sector - 2017
- **Ramesh Swaminathan: Best CFO - Best Inorganic Growth Strategy**, 2017 by BusinessWorld Best CFO Awards
- **Forbes Global 2000** (The World’s Biggest Public Companies), 2017



Q1FY19 Snapshot



Sales (INR mn, YoY growth)



Mr. Nilesh.D.Gupta
Managing Director
 Lupin Limited

“The first quarter of FY2019 has been subdued, primarily on account of the US and Japan. We have made meaningful progress in building our Complex Generics and Specialty business with the launch of Solosec™ in the US and our successful partnership to commercialize biosimilar Etanercept with Nichi-Iko for Japan and Mylan for Europe and other markets. We remain committed to accelerating new product introductions, evolving our business and delivering on operational and cost efficiencies”

Important developments

Regulatory

- Final Warning Letter response sent to USFDA
- Pithampur (Unit 2), Goa facilities cleared by Health Canada, UK-MHRA respectively

Pipeline

- Biosimilar Etanercept filed in EU and Japan
- FTF filing of our first DPI – gSpiriva in US

Commercial

- Etanercept commercialization agreements with Mylan, Nichi-Iko
- Solosec™ – Positive Initial feedback from prescribers/payers
- US Specialty head appointed
- Expanded partnership with Boehringer Ingelheim for 2 anti-diabetic drugs in India

EBITDA
 INR 7,112 mn



PAT
 INR 2,028 mn



Note: 1. Adjusted for excise duty growth

Two important milestones for Biosimilar Etanercept



New Partnership



- Commercialization agreement with Mylan for biosimilar Etanercept in Europe, Australia, New Zealand, Latin America, Africa and most markets throughout Asia
- To receive upfront, regulatory milestone and royalty payments from Mylan

New Partnership



- Commercialization agreement with Nichi-Iko for biosimilar Etanercept in Japan
- To receive upfront, regulatory milestone and royalty payments from Nichi-Iko

Our Strategic Vision: Well-Diversified Pharma business



Strong Foundation

Amongst the Top 10 generic companies in the World

Complex Generics Focus

Investing heavily in developing high barrier products

Specialty Focus

Committed to building a strong specialty business

Sustain and Grow

- Major revenue contributor currently
- Maximize on capability to maintain leadership in US Generics
- Continue growth in India and other emerging markets

Evolve portfolio

- Deliver on key complex generics, especially Inhalation and Injectables
- Continued filing of P4 and semi-exclusive generics
- Successfully file and commercialize biosimilars

Build

- Create a meaningful women's health franchise in US
- Neurology / CNS focus in other developed markets

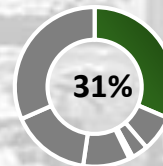


Q1FY19 Financial Results Review

P&L Highlights - Q1 FY19



Amount in INR mn	Q1 FY19	% of sales	Q4 FY18	% of sales	QoQ growth	Q1 FY18	% of sales	YoY growth
Net sales	37,746	100.0%	39,785	100.0%	(5.1%)	38,068	100.0%	(0.8%)
Other operating income	814		553			628		
Total revenue	38,560		40,338		(4.4%)	38,696		(0.4%)
Gross profit (excl. other operating income)	23,304	61.7%	26,159	65.8%	(10.9%)	25,742	67.6%	(9.5%)
EBITDA	7,112	18.8%	8,536	21.5%	(16.7%)	8,003	21.0%	(11.1%)
PBT (before Exceptional item)	3,835	10.2%	5,223	13.1%	(26.6%)	4,959	13.0%	(22.7%)
PBT (after Exceptional item)	3,835	10.2%	(9,421)	(23.7%)		4,959	13.0%	(22.7%)
Reported Net profit	2,028	5.4%	(7,835)	(19.7%)		3,581	9.4%	(43.4%)
Net Profit before exceptional items	2,028	5.4%	3,586	9.0%	(43.4%)	3,581	9.4%	(43.4%)

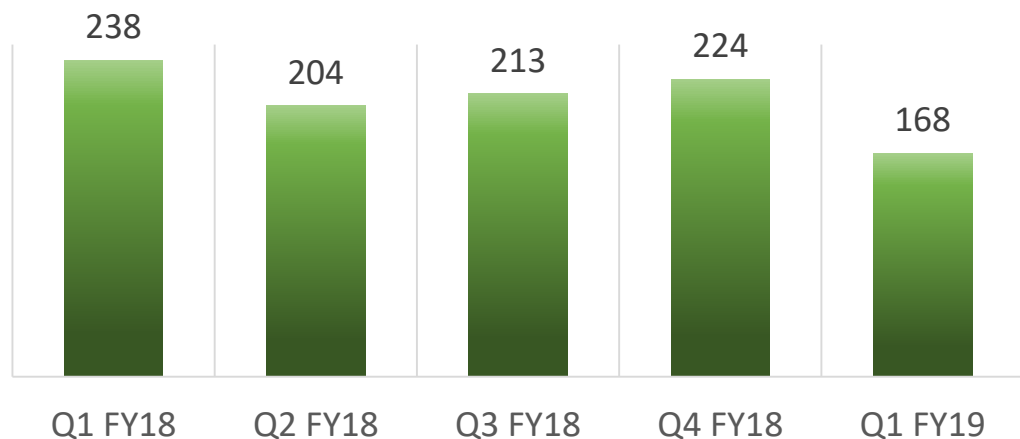


Q1FY19	
YoY	QoQ
↓ 26%	↓ 21%

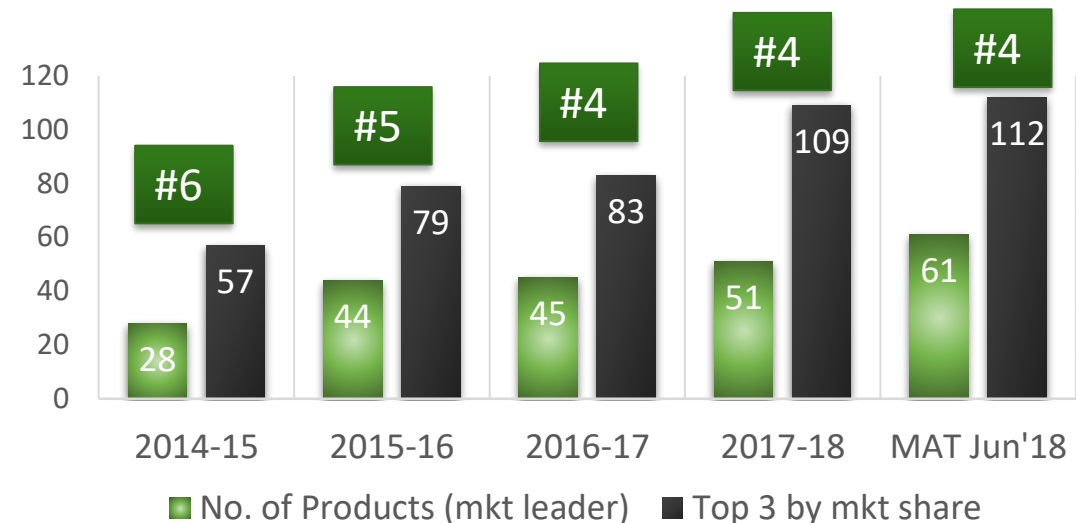


Subdued revenue performance

US quarterly sales (\$ mn)



Lupin consolidating its position in US¹



US portfolio progressing

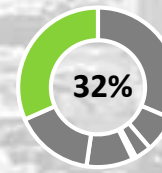
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No of filings
(during the quarter)

160
Products marketed
(cumulative)

162
Filings pending approval
(cumulative)

- Subdued performance owing to seasonality effect, generic competition in Methergine and lower Metformin sales on losing certain formulary access
- Solosec™ - Initial feedback from prescribers and payers is positive and the formulary coverage is progressing well
- 38 FTF's incl. 16 exclusive awaiting approval

Note:
1. IQVIA MAT Jun-18

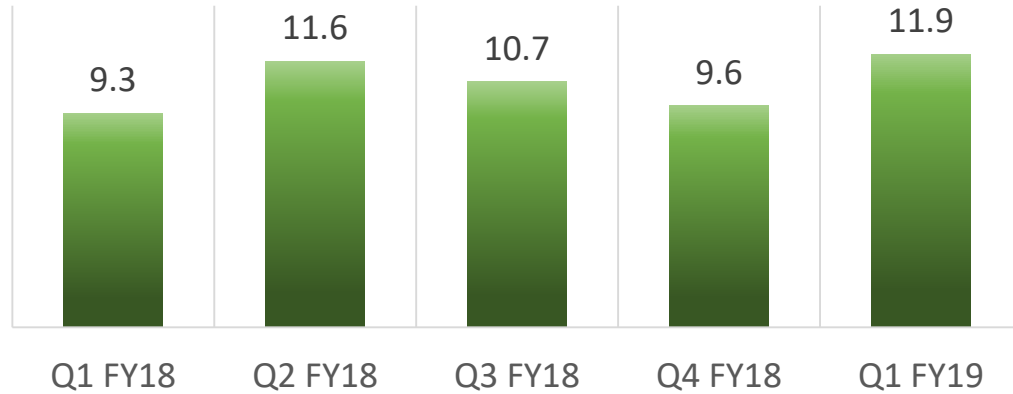


Q1FY19	
YoY	QoQ
↑ 31% ²	↑ 24%



Robust 31% YoY growth on favorable base¹

India quarterly Sales (INR bn)



Healthy growth seen across therapy groups

Therapy	Q1 FY19 Growth ²		Lupin Rank ²	
	Market	Lupin	MAT Jun-14	MAT Jun-18
Acute	10	6	14	11
Chronic	12	18	5	4
Cardiac	10	16	3	3
Anti-diabetics	14	25	7	4
Respiratory	15	15	5	2

Strong portfolio

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Brands in top 300 in Q1FY19
(IQVIA Apr-Jun'18)

84%

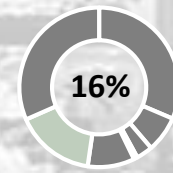
Chronic + Semi Chronic contribution
(IQVIA MAT Jun-18)

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SKU's launched
(during the quarter)

- **5th** rank in the IPM¹ (6th in Q1FY18)
- Ranked #1 amongst **new introductions**²
- Expanded partnership with Boehringer Ingelheim to market two oral anti—diabetic drugs **Gibtulio Met[®]** (Empagliflozin + Metformin) and **Ajado[®]** (Empagliflozin + Linagliptin)
- **>6,900** field force strength

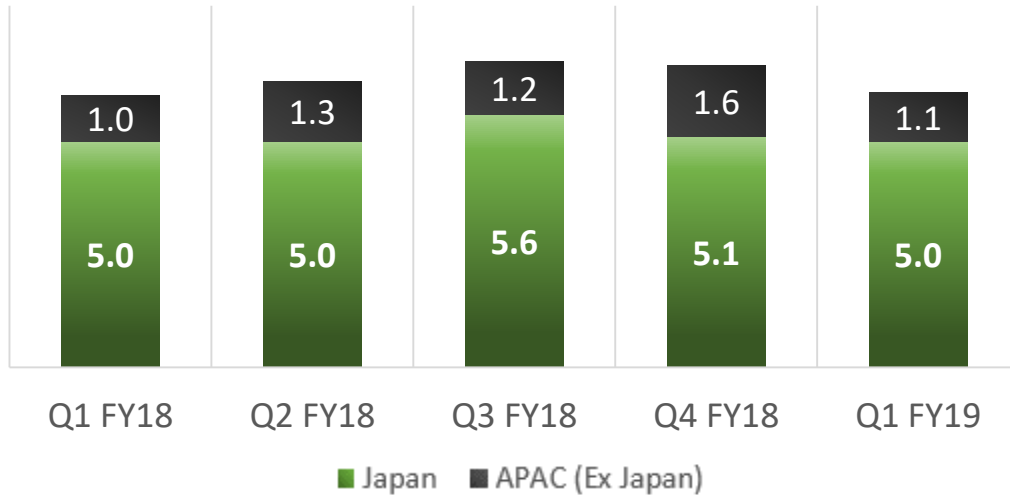
Note:
1. Adjusted for excise duty 2. As per IQVIA



Q1FY19	
YoY	QoQ
↑ 2%	↓ 8%

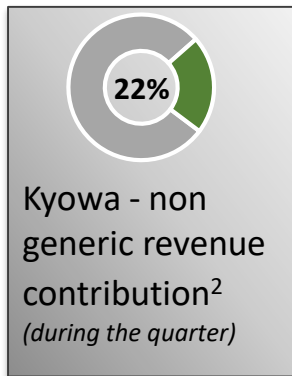


APAC sales evolution (INR bn)



Japan business snapshot

6th
Largest generic pharma company in Japan¹



5%
decline in cc revenues (during the quarter)

Performance highlights

Japan

- Biennial pricing cuts impacted Japan pharma market growth

Philippines

- Ranked 5th branded Gx player¹
- Growth of 12%¹ against industry growth of 10%¹

Australia

- Moved up to become the 4th largest Gx player¹

Other markets

Developed

EU5

- Germany: EUR 7.5 mn sales in Q1FY19; up 12% YoY
- ARV's, Women's Health and CNS are the key focus therapeutic segments
- Filed Namuscla (Mexiletine), orphan drug for movement disorder

Emerging markets

South Africa

- 4th largest generics player & #3 generic company by prescriptions
- Q1FY19 revenues grew 25% YoY to ZAR 261 mn
- Market leader in CVS space

Brazil

- BRL 25 mn sales in Q1FY19; down 31% YoY on weak offtake
- Making inroads into niche cosmeceutical segment

Mexico

- MXN 159 mn sales in Q1FY19: up 7% YoY led by steady market share gains
- Grin is #4 ophthalmic player

API + Global Institutional

- Q1FY19 revenues grew 32%¹ YoY
- Leadership in TB institutional business

Note:

1. Adjusted for excise duty

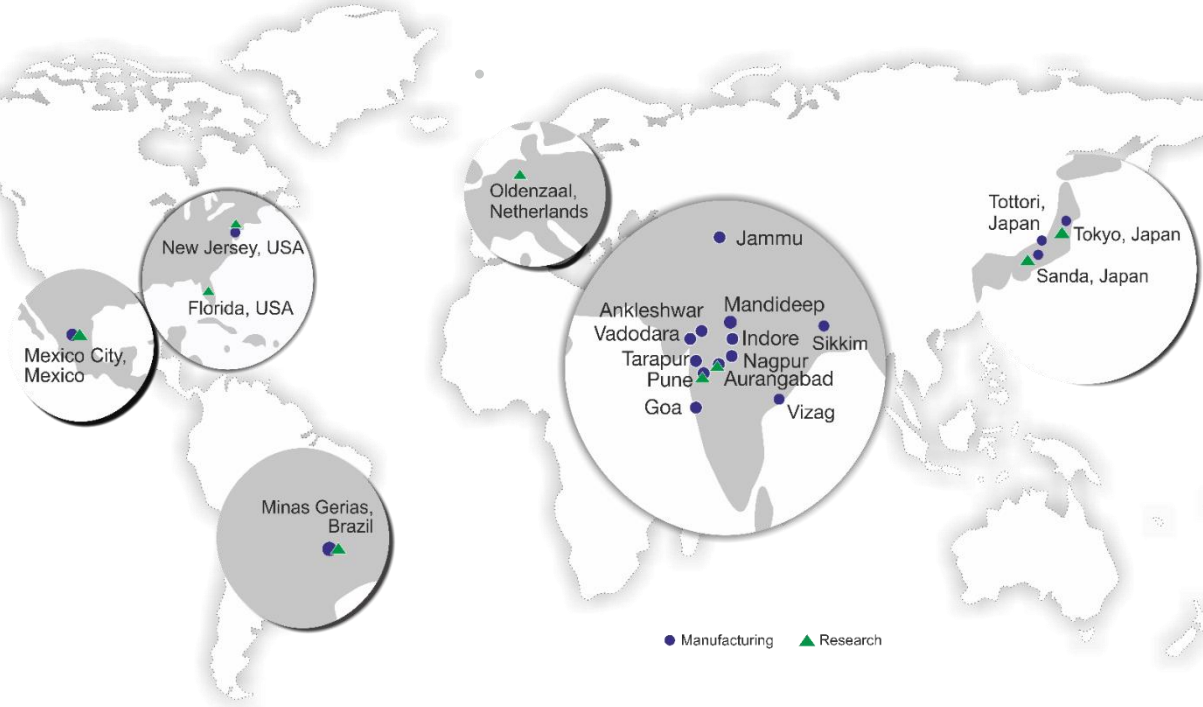
Manufacturing and R&D - Diverse Global Network



Global Commercial Presence		
100	25	9
Countries where products are sold	Countries with marketing offices	Countries with subsidiaries



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Manufacturing Sites
<ul style="list-style-type: none"> • 8 USFDA approved sites • 12 USFDA inspections in FY18 • Range of capabilities from API to formulations including oral solids, topicals, ophthalmics, injectables



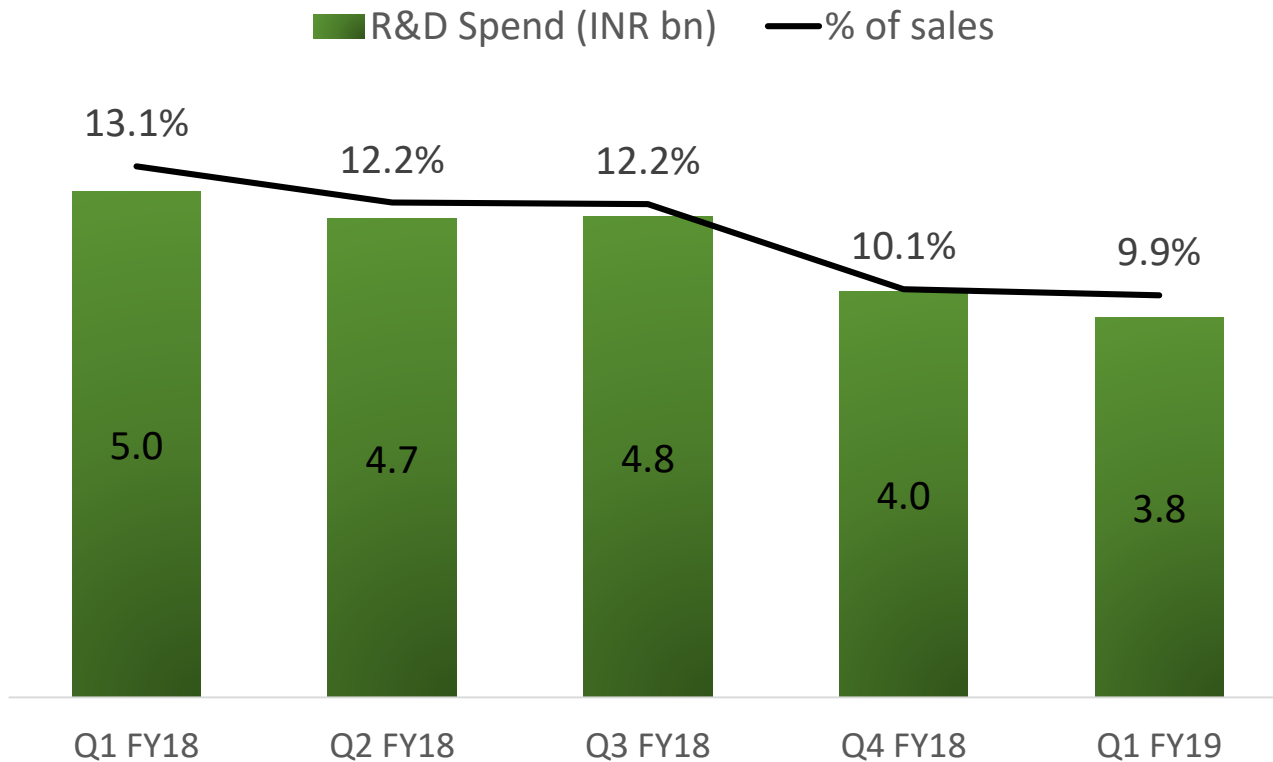
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R&D Sites
<ul style="list-style-type: none"> • 402 US ANDAs; 235 approved • 38 pending US First to Files • >3,000 patents filed globally • >1,700 scientists at Global locations

Continued investments in growth initiatives

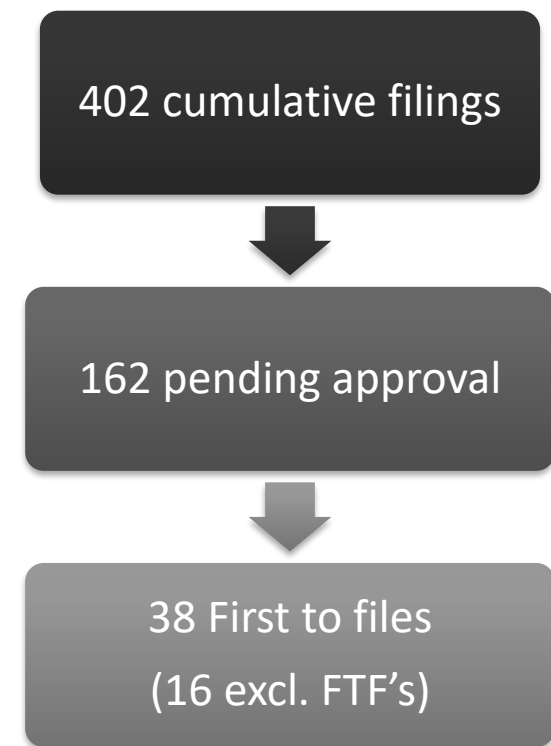


Invested INR 3.8 bn or 9.9% of sales on R&D in Q1FY19 at 9 R&D sites globally

Optimizing R&D spend



US Pipeline





Thank You