



Lupin Limited Corporate Presentation

May 2009



LUPIN

Corporate Highlights



- Eleventh successive quarter of growth in sales and profits.
- Growth has been secular across SBUs and regions
- Particularly strong in US, EU, Japan and India
- Year of geographical expansion: Acquisitions in Germany, South Africa, Australia and Philippines. Strategic beach heads at a prudential cost...
- VRS at Aurangabad sets the tone for cost reduction endeavours
- Creates momentum for our vision of being a significant world player over the next few years!!!
- Prudential strategies employed in
 - Optimizing Working Capital
 - Managing Leverage
 - Acquisitions

Financial Trend....



Rs. In Crores

Particulars	FY 05	FY 06	FY 07	FY 08	FY 09	CAGR	Growth Y-o-Y
Sales	1,312	1,750	2,072	2,773	3,824	31%	38%
EBIDTA	157	298	377	644	744	48%	40%
PAT	92	173	220	408	502	53%	50%
Net Profit Margin	7%	10%	11%	12%	13%		

Note: EBITDA and Net Profit for the Year FY 07 and FY 08 have been adjusted for I.P. Income.

Q4 09 vs Q4 08 & FY 09 vs FY 08



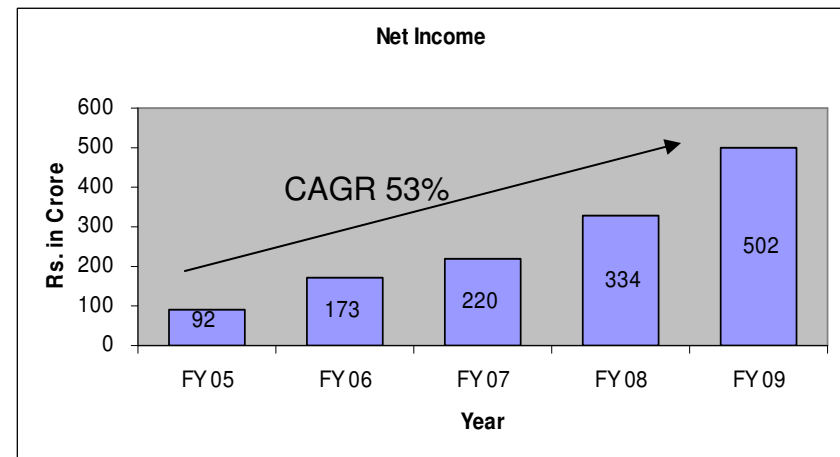
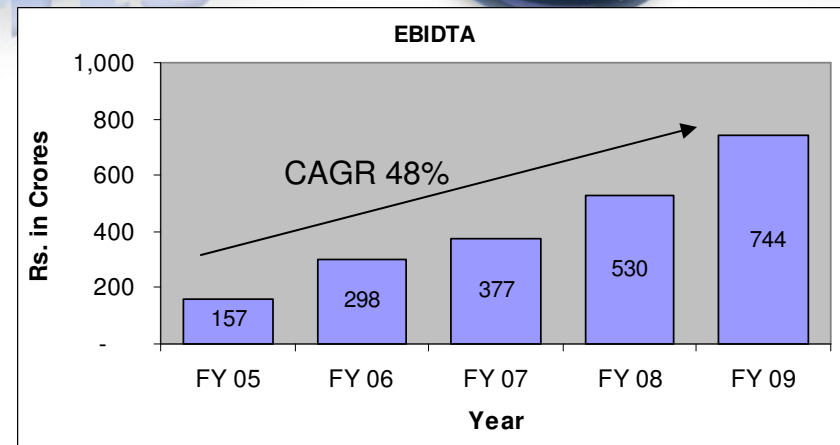
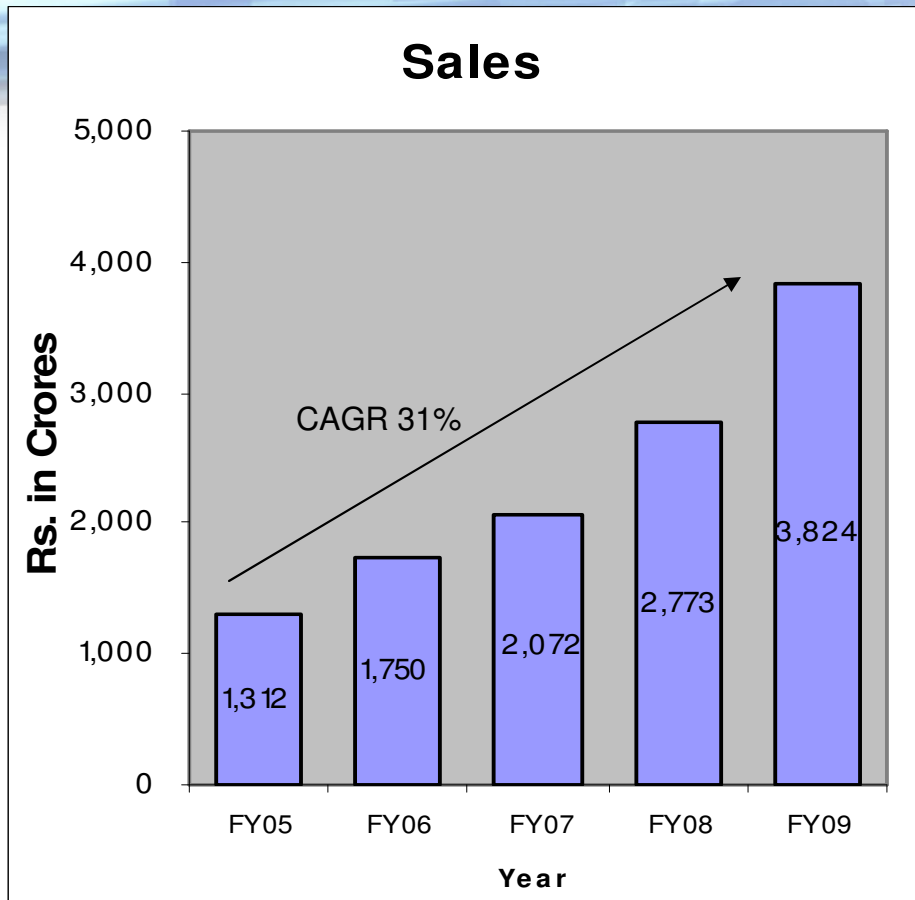
Rs. In Crores

Particulars	Q4 2009	Q4 2008	Growth	FY 2009	FY 2008	Growth
Sales	1,050	768	36.7%	3,824	2773	37.9%
EBIDTA (Incl. IP)	215	152	40.9%	744	642	15.8%
EBIDTA	215	152	40.9%	744	530	40.4%
EBIDTA Margins	20.5%	19.8%		19.5%	19.1%	
PAT (Incl. IP)	157	96	63.5%	502	408	22.8%
PAT	157	96	63.5%	502	334	50.1%
PAT %	15.0%	12.5%		13.1%	12.0%	

Note: EBITDA and Net Profit for the Year FY 08 has been adjusted for I.P. Income.

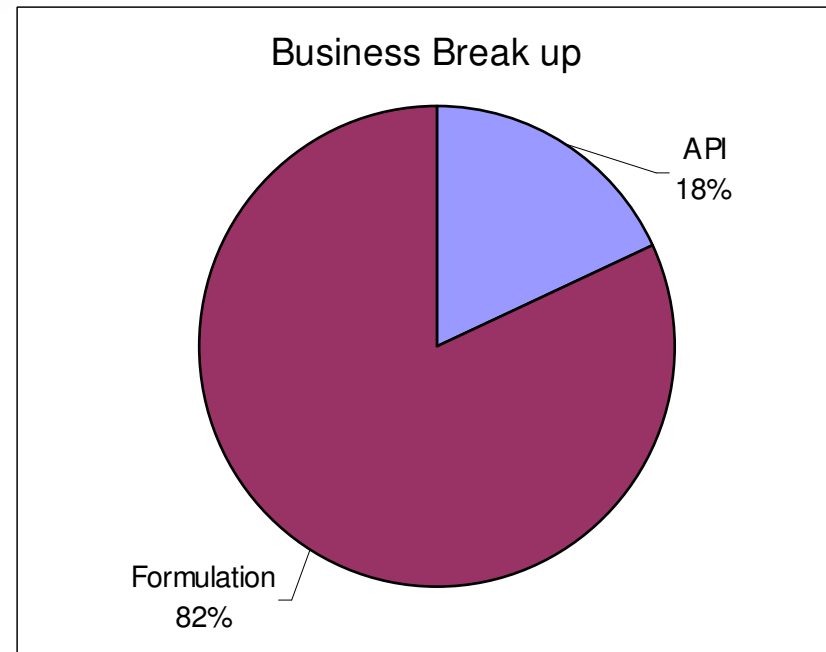
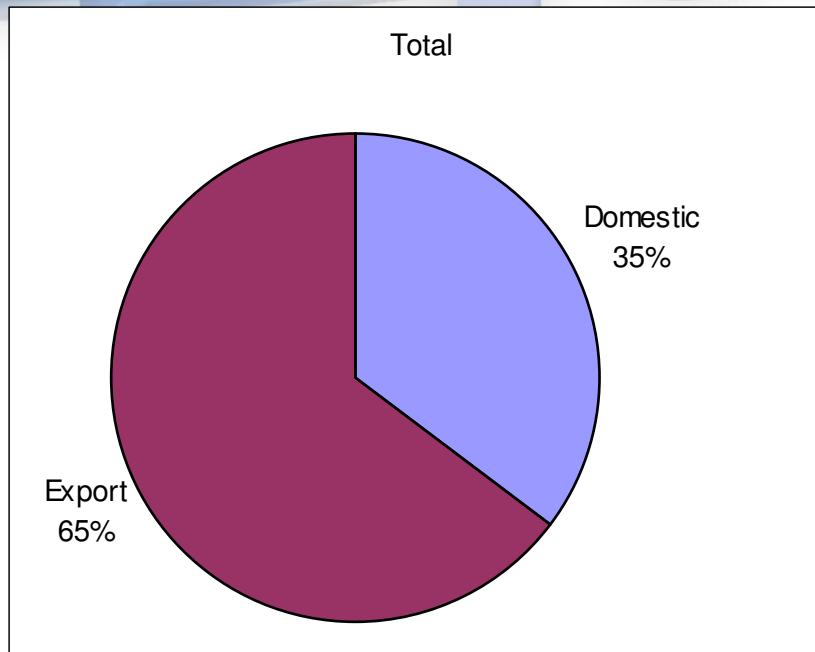
FY 2009 includes VRS amounts written off : Rs. 32 Crores

Financial Trend....



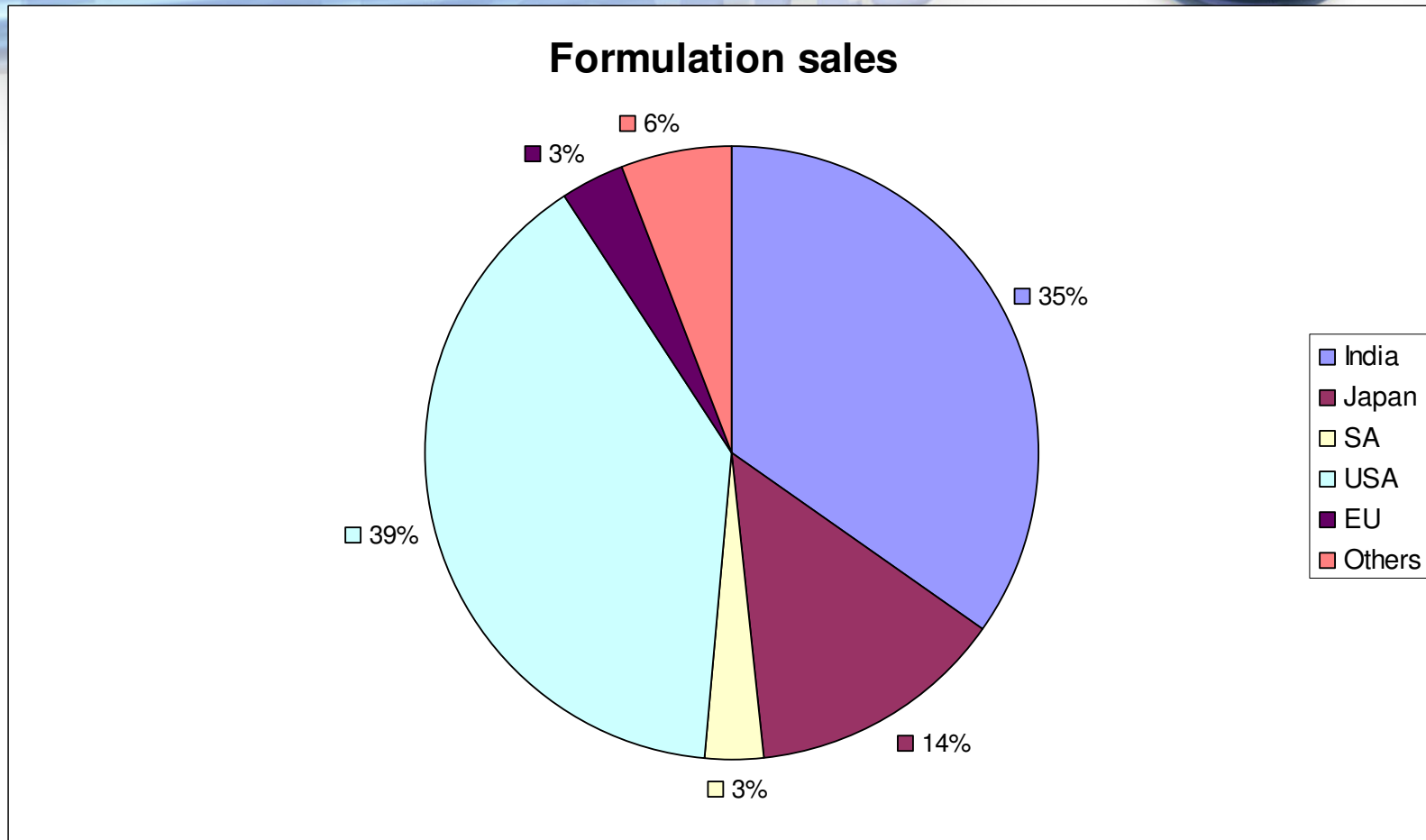
Note: EBITDA & PAT have been adjusted for I.P. income for the year 2006-07 and 2007-08.

Business Break up



Export business increasing over the last 5 years. From 51% IN FY 05 to 65% in CY.
Value adding Formulations. From 45% in FY 05 to 82% in CY.

Market Diversification- Formulations





Business Update

USA

Market Characteristics

- Largest Pharma market in the world. Generic Pharma market estimated at \$ 48 billion (Dec '08).

Operations

Branded

- Suprax Continues to reflect Strong Growth;
 - Value growth robust - over 60%.
 - Continued life cycle management of the brand – Launched Suprax Tablets in April 2008
- Aerochamber launched in the second quarter.

Generics

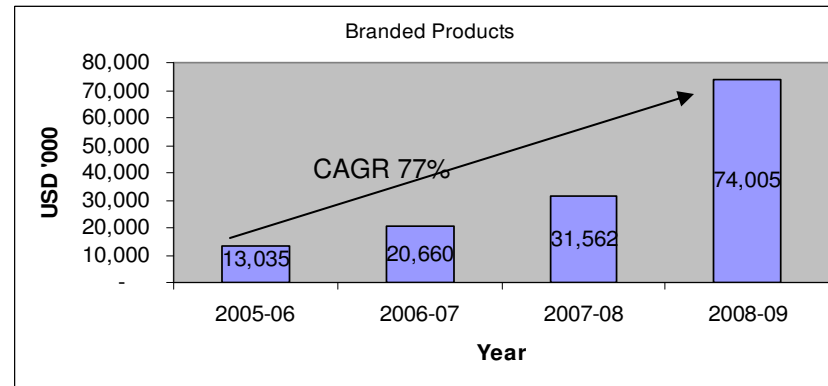
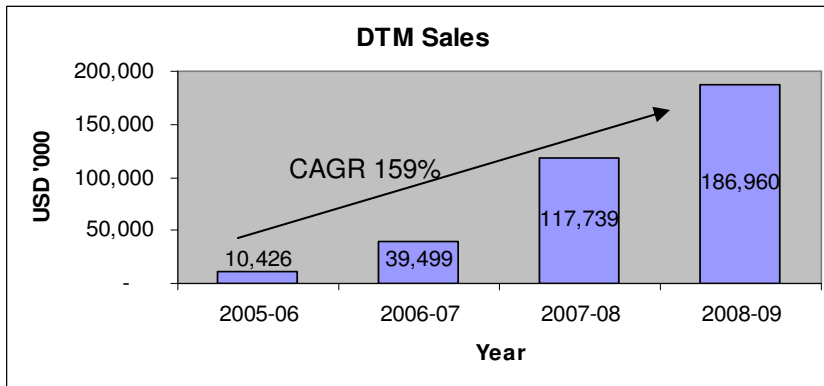
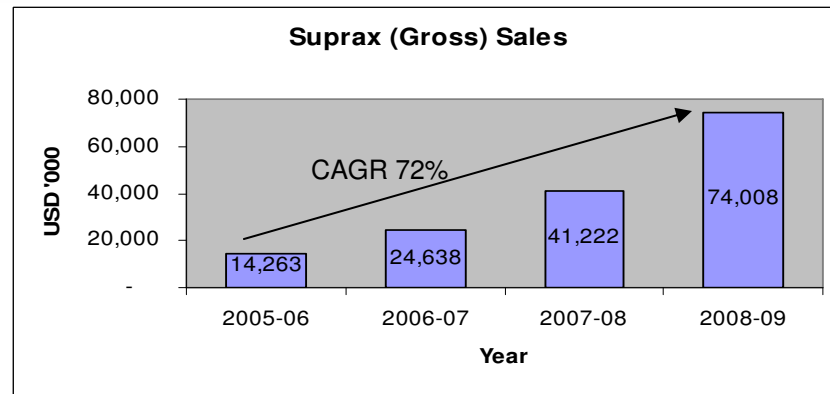
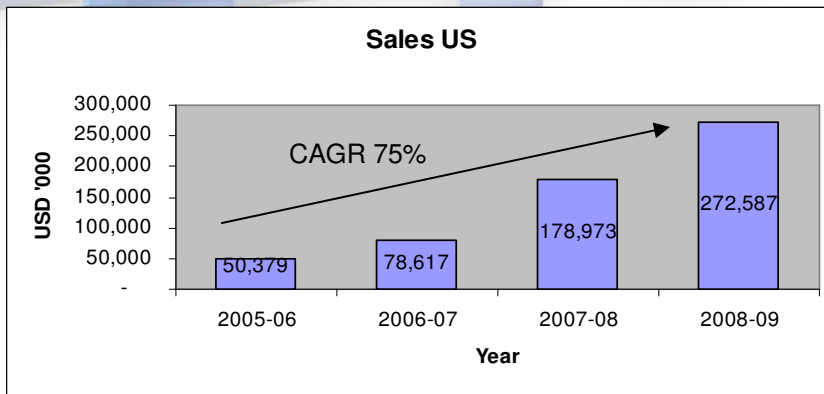
- Ramipril patent successfully invalidated.
- Ramipril, Divaloprex & Levetiracetam launched in FY 09
- Leading Market Share
 - Market leader in 8 products of the 21 products launched
 - Among top 3 in Market Share in 17 of the products.
- 90ANDA's filed; 32 approved to date
- No. of ANDAs filed in the current year: 28
- Emphasis on difficult to make products.
- Supplier award for excellence – Walmart

Highlights :

- Per product revenues amongst Indian peers is the highest.
- 9th largest prescription base amongst generic companies operating in the US. Highest amongst Indian Peers



Sales Growth US





JAPAN

Market Characteristics :

- Japan Pharma Market – \$65 bn , Generics – 5% by value

Operations:

- First full year of operations after being acquired as 100% subsidiary.
- Sales force of 55 salesman focusing on CNS, CVS, GI.
- Turnover over USD 95 Million – 21% growth yoy. Market growth 13%.
- Our early entry into Japan stand vindicated – market at inflection point
- Profit enhancement measures to yield greater results in the days to come

Highlights:

- Seventh largest company in Generic space in Japan
 - Launched 10 products: Market leader in Risperidone in terms of no. of units. Significant player in Amlodipine.
 - Gross Margin up by 5%
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EUROPE

Market Characteristics

- Heterogeneous market

Operations

- Cefpodoxime Proxetil - France
 - Over 60% market share through partners
 - Cefpodoxime Proxetil France Suspension launched in Q3
- Lisinopril
 - Launched in UK; Secured 15% market share
- Acquired Hormosan in the second quarter.
 - Back ending production would enhance profitability
- Total Filings in EU : 54

Highlights:

- Success in the AOK bids in Germany for Setraline.
-



AUSTRALIA

Market Characteristics:

- Market for generics and branded generics – A\$ 3 bn

Operations:

- Generic Health - Strategic Equity Participation
 - Among the top 10 generic companies in Australia
 - Significant minority stake acquired
 - Healthy pipeline of filings
 - Participatory market size – A\$ 850m
- Revenues commenced from Max Pharma (sale of 6 products currently.)
- Total Filings in Australia/NZ: 24

Highlights:

- Evaluating options for challenging IPs in Australia.
 - In Licensing four molecules from Actavis.
-



SOUTH AFRICA

Market Characteristics :

- South African Pharma market - \$ 2.5bn, Generics – 33% by value

Operations:

- Acquisition of majority stake in Pharma Dynamics
 - Sixth largest generic company in the South African Pharma Market
 - Leading presence in CVS
 - Total submissions: 20
- Alliance with Aspen – the largest generic company in RSA continues

Highlights:

- Amongst the fastest growing company among generics (5 year CAGR over 30%)
 - Last Year Growth 38%
 - Leaders in Amlodipine and Bilacor by unit sales.
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INDIA - IRF



Market Characteristics:

- Size of Indian Pharma Market : USD 10 Billion. The market is fragmented in nature.

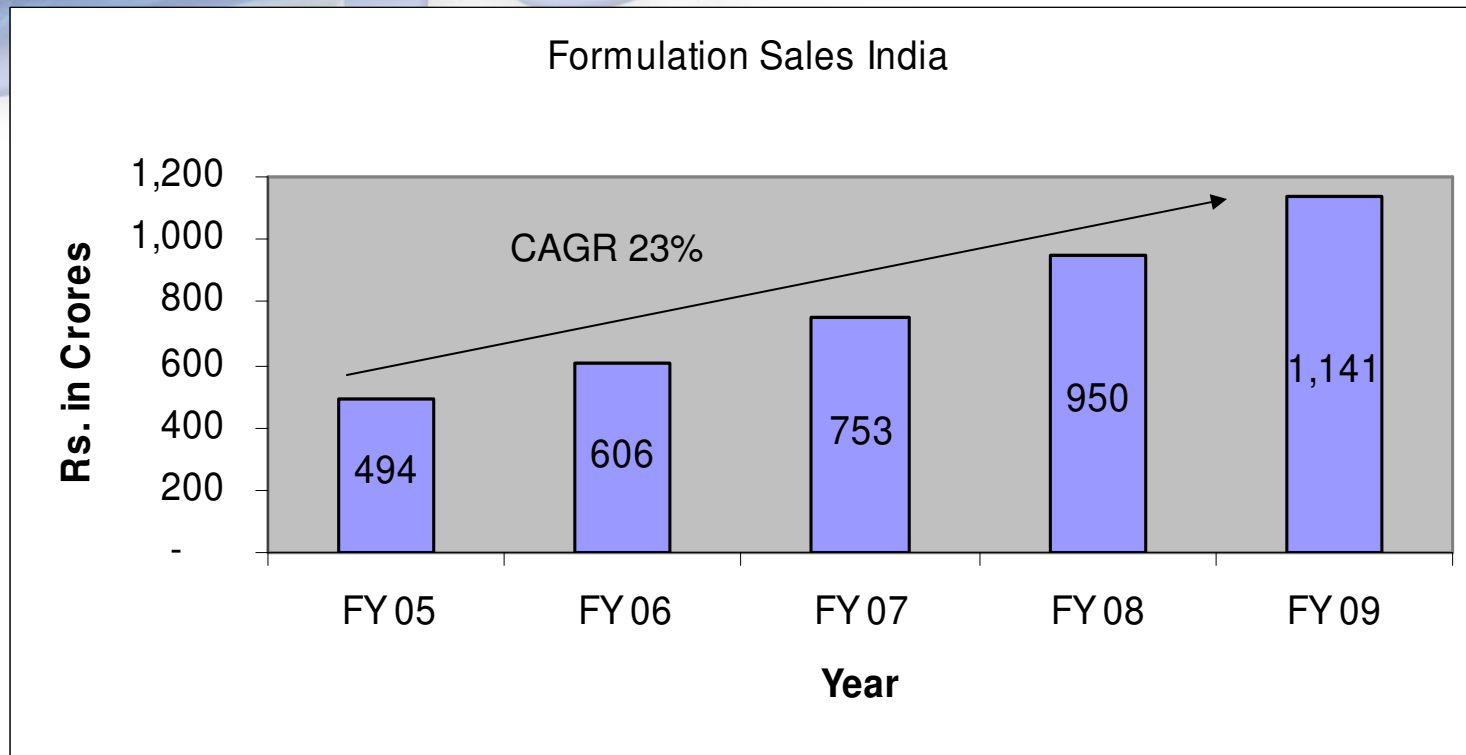
Operations:

- Continue to be the fastest growing Pharma company in the domestic space. Growing at twice the industry average at 21%
- Field expansion accompanied by productivity increase, currently stands at 2944.
- 54 new products were introduced in the year 08-09 of which
 - 6 are In-licensed from within and outside India
 - 3 products were introduced for the first time in the country
 - The growth rate in some of the major therapeutic segment viz. Cardiology, Diabetology, Anti Asthma, Anti-Infective are the best in industry
 - Cardiology : > 30%↑, Diabetology : > 60%↑, Asthma: Increased Market Share from 10% to 16%
 - New Therapy areas to further propel growth : Bio Similar, Female Health
- Launched a new marketing division called “Femina”

Highlights:

- Continued strong growth leads to 5th Rank (MAT IMS Mar 09) from 6th rank in previous year.
 - Exclusive Collaboration with
 - American Institute of Cardiology
 - Joslin Institute of Diabetology at Massachusetts
 - European Institute of Neurology
 - In licensed 12 products till date
-

Sales Growth India



Net Sales for Domestic Formulation grew at 24.6% from Rs.8487 million in FY 07-08 to Rs. 10575 million in FY 08-09



Other Emerging Markets

CIS

- Actual Turnover for the last fiscal up by 33%
 - Steady increase in product registrations
 - Expanding Field Force –
 - Russia, Ukraine, Azerbaijan, Kazakhstan, Uzbekistan
 - Increased market penetration
 - Focus on building brands
 - Increased product registration to enhance volumes in the next few quarters.
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API & Intermediates

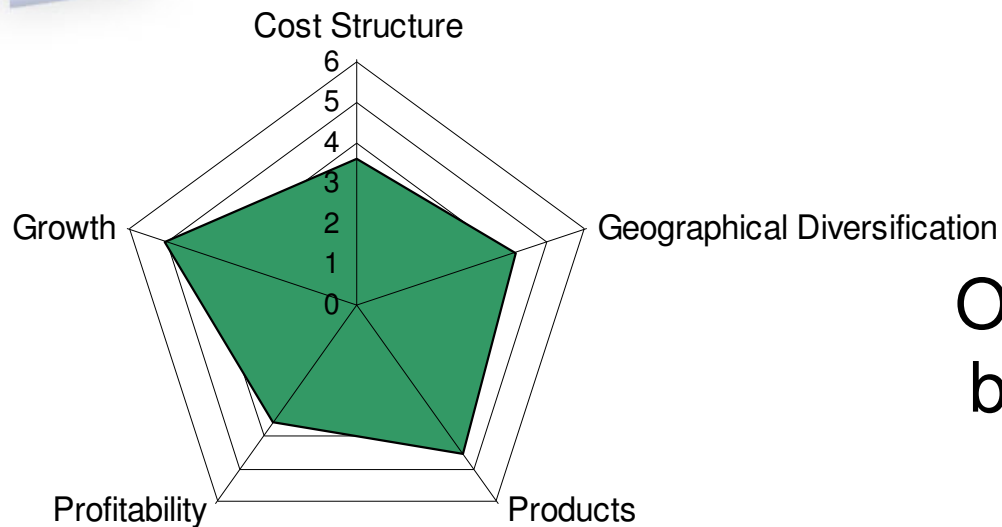


- **Global Leadership** in chosen therapies
 - One of the most profitable API business in Indian Pharma
 - Robust operating performance
 - **ROCE comparable** to the **best** in the segment at **33%**
 - Efforts on to widen therapeutic presence
 - **Novodigm** provides a step up to the **CRAMS** initiatives
 - Focus on **Cost & Quality Leadership** and Reliability
 - Effective asset utilization
 - Strategic input to formulations business with over 70% backward integration
 - Steady **increase in filing** of DMFs/ EDMFs/ CoS
-



The Way Ahead...

Where do we stand today...



Our internal benchmarks on

- Cost
- Growth
- Profitability
- Products pipeline
- Geographical spread



Our framework for growth

Focus on market share

R&D/ Technology

Generics pipeline

Brand Building

Prudential Financial strategies

People

R & D:

- Over 500 scientists on our payroll
- Expenditure : Rs 2318 Mn – 6 % of sales



Country	Total submissions	Approvals
US	90	34
EU	54	22
Australia/ NZ	24	18

NCE Program:

- In Clinical trials – anti migraine, anti psoriasis and anti TB.
- Pre Clinical Programs
 - Metabolic Disorders
 - Inflammation
 - CNS
- Necessary infrastructure is being strengthened & skill set enhanced
 - HTS, SMPM, Electro-physiology

US Generic Pipeline



- 90 products filed, 32 approved. Market size USD 90 Billion.
 - Para IV addressing market size of USD 30 Billion
 - F2F:
 - Desloratadine, Memantine, Duloxetine, Eszopiclone, Ziprasidone and Pregablin
 - With Natco: Lanthanum Carbonate
 - Potential Exclusive : Metformin (Fortamet), Fenofibrate (Antara)
 - Differentiated/Difficult products
 - Oral Contraceptives – 7 filed, 14 more to be filed
 - Niche Products : Niacin XR (Niaspan) – second filter after Barr,
 - Products with technology barriers: Fenofibrate(Tricor), Sevelamer
 - Liquids – 2 filed
-

Status Update on FDA inspection of Mandideep facilities



- Warning letter received
- No new issues raised
- Letter seeks additional documentation on few select observations
- No product recall for quality or safety
- Lupin's manufacturing remains un-interrupted
- Supplies continue as usual
- Confident of satisfying FDA's concerns



Thank You



BACKUP

Growth & Sustainability



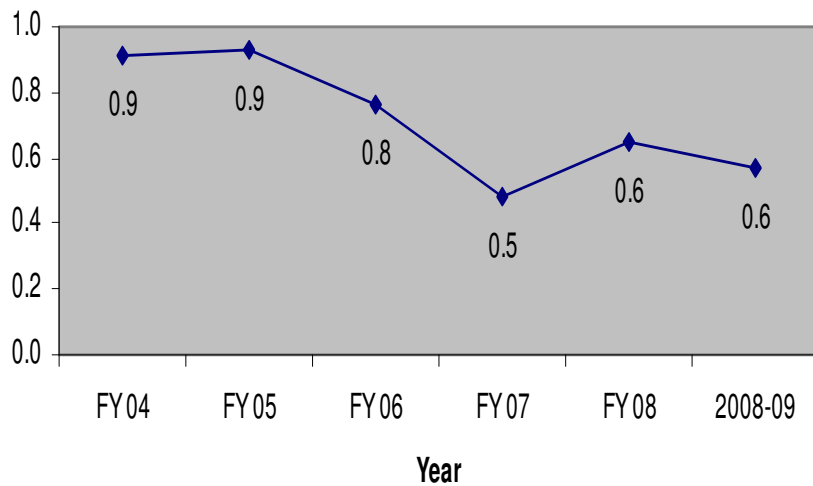
- Powerful achievements strong indicator for future growth.
- We have surpassed analyst expectation

Particulars	Turnover	PAT
Kotak	3628	435
IDFC SSKI	3702	453
UBS	3815	462
Goldman Sachs	3849	430

Balance Sheet issues



Debt Equity Ratio (Excl. FCCB)



Working Capital Turnover Ratio

