

# Alembic Pharmaceuticals Limited

Investors Update Q4 FY13

# 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.

# Financial Highlights – Q4 FY13



## Financial & Operating Result

Rs in lacs

Particulars	Q4 FY13	Q4 FY12	% Growth
<b>Income from Operations</b>	<b>37,808</b>	<b>34,234</b>	<b>10%</b>
Total Expenditure	31,250	30,149	-
<b>EBDITA</b>	<b>6,558</b>	<b>4,084</b>	<b>61%</b>
Other Income	7	40	-
<b>EBDITA including Other Income</b>	<b>6,565</b>	<b>4,125</b>	<b>59%</b>
Depreciation	864	892	-
Interest (Net)	183	538	-
<b>PBT</b>	<b>5,518</b>	<b>2,694</b>	<b>105%</b>
Tax Expenses (Net)	1,153	663	-
<b>PAT</b>	<b>4,365</b>	<b>2,031</b>	<b>115%</b>

## Financial & Operating Result

Rs in lacs

Particulars	2012-13	2011-12	% Growth
<b>Income from Operations</b>	<b>152,034</b>	<b>146,541</b>	<b>4%</b>
Total Expenditure	126,838	124,597	-
<b>EBDITA</b>	<b>25,196</b>	<b>21,943</b>	<b>15%</b>
Other Income	393	142	-
<b>EBDITA including Other Income</b>	<b>25,589</b>	<b>22,086</b>	<b>16%</b>
Depreciation	3,497	3,365	-
Interest (Net)	1,457	2,621	-
<b>PBT</b>	<b>20,635</b>	<b>16,099</b>	<b>28%</b>
Tax Expenses (Net)	4,110	3,085	-
<b>PAT</b>	<b>16,525</b>	<b>13,014</b>	<b>27%</b>

# Financial Highlights – Q4 FY13



## Total Revenue

Rs in lacs

Particulars	Q4 FY13	Q4 FY12	% Change
<b>Formulation</b>			
Domestic	20,752	18,447	12%
International Branded	1,286	1,774	-28%
International Generics	7,766	5,037	54%
<b>API</b>			
Domestic	2,501	1,921	30%
International	5,366	6,814	-21%
Export Incentives	165	237	
<b>Total</b>	<b>37,836</b>	<b>34,230</b>	<b>11%</b>

## Total Revenue

Rs in lacs

Particulars	2012-13	2011-12	% Change
<b>Formulation</b>			
Domestic	88,627	78,261	13%
International Branded	4,412	5,670	-22%
International Generics	23,577	24,180	-2%
<b>API</b>			
Domestic	11,382	9,424	21%
International	23,674	27,922	-15%
Export Incentives	928	1,332	
<b>Total</b>	<b>152,600</b>	<b>146,789</b>	<b>4%</b>

# Highlights – Q4 / YTD FY13



- Net sales up 11% at Rs 378.36 crores against Rs. 342.30 crores in corresponding quarter last year
- Domestic formulations sales up by 12% for the quarter at Rs. 207.52 crores against Rs. 184.47 crores in corresponding quarter last year
- EBITDA at 17% of Rs. 65.58 crores for the quarter against 13% at Rs. 40.84 crores
- Profit before tax up by 105% at Rs 55.18 crores against Rs. 26.94 crores in corresponding quarter last year
- Net profit after tax up by 115% for the quarter at Rs. 43.65 crores vis-à-vis Rs. 20.31 crores in P.Y.
- Company declared dividend on equity shares at Rs 2.50 per share i.e. 125% for 12-13 (P.Y. Rs.1.40 per share i.e. 70%)
- Debt equity ratio improved to 0.33 in March 13 v/s 0.90 in March 12
- Two ANDA filing during the quarter. Cumulative filing of ANDA and NDA stands at 57. Cumulative approvals of ANDA at 24

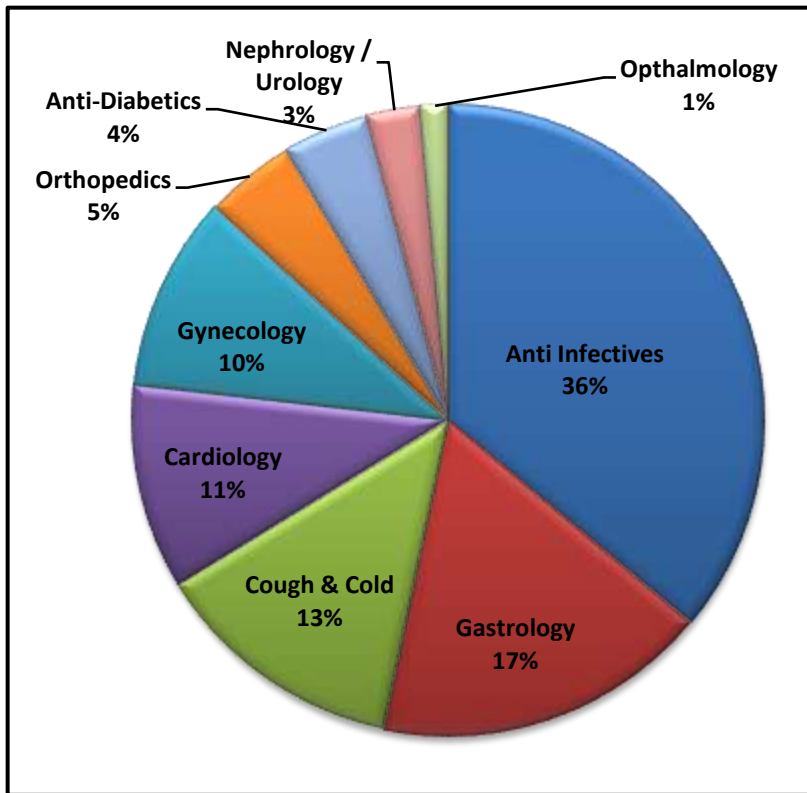
## Domestic Formulation Business

- Domestic formulations sales up by 12% for the quarter at Rs. 207.52 crores against Rs. 184.47 crores in corresponding quarter last year. The industry growth rate has come down from 15-16% to 11% in recent months.
- Growth of 31% in Specialty business in various therapies like Gastro with 25% growth, Cardio 42% growth, Anti Diabetic 40% growth, Nephrology/ Urology 63% growth, Ophthalmology 48% growth, Anti Infective & Cold & Cough with 3% growth
- Future Investments in newer specialty segments like Gastroenterology, Cardiology, Gynaecology, Ophthalmic, Anti-Diabetic, Nephrology, Dermatology and others
- Launch of Dermatology division during the year with 8 products will further add to the basket of specialty products and growth in future
- Share of Speciality segment went up from 45% in Q4 FY 12 to 51% in Q4 FY 13
- Share of Business on Anti-Infectives have gone down from 41% in Q4 FY12 to 36% in Q4 FY13 of total domestic formulation sales. Share of cough and cold also went down from 14% in Q4 FY12 to 13% in Q4 FY13 of domestic formulation sales

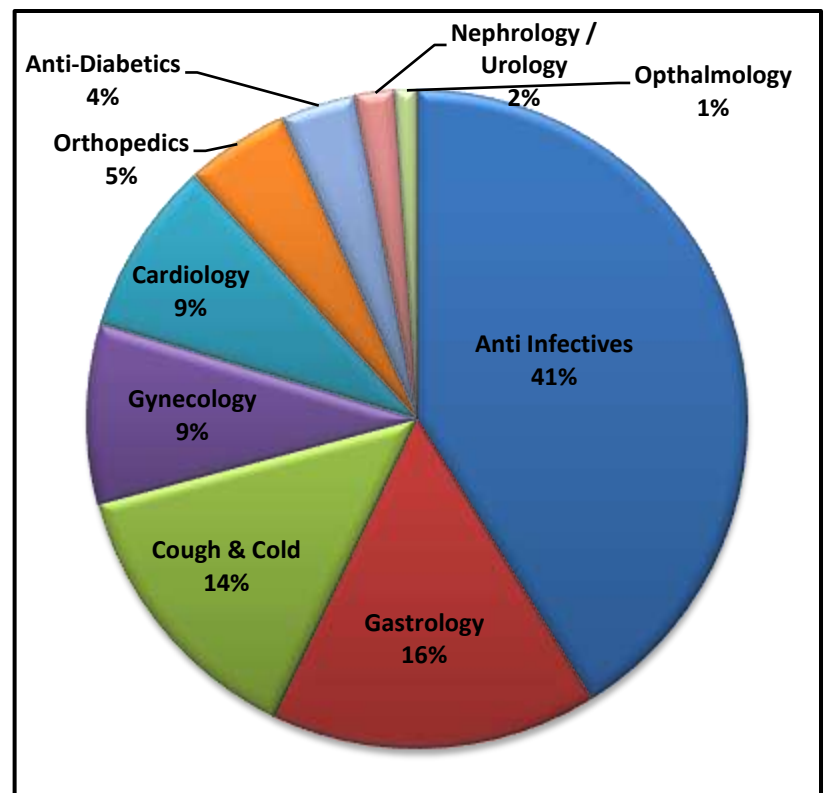


## Domestic Formulation Business – Therapy wise performance – Q4 FY 13

March 2013



March 2012



## Domestic Formulation Business – Therapy wise performance

	March YTD 2013			March YTD 2012		
Therapy	Therapy Growth	Market Share	Alembic Growth	Therapy Growth	Market Share	Alembic Growth
Gastrology	11	2.61	25	11	2.33	28
Cardiology	12	1.44	42	16	1.13	22
Anti Diabetic	23	1.33	40	25	1.18	26
Gynaecology	5	2.34	30	11	1.82	6
Ophthalmology	7	1.59	48	15	1.16	13
Orthopaedic	7	1.15	6	11	1.16	10
Cold & Cough	8	5.11	8	9	5.16	6
Anti Infective	3	4.35	2	11	4.39	8
Nephro / Uro	15	2.15	63	17	1.53	25
<b>OVERALL</b>	<b>8</b>	<b>1.84</b>	<b>15</b>	<b>13</b>	<b>1.75</b>	<b>13</b>

## International Generics Business

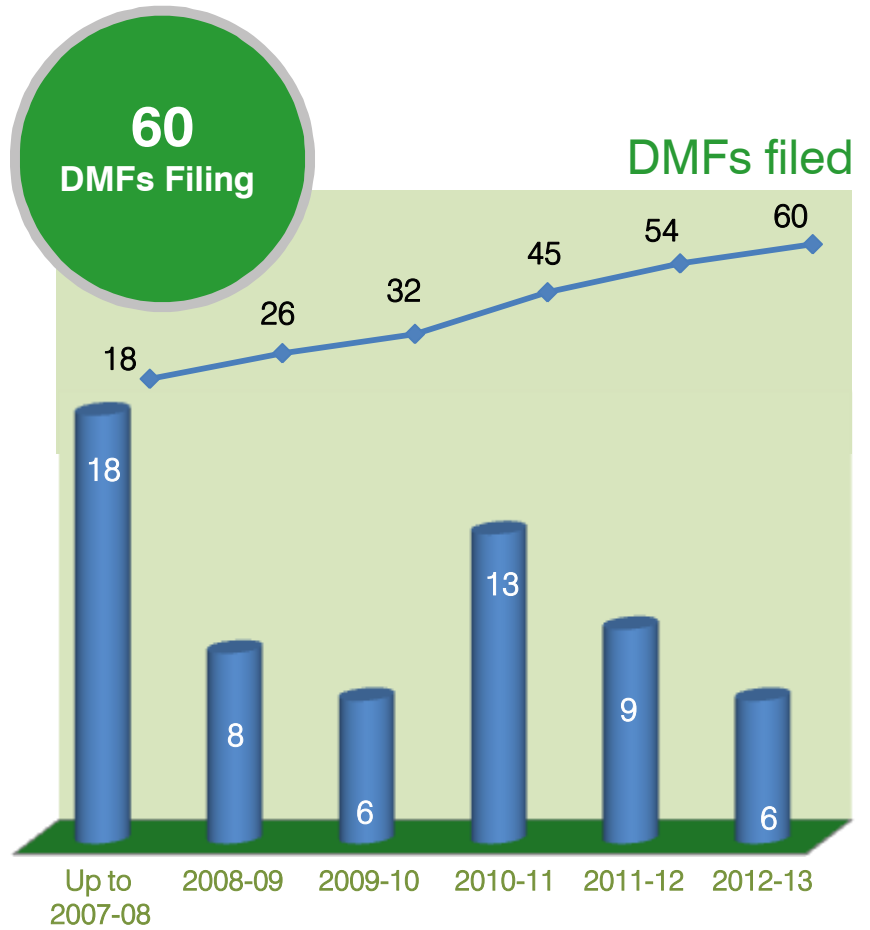
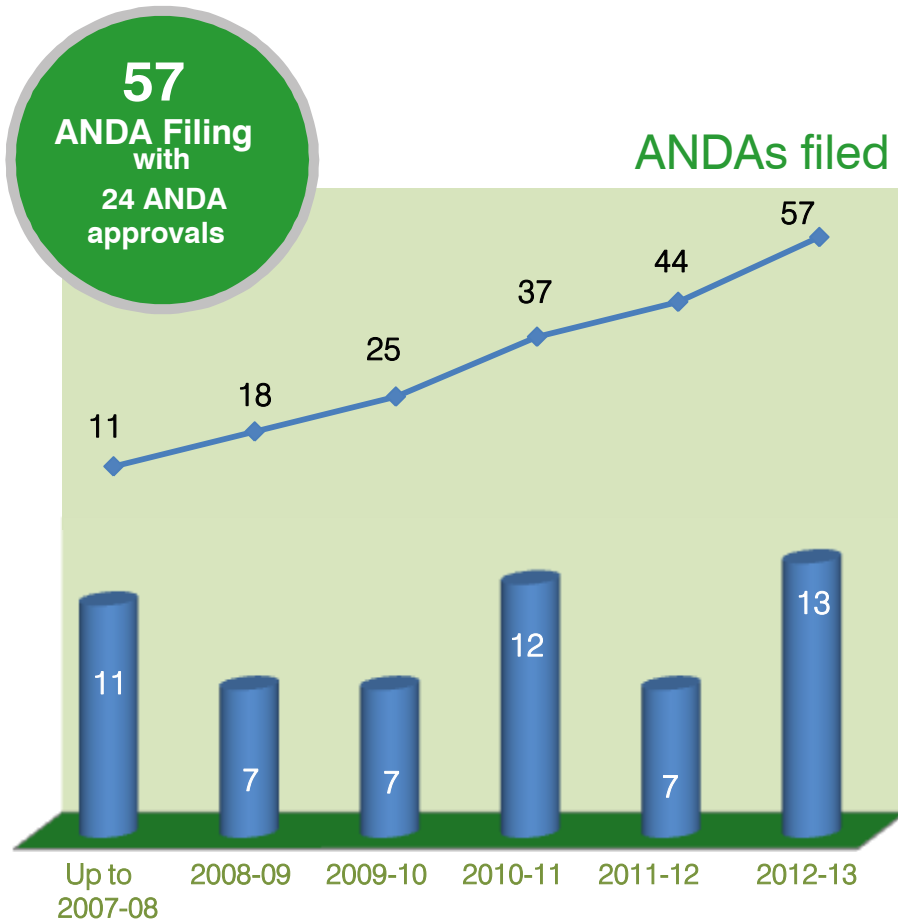
- International Generic Formulation Sales is Rs 77.66 crores as against Rs 50.37 crores in corresponding quarter last year representing healthy 54% growth
- Company partially commissioned its new Formulation facility. Company expects full plant to be operational by end of H1 FY 14 which will augment its capacity from 2.6 billion tablets /capsules to 5 billion. This will help business in driving significant growth in International Generics.
- NDA for Desvenlafaxine Base Extended Release tablets was approved, this is a bioequivalent product to Pristiq by Pfizer but is not an AB rated Generic. Pristiq sales were about \$573m last year. This is Alembic's first 505 B2 application and has been partnered and launched by Ranbaxy.
- 2 ANDA launched during the quarter.

## API Business

- API recorded sales of Rs. 78.67 crores in current year against Rs. 87.35 crores in corresponding period in previous year.

- R & D expense for Q4 FY 13 is Rs 22.00 crores representing 5.0% of sales
- In the quarter 2 ANDA's were filed, cumulative ANDA filings of the company at 57
- 3 ANDA approvals received in current quarter taking cumulative ANDA approvals to 24
- Increased focus on Europe and emerging markets apart from US markets
- 3 Brazilian Dossier filed with ANVISA and 2 dossier filed in Europe during the year
- 2 DMFs filed during the quarter. Cumulative filings of DMF stands at 60

# Research Capabilities



## Company on robust growth path to attain:

- 30% CAGR in International Generics
- More than market growth in Domestic Formulation Business
- EBDITA growth of 20% p.a. on sustainable basis

## Strategy and Approach:

- Growing Chronic therapies through multiple marketing divisions and new product launches
- Niche products (Para IV, NDA, FTF and technically complex products) filings in regulated markets
- Extending global presence across more geographies with wider product portfolio

# Conference Call Details



Date : Friday, May 3, 2013

Time : 4.00 pm IST

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## About Alembic Pharmaceuticals Limited

Alembic Pharmaceuticals Limited, a vertically integrated research and development pharmaceutical company, has been at the forefront of healthcare since 1907. Headquartered in India, Alembic is a publicly listed company that manufactures and markets generic pharmaceutical products all over the world. Alembic's state of the art research and manufacturing facilities are approved by regulatory authorities all over the world including the US FDA. Alembic is one of the leaders in branded generics in India. Alembic's brands, marketed through a marketing team of over 3600 are well recognized by doctors and patients.

Information about the company can be found at:

**[www.alembic-india.com](http://www.alembic-india.com)**;(Reuters:ALEM.NS) (Bloomberg:ALPM) (NSE:APLLTD) (BSE:533573)

For updates and specific queries please feel free to contact

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