

November 12, 2018

To Listing Department, NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza, Bandra Kurla Complex, Bandra (E), MUMBAI -400 051 Company Code No. AUROPHARMA	To The Corporate Relations Department BSE LIMITED Phiroz Jeejeebhoy Towers, 25 th floor, Dalal Street, MUMBAI -400 001 Company Code No. 524804
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Dear Sirs,

Sub: Investors/Analysts Presentation

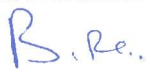
Please refer to our letter dated 9th November, 2018 wherein we have intimated the schedule of Investors/Analysts call on 13th November, 2018. In this connection, we enclose herewith the presentation that would be used in the Investors/Analysts call on the Unaudited Financial Results of the Company for the second quarter and half year ended 30th September, 2018.

The presentation is also being uploaded on the website of the Company – <http://aurobindo.com/investors/results-reports-presentations/investor-presentations/>

Please take the information on record.

Thanking you,

Yours faithfully,
For AUROBINDO PHARMA LIMITED


B ADI REDDY
Company Secretary





AUROBINDO

Q2 FY18-19 EARNINGS PRESENTATION

12th November 2018

Disclaimer



This presentation contains statements that constitute “forward looking statements” including and without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance.

While these forward looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that we have indicated could adversely affect our business and financial performance.

Aurobindo Pharma undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

Consolidated Financial & Business Highlights – Q2FY19



Key Financial Highlights

- Revenue from Operations increased by 7.1% YoY and 11.8% QoQ to INR 4,751.4 Cr, driven by healthy growth in both formulations and APIs
- EBIDTA before Forex and Other income at INR 1,026.0 Cr vs INR 1,117.3 Cr in Q2FY18 and INR 779.2 Cr in Q1FY19; EBITDA margin for the quarter was 21.6%
- Net Profit after JV share, minority interest at INR 611.4 Cr as against INR 781.1 Cr in Q2FY18 and INR 455.7 Cr in Q1FY19.
- Interim Dividend @ 125% i.e., INR 1.25 per equity share of INR 1/- has been approved by the Board for the year FY18-19
- Basic & Diluted EPS is INR 10.44 per share
- Research & Development (R&D) spend at INR 216.8 Cr, 4.6% of revenues
- Net Capex spent is ~US\$ 41 million

Key Business Highlights

US Formulations

- US sales of INR 2,226.8 Cr, witnessed a growth of 6.1% YoY and 17.8% QoQ. On constant currency basis, the US sales declined by 2.6% YoY and increased by 12.7% QoQ to US\$ 318 million.
- Filed 25 ANDAs with USFDA including 8 ANDAs for injectable products
- Received final approval for 13 ANDAs and tentative approval for 2 ANDAs
- Launched 14 products during the quarter including 2 injectables

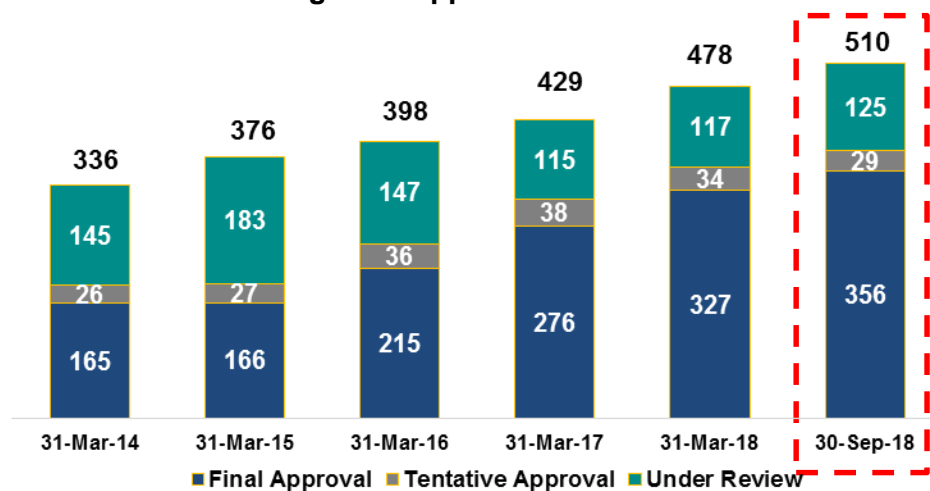
EU Formulations

- Sales from EU formulations in Q2FY18-19 witnessed a growth of 3.9% YoY at INR 1,156.5 Cr. The business accounted for 24.3% of revenues. In Euro terms, sales declined by 3.6% YoY.
- As on 30th Sep, 2018, we have transferred manufacturing of 97 products from Europe to India.

US Filings Snapshot



Cumulative ANDA Filings and Approvals



Therapy	ANDAs	Addressable Market Size (US\$ Bn)
Anti Diabetic	19	8.7
ARV**	42	6.4
CNS	92	24.6
Controlled Substances	17	1.5
CVS	80	24.2
Gastroenterological	30	3.8
Ophthalmics	11	0.4
Others	156	15.7
Penem	2	0.5
Respiratory (inc. Nasal)	12	0.7
Oncology & Hormones	17	3.1
SSP & Cephs	30	0.7
Dermatology	2	0.3
Total	510	90.8

As per IQVIA Sep 2018, addressable Market at US\$ 90.8 Bn including ~US\$ 60.4 Bn for Under Review and TAs

Unit wise ANDA Filings as on 30-Sep-2018

Site	Details	Final Approval	Tentative Approval*	Under Review	Total
Unit III	Oral Formulations	113	11	4	128
Unit IV	Injectables & Ophthalmics	52	1	47	100
Unit VIB	Cephalosporins Oral	11			11
Unit VII (SEZ)	Oral Formulations	132	15	16	163
Unit X	Oral Formulations	1	2	31	34
Unit XII	Penicillin Oral & Injectables	19		1	20
Aurolife USA	Oral Formulations	19		12	31
AuroNext	Penem Injectables	2			2
Eugia	Oral & Injectable Formulations	1		14	15
Others		6			6
Total		356	29	125	510

*Tentative Approvals (TAs) include 9 ANDAs approved under PEPFAR; ** Does not include the addressable market of the products approved under PEPFAR

Consolidated Financial Performance – Q2FY19 YoY



Value INR Cr	Q2 FY19	Q2 FY18	% Chg
Formulations	3,934.8	3,663.3	7.4
API	816.6	771.8	5.8
<i>Formulations % of sales</i>	<i>82.8%</i>	<i>82.6%</i>	
Revenue from Operations	4,751.4	4,435.9	7.1
Gross Profit	2,708.5	2,668.0	1.5
Overheads	1,682.5	1,550.6	8.5
EBIDTA (before Forex & other income)	1,026.0	1,117.3	-8.2
	21.6%	25.2%	
Fx Gain / (Loss)	-39.7	-0.4	
Other Income	26.3	10.3	155.7
Finance Cost	35.4	17.3	105.0
Depreciation	163.7	132.1	23.9
PBT from ordinary activities	813.5	977.8	-16.8
Exceptional items*	-26.8	0.0	
PAT (after JV share, minority interest)	611.4	781.1	-21.7
Diluted EPS	10.44	13.33	
Avg Fx Rate US\$ 1= INR	69.9449	64.2272	

Revenue from Operations - Breakup

Value in INR Cr	Q2FY19	Q2FY18	% Chg
USA	2,226.8	2,098.9	6.1
EU	1,156.5	1,113.5	3.9
Growth markets	307.5	243.4	26.3
ARV	244.0	207.5	17.6
Total Formulations	3,934.8	3,663.3	7.4
Betalactam	513.4	514.2	-0.2
Non Betalactam	303.2	257.6	17.7
Total API	816.6	771.8	5.8
Dossier Income	0.0	0.7	
Revenue from operations	4,751.4	4,435.9	7.1

*Exceptional items for the period represents acquisition related costs

Consolidated Financial Performance – Q2FY19 QoQ



Value INR Cr	Q2 FY19	Q1 FY19	% Chg
Formulations	3,934.8	3,500.8	12.4
API	816.6	748.0	9.2
<i>Formulations % of sales</i>	<i>82.8%</i>	<i>82.4%</i>	
Revenue from Operations	4,751.4	4,250.3	11.8
Gross Profit	2,708.5	2,343.0	15.6
Overheads	1,682.5	1,563.8	7.6
EBIDTA (before Forex & other income)	1,026.0	779.2	31.7
	21.6%	18.3%	
Fx Gain / (Loss)	-39.7	-68.2	-41.7
Other Income	26.3	43.7	-40.0
Finance Cost	35.4	29.5	19.9
Depreciation	163.7	154.5	5.9
PBT from ordinary activities	813.5	570.7	42.5
Exceptional items*	-26.8	0.0	
PAT (after JV share, minority interest)	611.4	455.7	34.2
Diluted EPS	10.44	7.78	
Avg Fx Rate US\$ 1= INR	69.9449	66.8933	

Revenue from Operations - Breakup

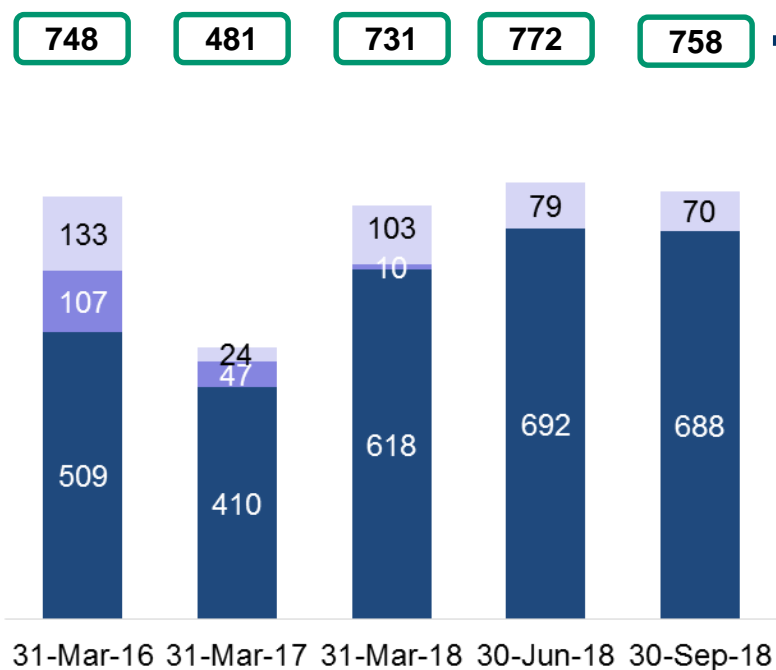
Value in INR Cr	Q2FY19	Q1FY19	% Chg
USA	2,226.8	1,889.6	17.8
EU	1,156.5	1,199.1	-3.5
Growth markets	307.5	256.5	19.8
ARV	244.0	155.6	56.8
Total Formulations	3,934.8	3,500.8	12.4
Betalactum	513.4	491.9	4.4
Non Betalactum	303.2	256.1	18.4
Total API	816.6	748.0	9.2
Dossier Income	0.0	1.5	
Revenue from operations	4,751.4	4,250.3	11.8

*Exceptional items for the period represents acquisition related costs

Debt Profile



Fx Loan US\$ Mn



Debt as on (INR Cr)	Mar-16	Mar-17	Mar-18	Jun-18	Sep-18
Closing Rate ¹ US\$ = INR	66.25	64.85	65.17	68.47	72.485
Fx Loan restated in INR	4,956.7	3,121.5	4,766.9	5,284.0	5,493.4
Rupee Loan	46.9	244.8	4.1	14.1	282.2
Sales Tax Deferment	41.9	0.0	0.0	0.0	0.0
Gross Debt	5,045.6	3,366.3	4,771.0	5,298.1	5775.5
Cash Balance	805.2	519.5	1,263.6	1,386.9	1,779.2
Net Debt	4,240.3	2,846.9	3,507.4	3911.2	3,996.4
Net Debt (US\$ Mn)	640	439.0	538.2	571.2	551.3
Finance Cost	1.8%	1.5%	2.0%	2.3%	2.56%

- Other Term Loans (Subsidiaries) & Unsecured Loans
- ECB - APL
- Working Capital

Fx Debt and Fx Cash Balance are reinstated

Thank You



For updates and specific queries, please visit our website www.aurobindo.com

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