

05th November, 2018

(1) BSE Ltd
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

(2) National Stock Exchange of India Ltd
Listing Department
Exchange Plaza, 5th floor,
Plot no. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Code: 500087

Scrip Code: CIPLA EQ

(3) SOCIETE DE LA BOURSE DE LUXEMBOURG
Societe Anonyme
35A Boulevard Joseph II,
L-1840 Luxembourg

Dear Sir/Madam,

Please find enclosed investor presentation dated 05th November, 2018.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,
For Cipla Limited



Rajendra Chopra
Company Secretary

Encl: as above

Prepared by: Ashish Chauhan



Investor Presentation Q2FY19

05-11-2018

Disclaimer



Except for the historical information contained herein, statements in this presentation and the subsequent discussions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, fluctuation in earnings, foreign exchange rates, our ability to manage international operations and exports, our exposure to market risks as well as other risks. Cipla Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

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Update on our key FY19 priorities and challenges



Key Priorities

1 India: Growth & Therapy Strengthening¹

Strong market beating performance across key therapeutic areas
#4 ranked now in Cardiology

2 US: Launches & Ramp-up

7 approvals in Q2 including **Atazanavir, Diclofenac gel and Albendazole**

3 US Filings Ramp-up

5 ANDAs filed in Q2
On-track for 20+ ANDA filings in FY19

4 South Africa: Growth

 **14%²** Cipla vs 5% market growth
3rd Largest Pharma Player³ in Private Market

5 Quality & Compliance

Inspections at Medispray (No observations) and Goa (minor procedural observations)

6 Challenges

Operational challenges around supply and capacity balancing impacted serviceability
Pressure on tender businesses continuing

¹ IQVIA (IMS) Q2'18 | ² IQVIA (IMS) MAT Aug'18 | ³ As per IQVIA (IMS) YTD Aug'18

Financial Performance – Q2FY19

Revenues

INR 4,012 Cr

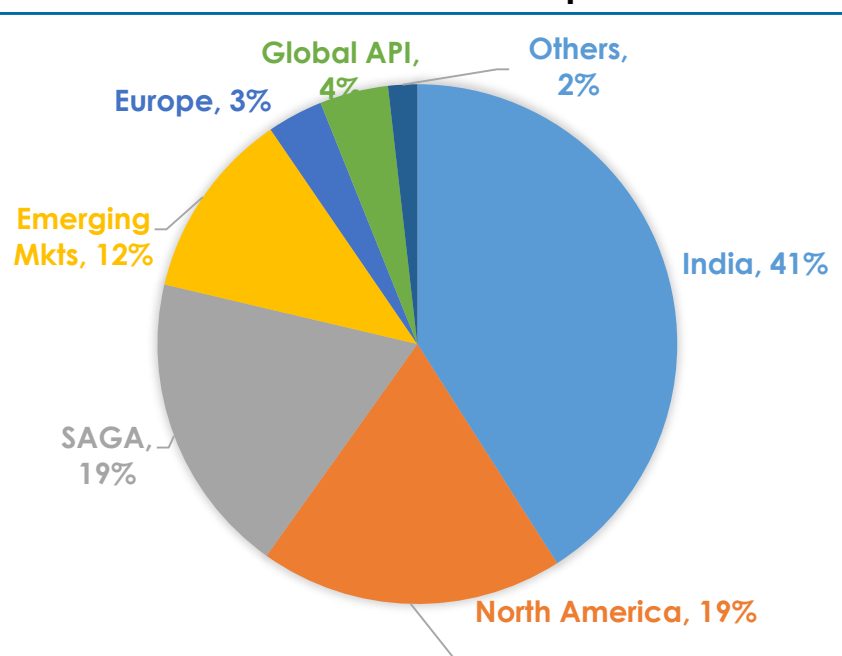
EBITDA

18.8% to sales

Q2 FY19 (Consolidated)

	Actuals (Rs Cr)	vs Q2 FY 18
Total Revenue from Operations	4,012	-2%
a) Domestic Sales	1,666	-1%
b) Int'l Sales	2,282	-1%
c) Other Operating Income	64	-32%
EBITDA	753	-6%
EBITDA %	18.8%	
PAT	377	-11%
PAT %	9.4%	

Revenue¹ Break-up



¹ Others: Includes CNV business, Vet and others; SAGA includes South Africa, Sub-Saharan Africa and Cipla Global Access; Percentages have been rounded-off

EBITDA Build-up



INR Cr	Q2FY19	Q2FY18	Q1FY19
Profit Before Tax	509	573	620
Add:			
<i>Finance Costs</i>	44	42	35
<i>Depreciation, Amortisation & impairment Expense</i>	282	302	241
Less:			
<i>Finance, investment & Divestitures related income</i>	82	113	170
EBITDA	753	804	726
EBITDA % to Sales	18.8%	19.7%	18.4%

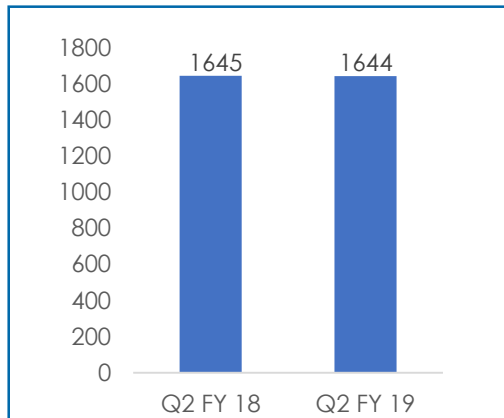
Financial numbers are rounded off

India (Rx + Gx) Sales



Q2 Y-o-Y

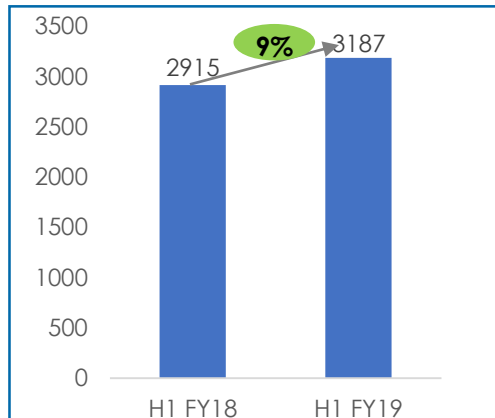
Rs Cr



Higher base in Q2FY18 due to GST led inventory re-stocking

H1 Y-o-Y

Rs Cr



GST adjusted H1 Growth at 13%

Key Business Highlights¹

- As per IQVIA (IMS) Q2' 18, Cipla continued its **outperformance growing by 14%**
- Performance in key therapeutic areas as follows
 - Cipla gained one Rank in Cardiology and now stands at 4th position growing 500bps higher than market at 19%
 - Continued leadership position in Respiratory growing at 23%. Cipla's flagship inhalation awareness campaign "Berok Zindagi" on a good start
 - Urology maintained its leadership position with over 15% market share

Therapy

IPM Rank²

Respiratory (Inhalation)	1
Urology	1
Anti-virals	1
Anti-Infectives	3
Cardiology	4
Ophthal	4

1. IQVIA (IMS) Q2' 18 | 2 IQVIA (IMS) MAT Sept' 18

North America: Ramp-up across key DTM launches drives quarterly growth with strong improvement in margins

1 Q2FY19¹
Contribution from new products launches in last 12 months

40%
of Q2FY19 **DTM²** Revenues

25%
of Q2FY19 Total US Revenues

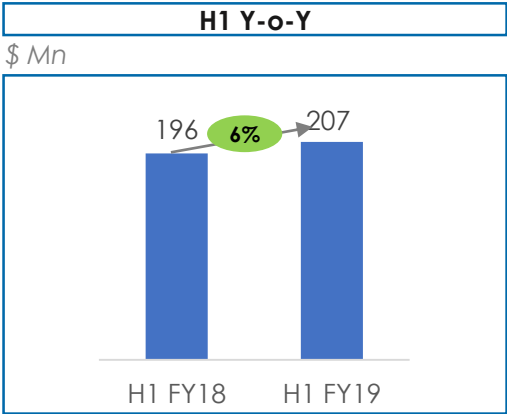
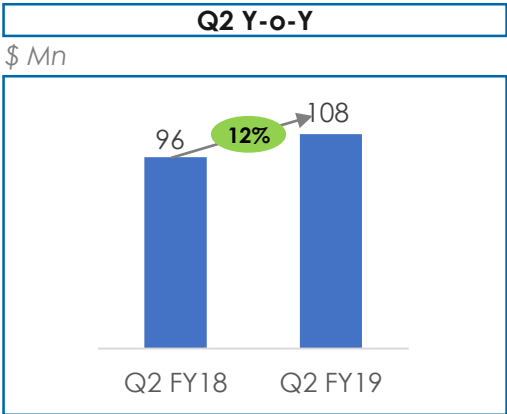
2 Significant Gross Margin Improvement driven by product rationalization and ramp-up of new Cipla launches

+900bps
Improvement in overall DTM (Cipla & Invagen) business Gross Margin% vs Q2FY18

56%
Share of Cipla DTM in overall DTM business (vs 27% in Q2FY18)

3 Share of B2B³ Business declining

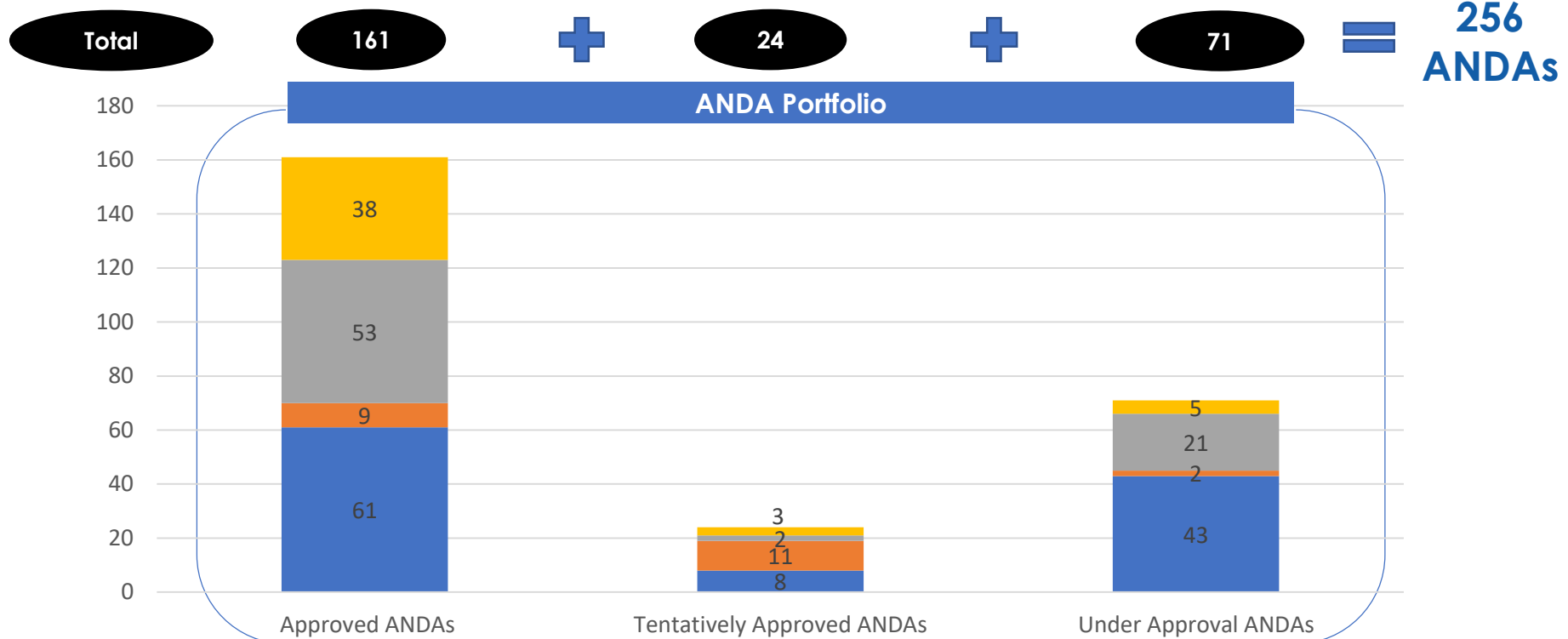
19% share of B2B business in overall sales
down from 26% in Q2FY18



¹ Only DTM revenues of new launches considered | ² Direct to Market | ³ Business to Business (Partnered Business)

ANDA¹ Portfolio & Pipeline (As on 30th Sept 2018)

Cipla

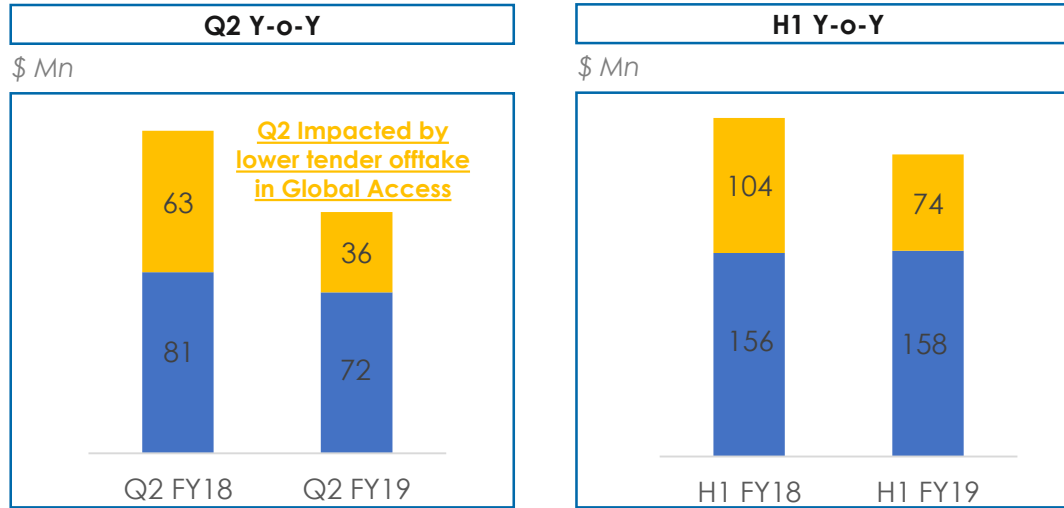


¹ Does not include Vet product ANDAs

■ Cipla Ltd ■ PEPFAR² ■ Invagen ■ Partnered ANDAs

² PEPFAR approved ANDAs can be commercialised in US

SAGA*: South Africa, Sub-Saharan Africa and Cipla Global Access



Key Business Highlights¹

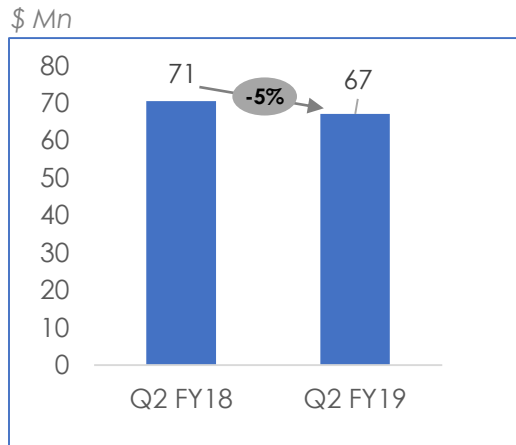
- As per IQVIA (IMS) MAT Aug'18, South Africa business grew at more than double the market at 14% in the private market vs 5% market growth
- As per YTD Aug IQVIA (IMS) data, Cipla became the 3rd largest pharma company in SA private market with 6.3% share
- Closed the Mirren acquisition; working towards successfully integrating the business and driving synergies in fast-growing OTC space
- Successful IPO and listing of Cipla's subsidiary CiplaQCIL on the Uganda Stock Exchange

¹ IQVIA (IMS) MAT Aug'18

*Financial numbers are rounded off

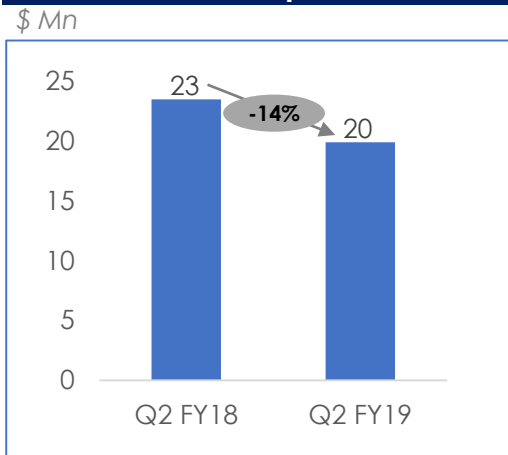
EM, Europe and API

Emerging Markets



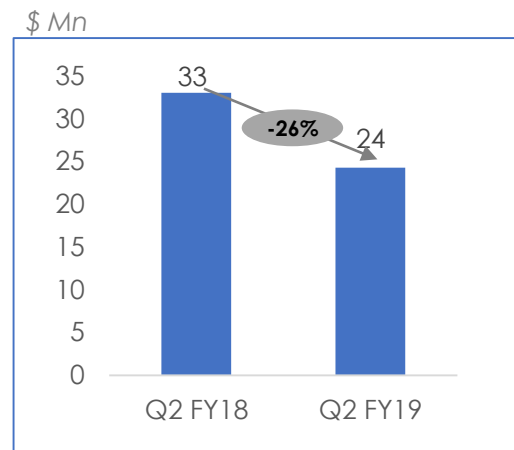
- Biosimilars franchise in the EM: Late stage discussions on-going for various key biosimilar assets across multiple markets
- Signed a commercializing deal for Bevacizumab in Sri Lanka and Nepal.
- Inaugurated Cipla Maroc facility

Europe



- Business continues to operate with strong profitability profile
- FPSM (Fluticasone propionate / Salmeterol) launched in Italy with substitutability status

API



- Continued momentum in **seedings and lock-ins** across various markets
- In H1, over 30% of the sales were in the US – largest share amongst all regions

Some emerging challenges for the next 2 quarters

Emerging Challenges

Sanctions to impact reported performance in certain parts of the business

Capacity balancing: Currently engaged in capacity balancing in certain specific categories at our plants which will have a short-term impact

Commodity & Crude prices inflation and escalation in China sourced supplies will continue for the next 2 quarters

Pressure on Tender businesses across markets

Thank you

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For any queries, please contact

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For more information please visit

www.cipla.com