

June 3, 2020

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

**Sub: Investor / Analysts Presentation**

Please refer to our letter dated June 1, 2020 wherein we have intimated the schedule of Investors/ Analysts call on June 4, 2020. In this connection, we enclose herewith the presentation that would be used in the Investors / Analysts call on the Audited Financial Results of the Company for the fourth Quarter and year ended March 31, 2020. The presentation is also being uploaded in the following weblink of the Company.

<https://www.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



Encl.: As Above



# **Aurobindo Pharma Limited**

**Q4FY20 & FY20 Earnings Presentation**

**3<sup>rd</sup> June 2020**



# Disclaimer

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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, such statements reflect various assumptions concerning future developments and 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, regulatory and 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.

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# Q4FY20 & FY20 Financial & Business Highlights







# Consolidated Financial & Business Highlights – FY20

In Rs Cr

## Revenue

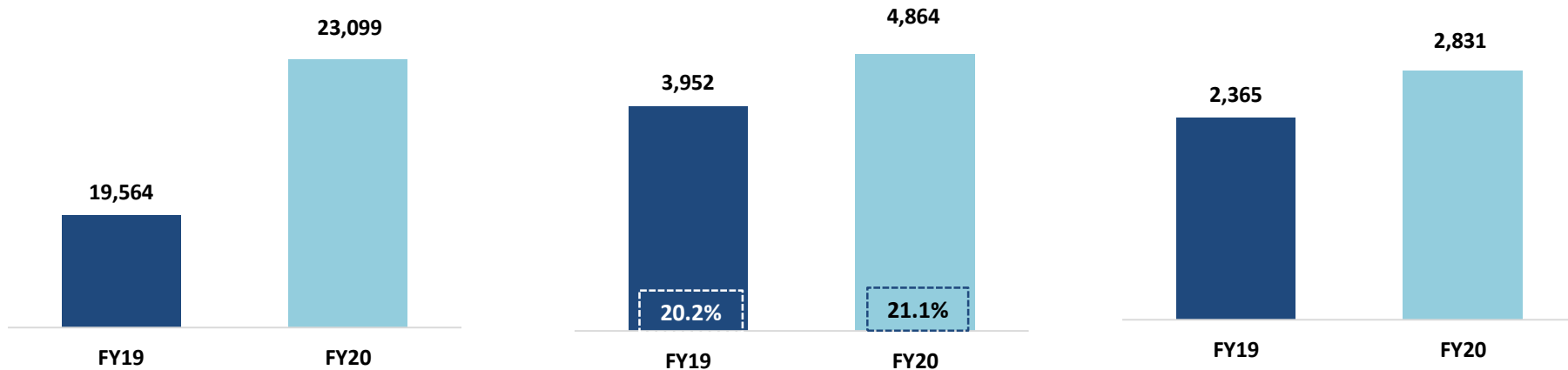
↑ 18.1%

## EBITDA

↑ 23.1%

## Profit After Tax

↑ 19.7%



EBITDA Margin



# Consolidated Financial & Business Highlights – FY20

Revenue from operations at Rs. 23,098.5 crore, witnessed a strong growth of 18.1% YoY

EBIDTA before Forex and Other income at Rs. 4,864.3 crore, an increase of 23.1% YoY; EBITDA margin is at 21.1%

Net Profit after JV share, minority interest at Rs. 2,831 crore for the year, up by 19.7%

Research & Development (R&D) spend at Rs. 958.0 crore, 4.1% of revenue

Basic & Diluted EPS is Rs. 48.32 per share

Net organic capex for the year ~US\$ 187 million

Business generated a cash flow of ~US\$ 365 Mn during the year

Net Debt / Equity at the end of Mar 2020 is 0.16:1

Return on Equity for the year is 18.4%



# Consolidated Financial & Business Highlights – Q4FY20

In Rs Cr

## Revenue

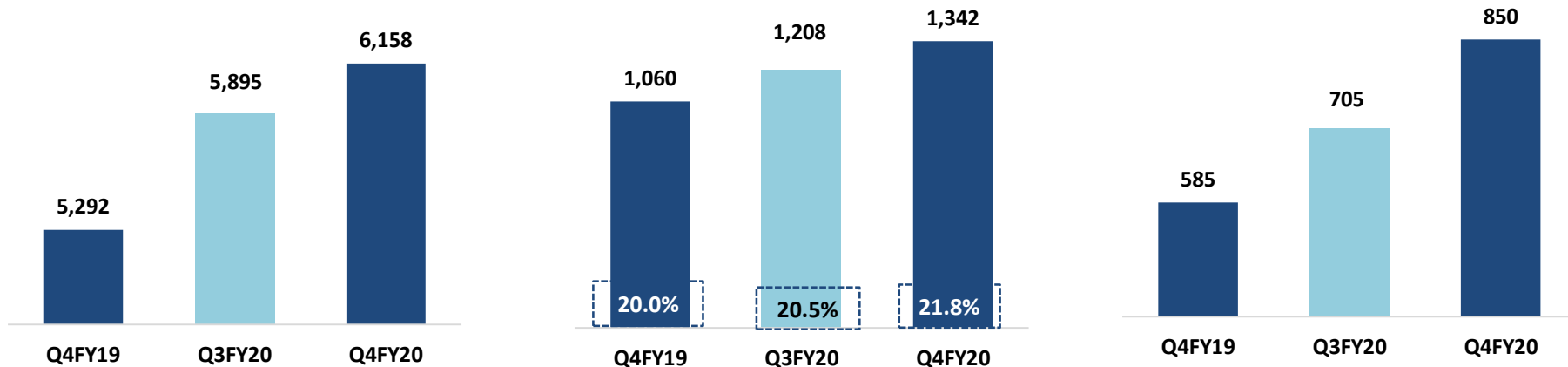
↑ 16.4% YoY  
↑ 4.5% QoQ

## EBITDA

↑ 26.6% YoY  
↑ 11.1% QoQ

## Profit After Tax

↑ 45.2% YoY  
↑ 20.5% QoQ



EBITDA Margin





# Consolidated Financial & Business Highlights – Q4FY20

Revenue from operations at Rs. 6,158.4 crore, witnessed a strong growth of 16.4% YoY

EBIDTA before Forex and Other income at Rs. 1,342.4 crore, an increase of 26.6% YoY; EBITDA margin is at 21.8%

Net Profit after JV share, minority interest at Rs. 849.8 crore for the quarter, an increase of 45.2% YoY

Research & Development (R&D) spend at Rs. 239 crore, 3.9% of revenue

Basic & Diluted EPS is Rs. 14.50 per share

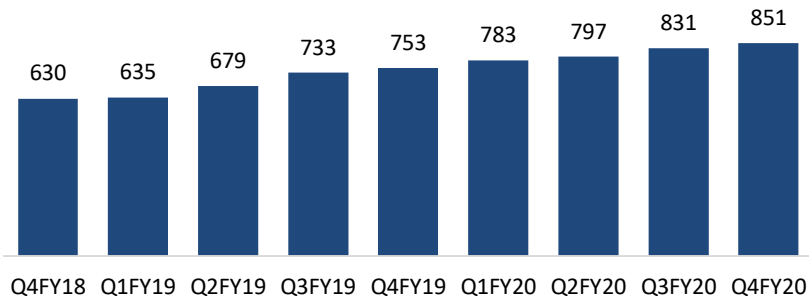
Net organic capex for the quarter ~US\$ 37 million

Net debt declined sequentially by ~US\$ 87 million

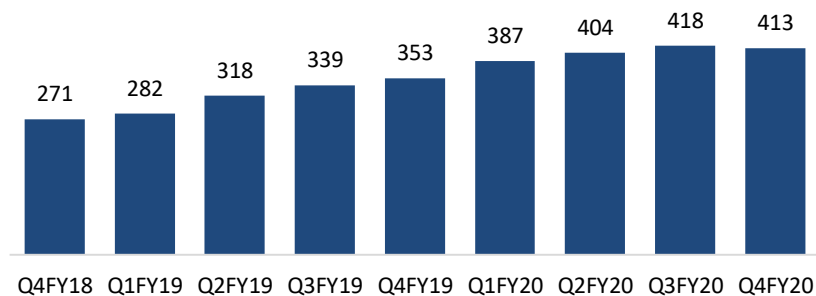


# Consistent Quarterly Performance

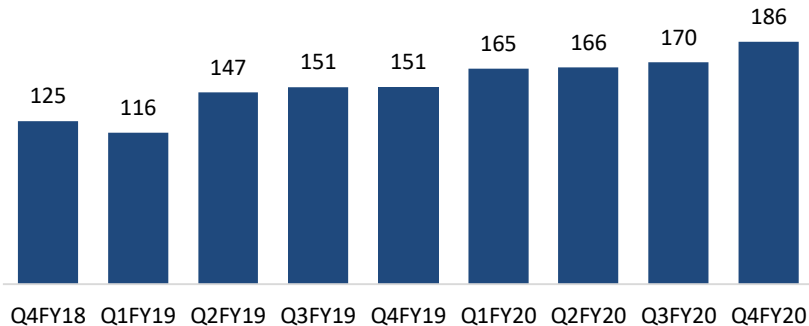
Revenue (\$ Mn)



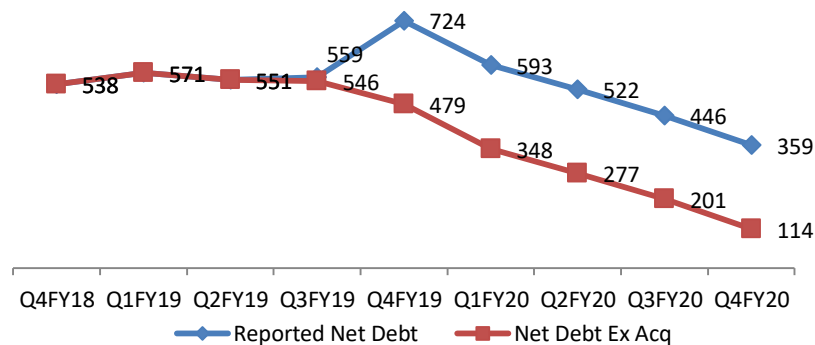
US Revenue (\$ Mn)



EBITDA (\$ Mn)



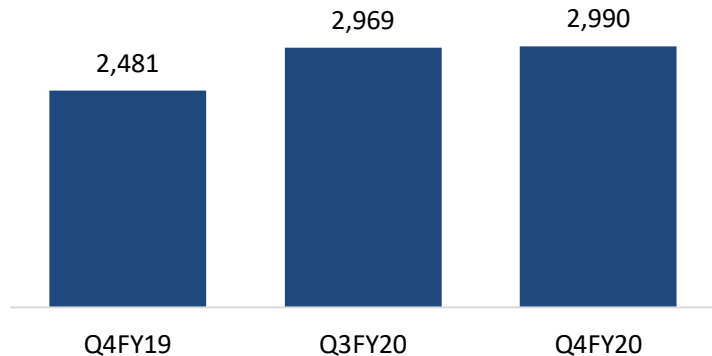
Net Debt (\$ Mn) - Reported & Without Acquisitions



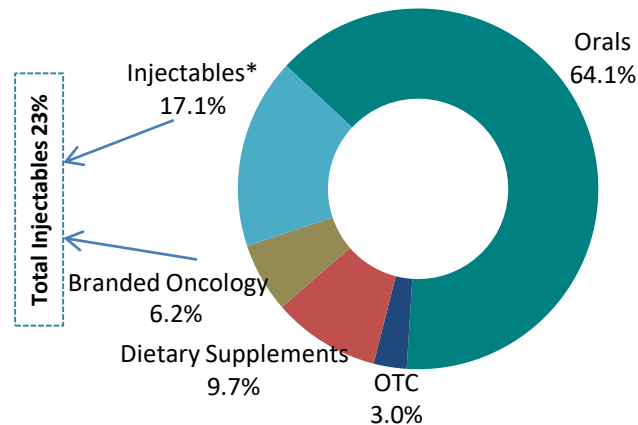
# US Business Performance Highlights

In Rs Cr

## Revenue



## Revenue Mix FY20



## US Formulations

- US revenue for Q4FY20 witnessed a growth of 20.5% YoY to Rs. 2,990.3 crore, accounting 48.6% of consolidated revenue. On constant currency basis, revenue grew by 17.1% YoY to US\$ 413 million
- US revenue for FY20 grew by 27.2% YoY to Rs. 11,483.5 crore, accounting 49.7% of consolidated revenue. On constant currency basis, revenue grew by 25.5% YoY to US\$ 1,622 million
- Filed 17 ANDAs with USFDA including 10 injectables in Q4FY20 and 55 ANDAs including 19 injectables in FY20
- Received final approval for 6 ANDAs in Q4FY20 and 22 ANDAs including 8 injectables in FY20
- The company has launched 4 products during the quarter and 34 products including 7 injectables during the year

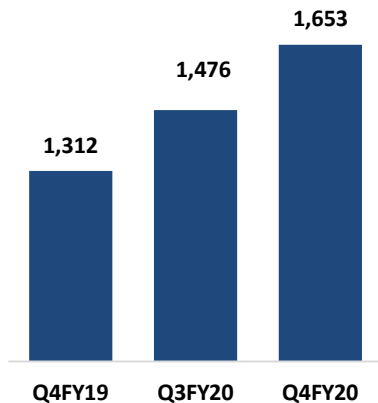
\*Auro Medics; \*\*Oncology injectables acquired from Spectrum Pharmaceuticals;



# EU, ARV, Growth Markets, API Business Performance Highlights

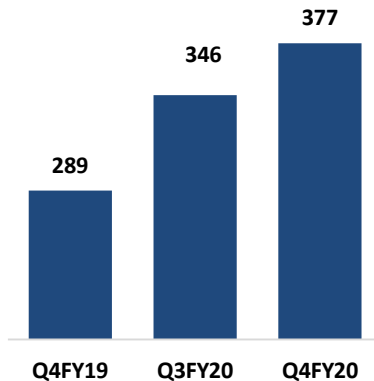
In Rs Cr

## EU Revenues



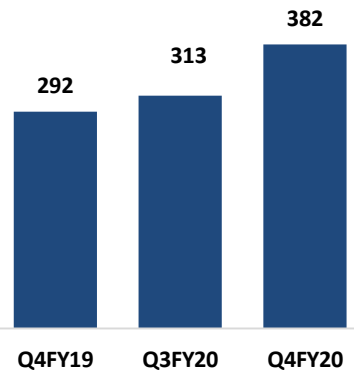
- EU formulations revenue in Q4FY20 witnessed a growth of 26.0% YoY to Rs. 1,652.5 crore, accounting 26.8% of consolidated revenue. In Euro terms, revenue grew by 26.0% YoY
- EU revenue in FY20 posted a growth of 19.4% YoY to Rs. 5,921.8 crore, accounting 25.6% of consolidated revenue. In Euro terms, revenue grew by 22.4% YoY

## Growth Markets Revenues



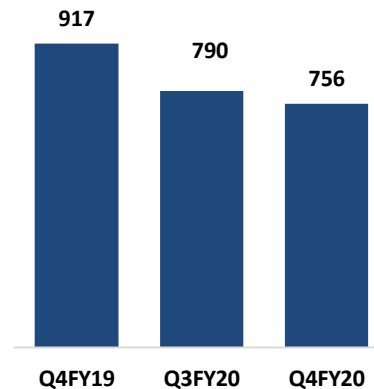
- Growth Markets revenue posted healthy growth of 30.3% YoY to Rs. 376.6 crore, accounting 6.1% of consolidated revenue.
- Revenue from Growth markets formulations in FY20 posted a strong growth of 13.5% YoY to Rs. 1,355.1 Cr and accounted for 5.9% of revenue

## ARV Revenues



- ARV revenue grew by 30.9% YoY to Rs. 381.8 crore, accounting 6.2% of consolidated revenue.
- ARV business revenue for FY20 was at Rs. 1,251.5 Cr compared to Rs. 972.5 Cr, an increase of 28.7% YoY and accounted for 5.4% of revenue

## API Revenues



- API segment posted sales of Rs. 755.6 crore vs. Rs. 916.8 crore in Q4FY19. This segment accounted for 12.3% of consolidated revenue.
- In FY20, API business clocked a revenue of Rs. 3,083.4 Cr and contributed 13.4% to the consolidated revenues

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## Financial Performance





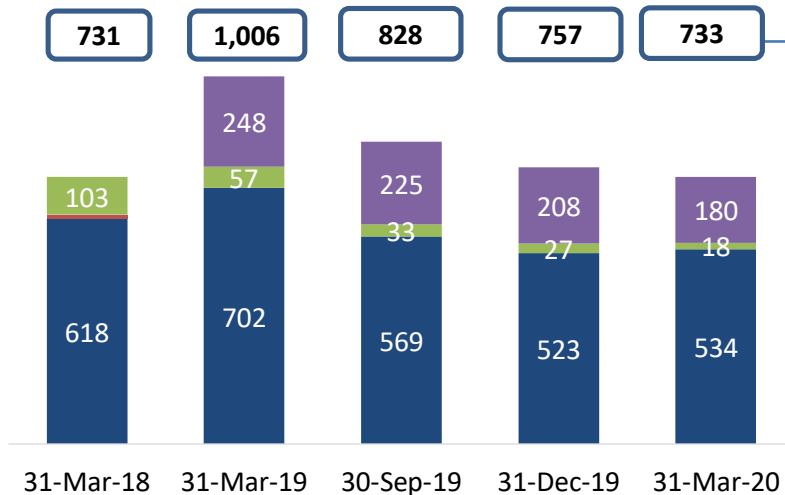
# Consolidated Financial Performance

Rs Cr	Q4FY20	Q4FY19	(%) Chg	Q3FY20	(%) Chg	FY20	FY19	% Chg
<b>Revenue from operations</b>	<b>6,158.4</b>	<b>5,292.2</b>	<b>16.4</b>	<b>5,895.0</b>	<b>4.5</b>	<b>23,098.5</b>	<b>19,563.6</b>	<b>18.1</b>
Gross Profit	3,655.1	2,919.6	25.2	3,330.0	9.8	13,363.3	10,850.9	23.2
<i>Gross Margin</i>	<i>56.5%</i>	<i>55.2%</i>		<i>56.5%</i>		<i>57.9%</i>	<i>55.5%</i>	
Overheads	2,312.6	1,859.3	24.4	2,122.0	9.0	8,499.0	6,899.0	23.2
<b>EBITDA (before forex and other income)</b>	<b>1,342.4</b>	<b>1,060.3</b>	<b>26.6</b>	<b>1,208.0</b>	<b>11.1</b>	<b>4,864.3</b>	<b>3,951.9</b>	<b>23.1</b>
<b>EBITDA Margin</b>	<b>21.8%</b>	<b>20.0%</b>		<b>20.5%</b>		<b>21.1%</b>	<b>20.2%</b>	
Fx Gain/Loss	-26.2	-2.8		8.9		-39.7	-60.3	
Other income	32.6	32.3	1.0	22.0	48.2	86.2	115.7	-25.5
Finance Cost	31.8	50.1	-36.4	37.1	-14.2	159.8	162.7	-1.8
Depreciation	232.4	186.6	24.5	250.1	-7.1	966.7	668.0	44.7
PBT before Exceptional items	1,084.6	853.0	27.1	951.7	14.0	3,784.3	3,176.7	19.1
Exceptional item	12.3	-36.2		-12.9		-26.1	-88.1	
<b>PAT (after JV share, minority interest)</b>	<b>849.8</b>	<b>585.4</b>	<b>45.2</b>	<b>705.4</b>	<b>20.5</b>	<b>2,831.0</b>	<b>2,364.7</b>	<b>19.7</b>
EPS	<b>14.50</b>	<b>9.99</b>		<b>12.04</b>		<b>48.32</b>	<b>40.36</b>	
Average Fx rate US\$1 = INR	<b>72.3637</b>	<b>64.6791</b>		<b>70.9810</b>		<b>70.7770</b>	<b>69.7591</b>	



# Debt Profile

Fx Loan US\$ Mn



- Bridge loan\*
- Other Term Loans (Subsidiaries) & Unsecured Loans
- ECB - APL
- Working Capital

Debt as on (Rs Crore)	Mar-18	Mar-19	Sep-19	Dec-19	Mar-20
Closing Rate 1 US\$ = INR	65.17	69.155	70.875	71.385	75.6650
Fx Loan restated in INR	4,766.9	6,959.0	5,866.8	5,403.2	5,549.2
Rupee Loan	4.1	8.1	0.1	0.8	16.9
<b>Gross Debt</b>	<b>4,771.0</b>	<b>6,967.1</b>	<b>5,866.9</b>	<b>5,404.0</b>	<b>5,566.1</b>
Cash Balance	1,263.6	1,959.1	2,163.5	2,222.2	2,847.7
<b>Net Debt</b>	<b>3,507.4</b>	<b>5,008.1</b>	<b>3,703.5</b>	<b>3,181.9</b>	<b>2,718.4</b>
<b>Net Debt (US\$ Mn)</b>	<b>538.2</b>	<b>724.2</b>	<b>522.4</b>	<b>445.7</b>	<b>359.1</b>
<b>Finance Cost</b>	<b>2.0%</b>	<b>3.2%</b>	<b>2.75%</b>	<b>2.6%</b>	<b>2.1%</b>

Rs Crore	FY18	FY19	FY20
Interest income	12.0	13.8	20.9

## Net Debt Movement (US\$ Mn)

	FY20
Cash Flow from Business after working capital & others	582
Capex	-187
Dividend	-27
Exceptional Items	-3
<b>Free Cash Flow</b>	<b>365</b>

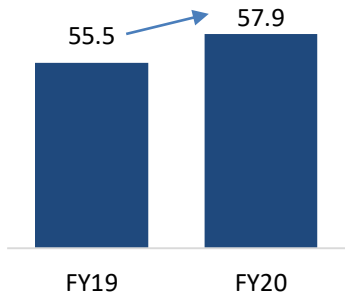
	Value (US\$ Mn)
Open Net Debt	724
Free Cash Flow	365
Closing Net Debt	359



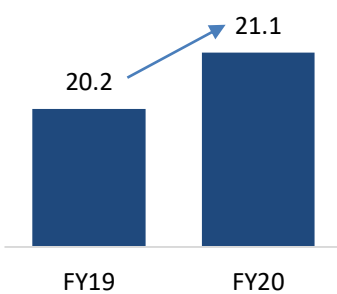


# Key Ratios

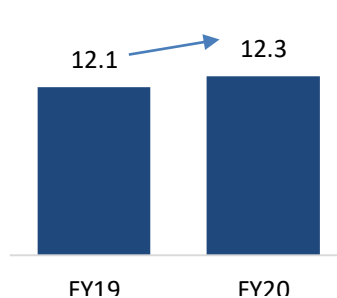
Gross Profit Margin (%)



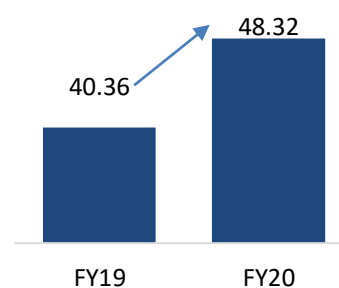
EBITDA Margin (%)



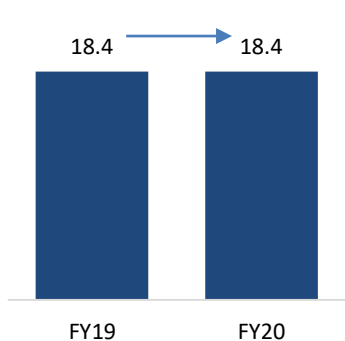
Net Profit Margin (%)



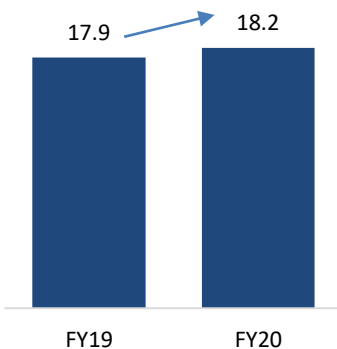
Earnings Per Share (Rs.)



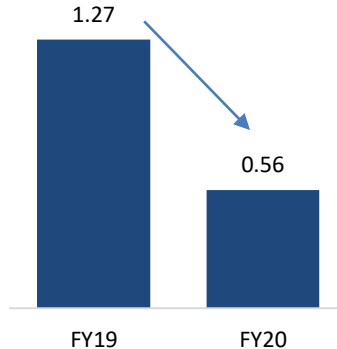
Avg. RoE (%)



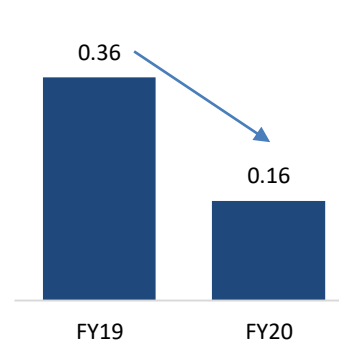
Avg. RoCE (%)\*



Net Debt / EBITDA (x)



Net Debt / Equity (x)





## Financial Performance – 5 Year trend

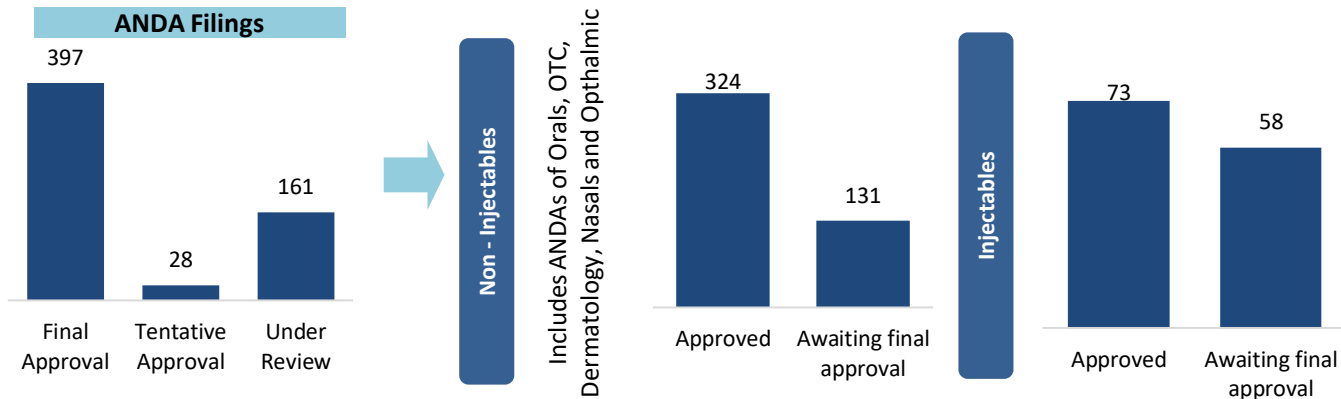
<b>Rs. Crore</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>
Revenue	13,955	15,090	16,500	19,564	23,099
Gross Profit	7,793	8,656	9,747	10,851	13,363
Gross Profit Margin	55.8%	57.4%	59.1%	55.5%	57.9%
EBITDA	3,188	3,434	3,789	3,952	4,864
EBITDA Margin	22.8%	22.8%	23.0%	20.2%	21.1%
Net Profit	2,025	2,302	2,423	2,365	2,831
Net Profit Margin	14.5%	15.3%	14.7%	12.1%	12.3%
EPS (Rs.)	34.66	39.33	41.36	40.36	48.32
Total Equity	7,290	9,374	11,682	13,892	16,818
Net Debt	4,241	2,851	3,508	5,010	2,718
RoE (%)	32.5%	27.6%	23.0%	18.4%	18.4%
RoCE (%)*	25.8%	24.9%	22.7%	17.9%	18.2%
Net Debt / Equity (x)	0.58	0.30	0.30	0.36	0.16
Net Debt / EBITDA (x)	1.33	0.83	0.93	1.27	0.56

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## Filings Snapshot



# US Filings Snapshot as on 31<sup>st</sup> Mar 2020



Therapy	ANDAs	Addressable Market Size (US\$ Bn)
CNS	98	23.8
CVS	89	27.8
ARV**	41	4.8
Gastroenterological	33	3.4
SSP & Ceph	31	0.8
Oncology & Hormones	36	13.0
Anti Diabetic	20	10.9
Controlled Substances	15	1.2
Respiratory (inc. Nasal)	16	0.8
Ophthalmics	13	0.6
Dermatology	3	1.0
Penem	2	0.4
Others	189	18.5
<b>Total</b>	<b>586</b>	<b>106.9</b>

## Unit wise ANDA Filings

Site	Details	Final Approval	Tentative Approval*	Under Review	Total
Unit III	Oral Formulations	115	9	2	126
Unit IV	Injectables & Ophthalmics	65		51	116
Unit VIB	Cephalosporins Oral	11		1	12
Unit VII (SEZ)	Oral Formulations	135	13	19	167
Unit X	Oral Formulations	12	2	45	59
Unit XII	Penicillin Oral & Injectables	20			20
AuroLife & AuroLife - II	Orals & topicals	23	1	8	32
AuroNext	Penem Injectables	2			2
Eugia	Oral & Injectable Formulations	10	3	21	34
APL Healthcare	Oral Formulations			12	12
Others		4		2	6
<b>Total</b>		<b>397</b>	<b>28</b>	<b>161</b>	<b>586</b>

As per IQVIA Mar 2020, addressable Market at US\$ 106.9 Bn including ~US\$ 79.8 Bn for Under Review and Tentative Approvals

\*Tentative Approvals (TAs) include 8 ANDAs approved under PEPFAR; \*\* Does not include the addressable market of the products approved under PEPFAR; Awaiting final approval includes Tentative Approvals



## Filing details

Category	As at Mar 14	As at Mar 15	As at Mar 16	As at Mar 17	As at Mar 18	As at Mar 19	As at Mar 20	Approvals
Formulations								
US*	336	376	398	429	478	541	586	425 (FA: 397, TA:28)
Europe**	1,542	1,756	2,224	2,521	2,848	3,003	3,214	2,585 Dossiers (284 products)
SA**	334	345	376	401	415	430	436	211 Registrations (99 products)
Canada***	72	83	105	121	137	150	160	143 products
<b>Total</b>	<b>2,284</b>	<b>2,560</b>	<b>3,103</b>	<b>3,472</b>	<b>3,878</b>	<b>4,124</b>	<b>4,396</b>	
API								
US***	181	192	205	220	227	242	254	
Europe**	1,504	1,601	1,689	1,735	1,814	1,834	1,861	
CoS	106	114	118	125	131	139	147	
Others**	627	681	715	749	803	932	1,096	
<b>Total</b>	<b>2,418</b>	<b>2,588</b>	<b>2,727</b>	<b>2,829</b>	<b>2,975</b>	<b>3,147</b>	<b>3,358</b>	

\*Includes filings made from AuroLife Pharma LLC, USA (net of ANDAs withdrawn)

\*\*includes multiple registration; \*\*\*excludes withdrawn



# Thank You




**AUROBINDO**  
Committed to healthier life!

**Investors Contact**

Investor Relations team

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