

April 13, 2009



**Presentation on**  
**"Corporate Re-organization"**  
**For Press Release**

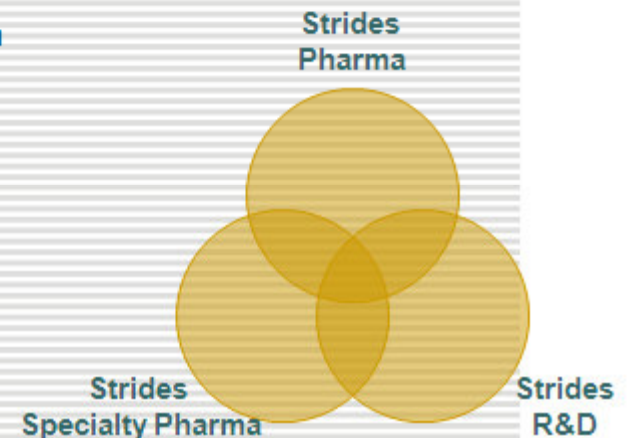


# Background



- Strides Arcolab Limited (Strides), listed on the BSE and NSE, is an Indian headquartered global pharmaceutical company
- The global consolidated revenue for the year 2008 was **INR 13,777 Million**. Having achieved the critical size, Strides has embarked on a major reorganization of its current businesses
- The Operation of Strides will be regrouped into three separate entities to house Specialty Pharmaceuticals, Pharmaceuticals and R&D operations
  - ***Specialty Pharmaceuticals operations under a wholly owned subsidiary ('WoS') "Strides Specialties Pvt. Limited"***
  - ***Pharmaceutical operations to continue under "Strides Arcolab Limited"***.
  - ***R&D operations under another WoS "Strides Technology and Research Pvt Limited"***

## Strides Businesses



**Strides Group now intends to realign its operations in India and outside India to attain greater efficiency and accountable customer focused business units**

# Primary Drivers & Objectives



## Strategic Reasons

- Efficient and customer focused business units unlocking value
  - *Strides has one of the most competitive steriles business globally. The Sterile business is a niche and has entry barriers. Hence, Number of global players are limited in this segment. The Margins are superior for steriles business. The company has highest number of steriles filings with FDA and highest number of approvals in 2008. Having achieved the critical size, hiving-off into a separate entity will unlock value by taking the growth and profitability to the next level.*
- Focus on core competencies
- Improvement in the competitive position of the combined entity
- Enhance shareholders' value
- Business units to be backed by strong and independent R&D Company
- Improved organizational capability and leadership, arising from pooling of human capital

# Primary Drivers & Objectives



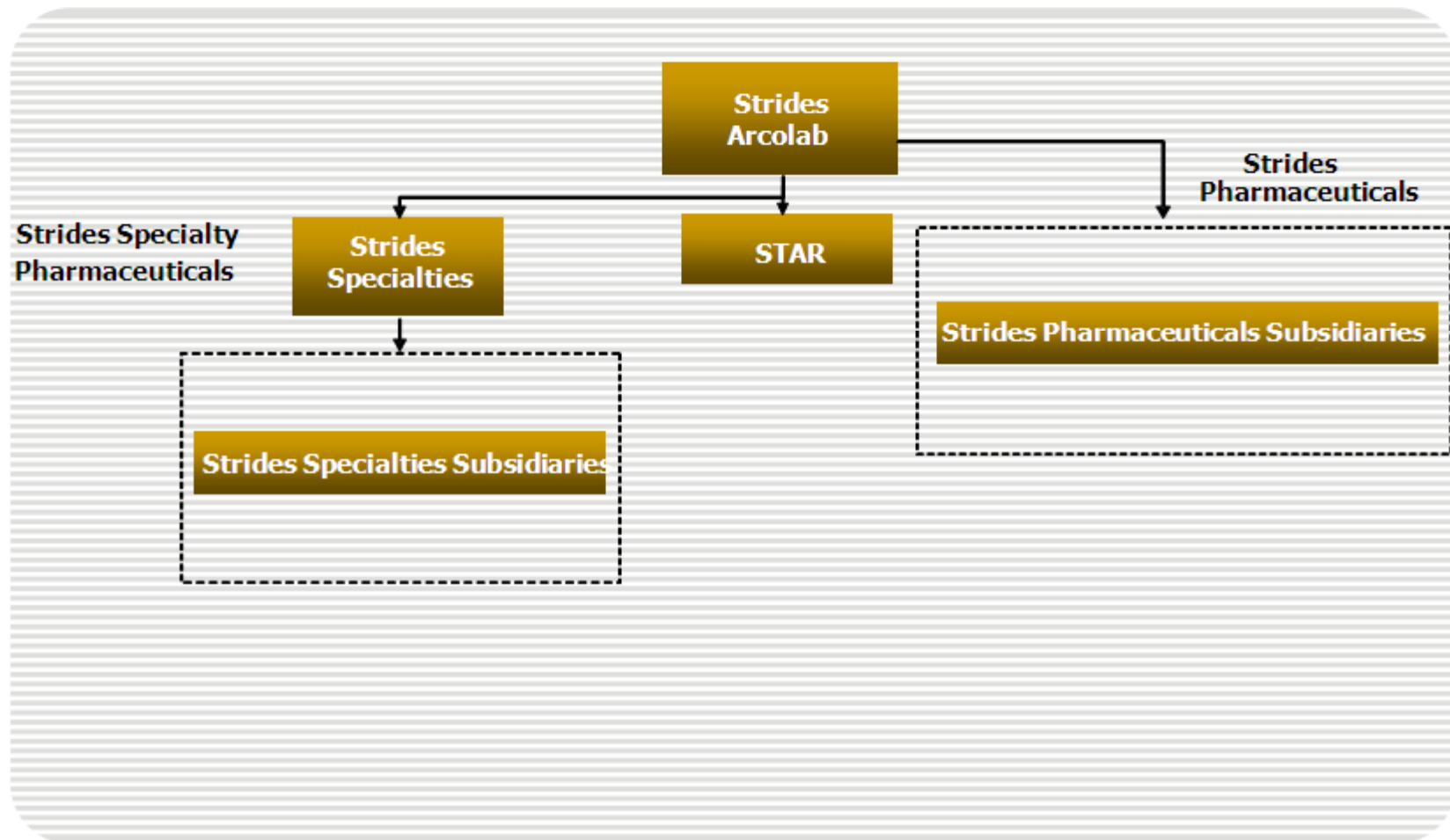
## Financial Reasons

- Greater integration and greater financial strength and operational flexibility for the amalgamated entity
- Transaction efficiency
- Cost rationalization and cash flow optimization
- Resource pooling and better financial flexibility

## Simplification of Structure

- Consolidation of entities in India through merger
- Rationalization of the number of entities
- Structure that enables future business realignment
- Administrative efficiencies
- Benefit of operational synergies to flow into areas such as raw material sourcing, product placement, etc.

# Resultant Structure



**Thank You**