Strides Arcolab Limited
Strides House,
Bannerghatta Road,
Bangalore – 560076,
India

BSE: 532531
NSE: STAR

Press Release
Thursday, March 18, 2010

Strides revises guidance upwards for FY 2010
Post Oncology and Campos transactions with Aspen

Bangalore, March 18, 2010 - Strides Arcolab Limited (“Strides”), today announced revised guidance for FY 2010 post the transactions with Aspen Pharmacare. The Company had earlier issued guidance for the year 2010 on February 24, 2010 along with its audited results for FY 2009.

• **Group Revenues to increase by 35-37% , in the range of Rs 1775-1825 Cr. (USD 390-400 mio)** *(The original guidance envisaged increase in revenues by 25 – 30%)*

• **Group EBIDTA to grow by over 70% with EBIDTA margins in the range of 20-21%.** *(The original guidance for EBIDTA margins envisaged in the range of 19 – 20%)*

Incremental Growth in the year 2010 is mainly attributable to the inorganic strategies, multiple product launches from new capacities and strong licensing income in the Core Specialties Business

Arun Kumar, Vice Chairman and Group CEO of Strides said “With the recent announcements of acquisition of Brazilian facility, its related business and the to-day’s acquisition of Aspen’s stake in Oncology JVs, the Company has embarked on a clear growth trajectory in the Specialties space”.

Oncology Overview

- **Global Market**
  
  Anti cancer drugs is the largest segment in speciality pharmaceutical sector. The global market is currently estimated at USD 75 billion, with a CAGR of 11% (IMS).

- **Strides manufacturing capabilities**
  
  Strides has invested over Rs.175 Crores (USD 40 mio) in a state of the art manufacturing facility at Bangalore. The facility is amongst the largest manufacturing sites globally in terms of capacity. The unit manufactures anti cancer sterile injectables and oral products. The facility is awaiting FDA approval while all other leading global agency approvals are in place.

- **Strides business model**
  
  Strides business model is through leadership by Partnering. The company has tied up by concluding significant transactions with Pfizer for US Market, GSK and Aspen for Emerging markets amongst others. Talks are ongoing for partnerships in other territories, besides, Strides own ability of front-ending in select markets globally.

- **Licensing revenue stream**
  
  Strides has a predictable licensing income stream from various partners for its Phase I products in excess of USD 100 Million. Payments from Partners have commenced from Q4 2009 and are based on milestones.

- **Portfolio**
  
  Strides has amongst the largest portfolio of Oncology products – 40 Products in Phase I with a global market value of approx. USD 15 billion and 16 Products in Phase II with a global market value of USD 17 billion. Phase II products are expected to be licensed to various partners later in the year 2010.

**Funding for recently announced transactions**

The total payouts of USD 192 Million (Campos acquisition USD 75 Million, and Onco transaction USD 117 Million) will be met over a period of 14 months based on agreed timelines. The company proposes to discharge its obligation through a combination of Licensing Income and bridge loans. The company expects the Debt/Equity ratio as on April 2011 to be similar to that of 31st December 2009.
**About Strides Arcolab Limited: Leadership Through Partnering**

Strides Arcolab, listed on the Bombay Stock Exchange Limited (532531) and National Stock Exchange of India Limited (STAR), is a global pharmaceutical company headquartered in Bangalore, India that develops and manufactures a wide range of IP-led niche pharmaceutical products with an emphasis on sterile injectables.

The company has 14 manufacturing facilities across 6 countries with marketing presence in more than 60 countries in developed and emerging markets. Manufacturing is ably supported by a 350-scientist strong global R&D Centre located in Bangalore. Additional information is available at the company’s website at www.stridesarco.com.

**For further information, please contact:**

<table>
<thead>
<tr>
<th>Strides</th>
<th>PR Consultancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Arun Kumar, Vice Chairman &amp; Group CEO</td>
<td>Mahesh Nair, Corporate Voice/Weber Shandwick</td>
</tr>
<tr>
<td>+91 80 66580118</td>
<td>+91 9880376648</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:maheshn@corvoshandwick.co.in">maheshn@corvoshandwick.co.in</a></td>
</tr>
<tr>
<td>Mr. T.S. Rangan, Group CFO</td>
<td>Kasturi Wasmatkar</td>
</tr>
<tr>
<td>+91 80 66580115</td>
<td>+91 9916728393</td>
</tr>
<tr>
<td>Mr. Kannan, N (Investors)</td>
<td><a href="mailto:kasturi@corvoshandwick.co.in">kasturi@corvoshandwick.co.in</a></td>
</tr>
<tr>
<td>+91 80 66580751</td>
<td></td>
</tr>
<tr>
<td>Melissa Arulappan (Media)</td>
<td></td>
</tr>
<tr>
<td>+91 98450 22389</td>
<td></td>
</tr>
</tbody>
</table>