

October 10, 2016

BSE Limited,
1st Floor, New Trading Wing,
Rotunda Bldg, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001.

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra-Kurla Complex,
Mumbai – 400 051.

Dear Sir / Madam,

Ref: BSE SCRIP CODE - 500302
NSE SYMBOL - PEL

Sub: Agreement to acquire Janssen's injectable anesthesia and pain management products by wholly-owned subsidiary

Enclosed is the Press Release being issued by the Company on the agreement to acquire five anesthesia and pain management injectable products from Janssen Pharmaceutica NV, in an all cash deal for an upfront consideration of US\$155 million, and up to an additional US\$20 million, by its wholly-owned subsidiary in the UK, Piramal Critical Care Limited.

A copy of the presentation being circulated to the Investors and Analysts in this regard, is also attached.

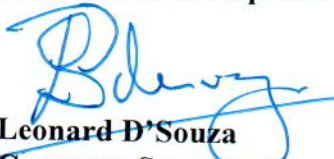
No related party of Piramal Enterprises Limited has any interest in the aforesaid transaction.

Kindly take the same on record.

Thank you.

Yours truly,

For Piramal Enterprises Limited



Leonard D'Souza
Company Secretary

Piramal Enterprises Limited

CIN : L24110MH1947PLC005719

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Press Release:

Piramal Enterprises' Critical Care Division expands its product portfolio; enters into an agreement to acquire Janssen's injectable anesthesia and pain management products

- *The potential acquisition is in line with the Group's strategy to boost growth in the healthcare businesses, both organically and inorganically*

October 10, 2016, Mumbai: Piramal Enterprises (NSE: PEL, BSE: 500302) announced that its wholly owned Critical Care subsidiary in the UK has entered into an agreement to acquire five anesthesia and pain management injectable products from Janssen Pharmaceutica NV, in an all cash deal for an upfront consideration of US\$155 million, and up to an additional US\$20 million. The products to be acquired are five injectable versions of well-established Janssen brands, Sublimaze (fentanyl citrate), Sufenta (sufentanil citrate), Rapifen (alfentanil hydrochloride), Dipidolor (piritramide), and Hypnomidate (etomidate) (the "Products").

Piramal has agreed to acquire the brand names and all related IP as associated with the Products, including the know-how to make both the active pharmaceutical ingredients ("API") and the finished dosage forms of the Products. The Products are currently marketed in over 50 countries. The potential acquisition does not include the transfer of any manufacturing facilities or employees. As part of the transaction, Janssen will continue to supply finished dosage forms for up to three years and API for up to five years. Janssen will continue to sell the products on behalf of Piramal until the marketing authorizations or relevant business relations are transferred to Piramal. Janssen can earn up to an additional US\$20 million if the Product portfolio achieves certain agreed financial milestones over the next 30 months. The transaction is expected to close this week.

Commenting on the occasion, **Ajay Piramal, Chairman, Piramal Enterprises** said, "Healthcare is an important focus area for Piramal Enterprises and we are strongly committed to growing this segment. The healthcare segment has grown at 17% CAGR over the last five years. This would be our 6th healthcare acquisition in the last two years, inorganically investing Rs. 1,800 crores across our Healthcare businesses. This acquisition is critical in shaping our product offerings, providing access to global markets and leveraging our existing capabilities. This acquisition is an important step in enabling Piramal Critical Care to start to address the global generic injectable hospital drug market which is greater than US\$20 billion in size. At Piramal, we constantly focus on creating long term value for our shareholders."

Peter DeYoung, CEO – Piramal Critical Care said, "We are currently the third largest player in the Inhalation Anesthesia market globally and continue to grow in that niche segment. These injectable anesthesia and pain products are a terrific addition to our existing portfolio that will allow us to provide greater value to our customers leveraging

our existing organisation and distribution partners. Four of the acquired products are controlled substances which have higher barriers to entry. Once the business is fully transitioned to us, our customers and business partners will benefit from our broader product basket, and in turn we can grow the value of the acquired product portfolio through our team's focused sales and marketing efforts. We remain committed to pursue additional value enhancing organic and inorganic opportunities in the future. "

The completion of the transaction is not subject to any further regulatory approvals.

About Piramal Enterprises Limited

Piramal Enterprises Limited (PEL) is one of India's large diversified companies, with a presence in Healthcare, Healthcare Information Management and Financial Services. PEL's consolidated revenues were around US\$1 billion in FY2016, with 61% of revenues from outside India.

In Healthcare, PEL is one of the leading players globally in CRAMS (custom research and manufacturing services) as well as in the critical care segment of inhalation and injectable anesthetics. It also has a strong presence in the OTC segment in India.

PEL's Healthcare Information Management business, Decision Resources Group, is amongst the top 20 US market research organizations which provide information services to the healthcare industry.

In Financial Services, PEL, through its Piramal Fund Management Division, provides comprehensive financing solutions to real estate companies. The Structured Finance Group (SFG) provides long term patient mezzanine growth capital to capital intensive businesses which are integral part of India's growth story. The total funds under management under these businesses are US\$3.3 billion. The Company also has strategic alliances with top global funds like CPPIB Credit Investment Inc., APG Asset Management and Bain Capital. PEL also has long term equity investments worth over US\$700 million in Shriram Group, a leading financial conglomerate in India.

PEL is listed on the Bombay Stock Exchange and the National Stock Exchange in India.

For Investors:

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Piramal Enterprises Limited

Healthcare - Critical Care

Entered into an agreement to acquire Injectable Anesthesia and Pain Management products from Janssen



Healthcare

Delivered on our stated strategy

Healthcare has been growing largely organically since the Abbott deal

Pharma Solutions

- Doubled capacity at Discovery Services facility
- Capacity expanded at Grangemouth
- Capacity expansion at Coldstream on track
- Executed debottlenecking at API plants to handle higher volume
- Well-recognized globally for superior performance in quality and compliance

Critical Care

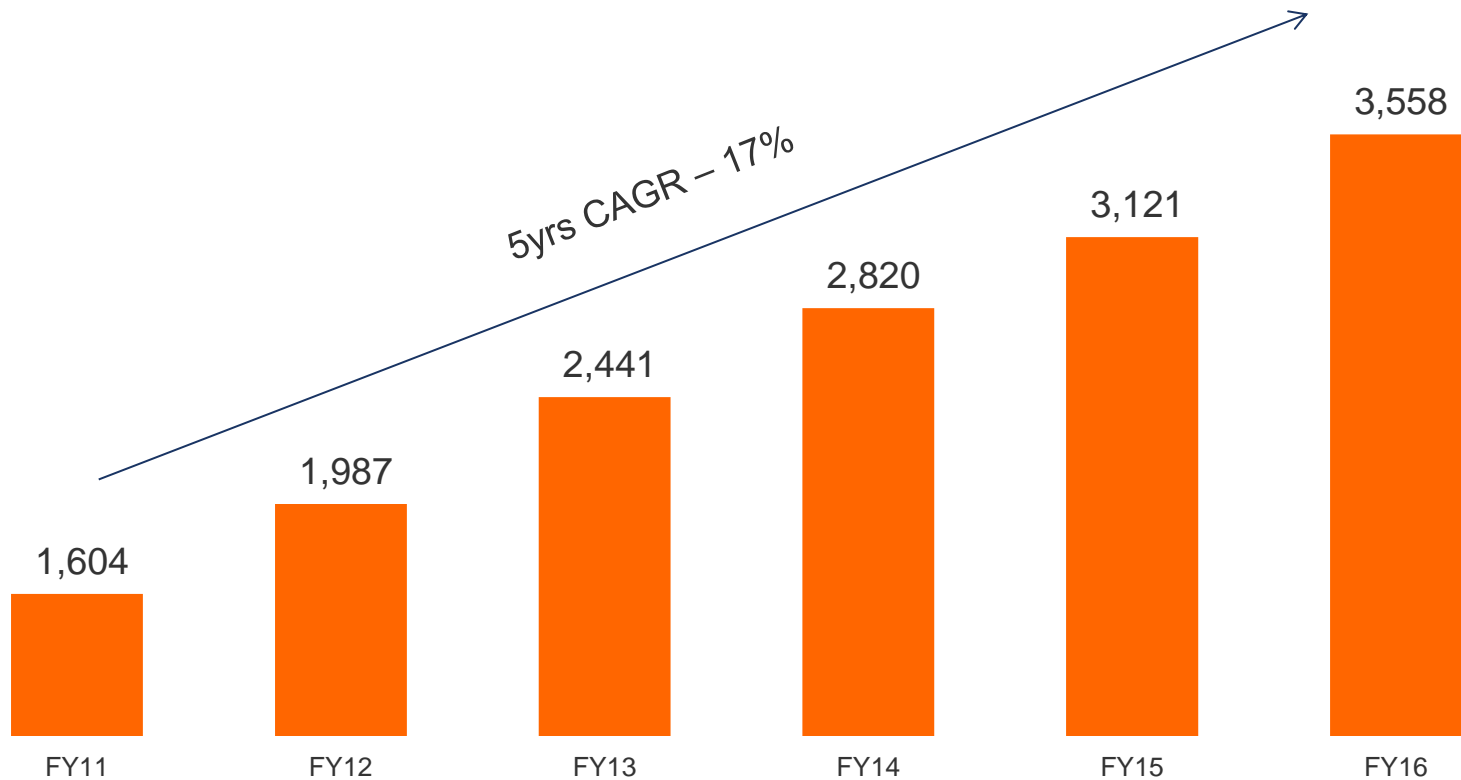
- Global market share grew from 3% in 2009 to 12% now
- Market share in US grew from 20% in 2011 to 30% now
- >50% market share in key EMs
- Significantly improved Sevoflurane market share in UK (42%) and Japan (56%)

Consumer Products

- Expanded India-wide distribution network reaching to 1,500 towns (481 towns in FY2015)
- 6 brands are among the top 100 OTC brands in India
- Launched quality brands like QuikKool, StopAllerG, Throatsil, Untox, i-can and i-know

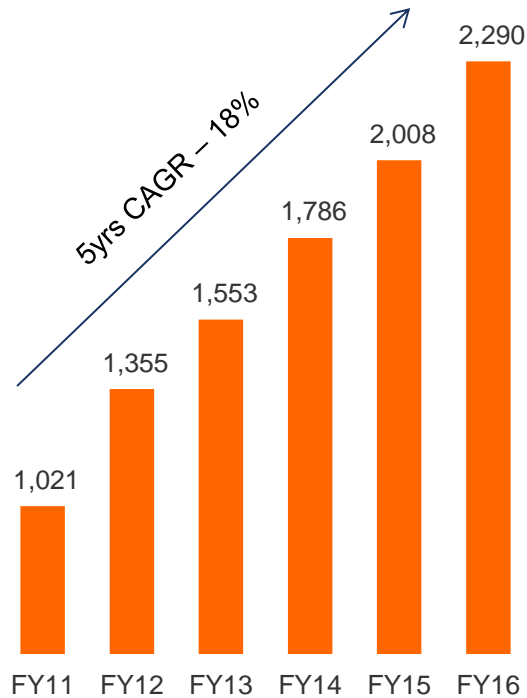
Delivered strong growth track record

Healthcare revenue

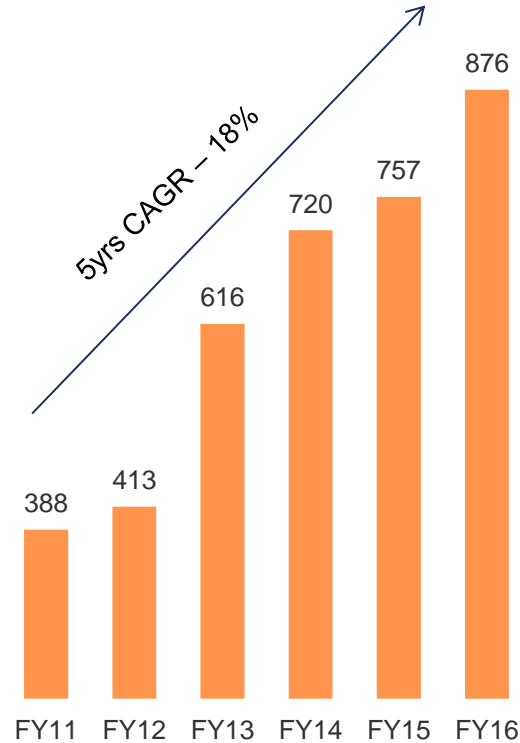


Delivered strong growth across all three businesses

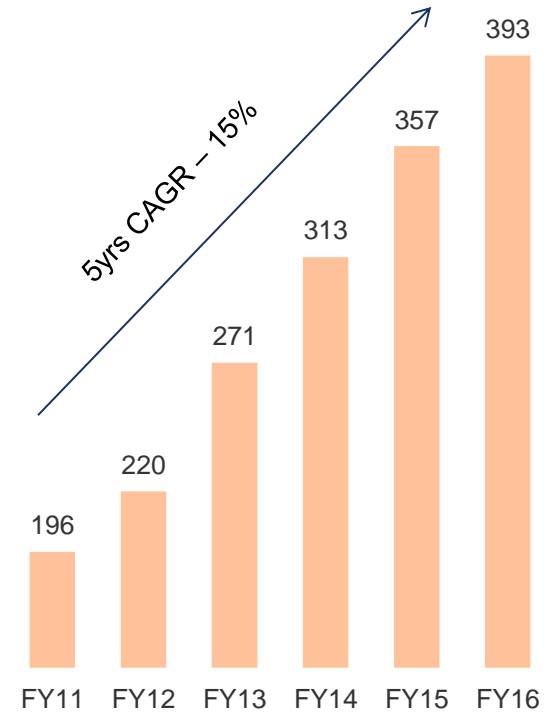
Pharma Solutions



Critical Care



Consumer Products



In last two years, we also carried out five value-accretive acquisitions in healthcare to boost growth

Pharma Solutions

Coldstream (Injectables)

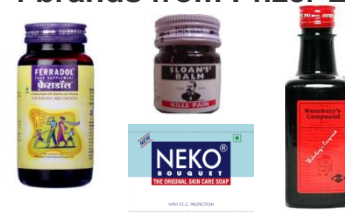


Ash Stevens (HPAPI)



Consumer Products

4 brands from Pfizer Ltd



5 brands acquired from Organon India & MSD BV



Baby-care brand "Little's"



Acquisition in the Critical Care segment

- Agreed to acquire a portfolio of five injectable anesthesia & pain management products from Janssen
- To boost the revenue of PCC business by ~33%
- Scope of acquisition: The five brands, their related IP and Marketing Authorisations (MA). No manufacturing facilities or manpower part of acquisition.
- To leverage PCC's large global distribution network
- To boost the margins for overall Healthcare segment



In last two years, we invested ~Rs.1,800 Crores in Healthcare acquisitions



Piramal Critical Care

Acquisition highlights

Products: Agreed to acquire a portfolio of five injectable anesthesia & pain management products from Janssen - Sublimaze, Sufenta, Rapifen, Dipidolor, and Hypnomidate

- Agreed to acquire brand names and all related Intellectual Property (IP) associated with Products, including know-how to make both API and finished dosage forms
- Janssen to continue to supply finished dosage forms for up to 3 years and API for up to 5 years
- Janssen to continue to sell the products until MA are transferred to Piramal Critical Care

Consideration:

- Upfront consideration of US\$155 million (~INR 1,030 crores)
- Up to US\$20 million (~INR 130 crores), if the product portfolio achieves certain agreed financial milestones over the next 30 months

Note : The generic names of these products are Fentanyl citrate, Sufentanil citrate, Alfentanil Hydrochloride, Piritramide and Etomidate.

Portfolio expansion enhances offerings to our existing customers

Earlier

Inhalation Anesthesia

Desflurane

Sevoflurane

Isoflurane

Halothane

Inhalation Anesthesia

Desflurane

Sevoflurane

Isoflurane

Halothane

Now

Injectable Anesthesia / Pain Management

Sublimaze

Sufenta

Rapifen

Dipidolor

Hypnomidate

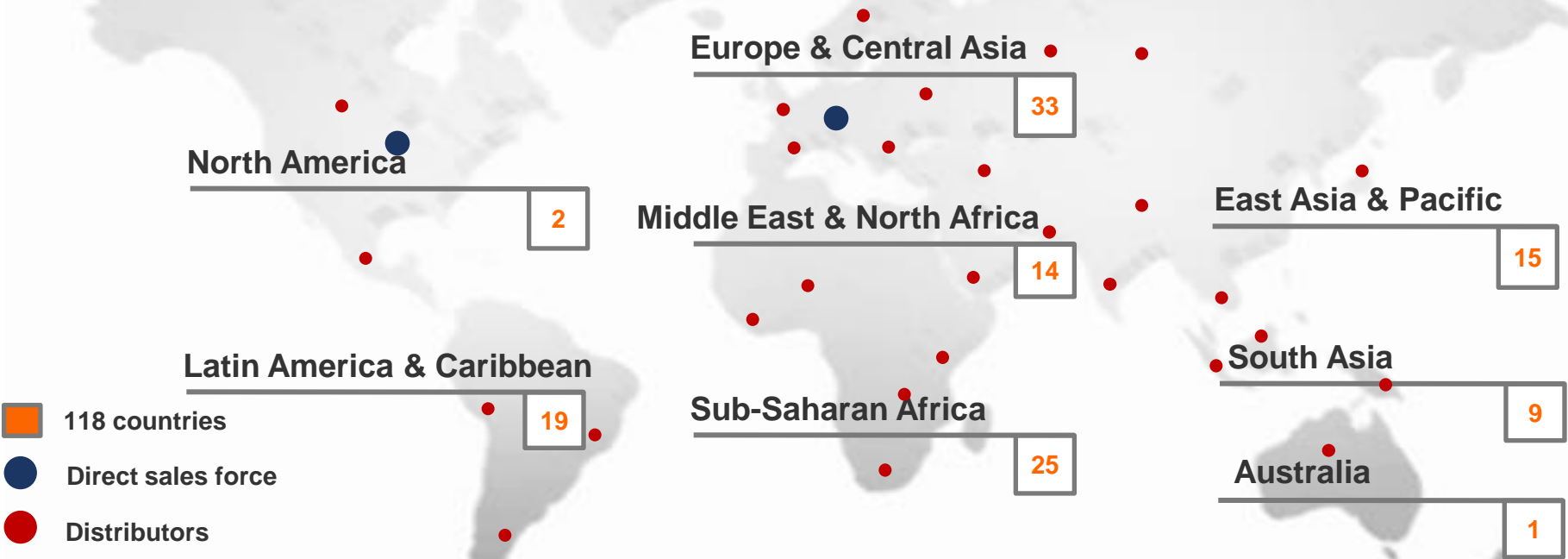
 To be launched in 2017

Note: Sublimaze, Sufenta, Rapifen and Dipidolor are controlled substances

Acquisition further strengthens our large global distribution network

- Presence in over 100 countries
- Global workforce with ~75% staff located outside India
- Serving over 6,000 hospitals in the world

- **Acquisition :**
 - Provides Marketing Authorisations in >50 countries
 - Will further strengthen presence in EU, Japan and EMs
 - Enables higher fixed cost amortisation to improve margins



Larger product portfolio will better leverage our global distribution capabilities

What makes this acquisition attractive for PCC ?

Product fit

- Injectable anaesthesia and pain management products with MA in >50 countries
- All these products fit well with our existing Critical Care product portfolio
- Branded generics (original innovator product was first made by Janssen)

Leverage global distribution

- Maximize value from existing sales infrastructure and partner network
- Potential to expand revenue as acquired products are currently not actively promoted in most countries

Large addressable market

- Gives deeper access to the global generic hospital drug market, which is >US\$20 billion in size

Greater access to large markets

- Significantly expands our presence in EU, Japan & large EMs
- Increasing presence in these markets likely to boost sales of our existing products

High entry barriers

- 4 out of 5 products are controlled substances. Restricted market entry on account of regulations around controlled substances.

High EBITDA margin of the acquired products to improve the overall profitability and return profile of the business

