



EQUITY STRATEGISTS™

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INVESTMENT PICK

LOW RISK / HIGH RETURN

HOLDING PERIOD – THREE MONTHS PLUS

LUPIN

Present Price – **Rs.1014**

Projected Price – **Rs.1400**

Lupin has emerged as one of the fastest growing companies in the US market, achieving revenue CAGR of 237% over FY05-FY08. Vertical integration has enabled the company to survive intense pricing pressure and gain market share in key products.

Lupin is the only Indian company with a branded play in the US market, with branded formulations constituting 27% of the total US business in FY09. Not only does this business offer better margins to generic products, but it also provides a buffer, cushioning US business from price volatility in the generic space.

LPC's Kyowa acquisition provides it a strategic foothold in the crucial Japanese market. Unlike other domestic peers, LPC has attained critical mass in Japan and we expect Kyowa to emerge as an important future growth driver.

Lupin is expanding into new geographies by augmenting its product basket and acquiring front ends across key markets. We expect these efforts to result in improved earnings quality and return ratios for the company.

BUYING IS ADVISED FOR MEDIUM TERM.

Note: In case of any problem in receiving NEWSLETTER, kindly contact Mr Devesh Chauhan at 9350171231

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