



ACETO Corporation

The Needham Healthcare Conference

April 12, 2016



“Sourcing & Supplying Quality Products Worldwide”



Disclosure

This presentation contains “forward-looking statements,” as defined by the Private Securities Litigation Reform Act of 1995, that can be identified by words such as “believes”, “expects”, “anticipates”, “plans”, “projects”, “seeks” and similar expressions and involve numerous risks and uncertainties. The Company’s actual results could differ materially from those anticipated or implied in such forward-looking statements as a result of certain factors, as set forth in the Company’s filings with the Securities and Exchange Commission.



Company Overview

Value Added Distributor Transforming Towards Pharmaceuticals



Human Health

- Finished Dosage Form Generics
- Nutritionals: supply app. 250 popular dietary supplements



Pharma Ingredients

- Active Pharmaceutical Ingredients
- Pharmaceutical Intermediates



Performance Chem.

- Specialty Chemicals
- Agricultural Protection Products

- Focus on niche products
- Consultative selling
 - Highly skilled, technically trained sales force
- Partnership model
- Distribute >1,100 chemical compounds
- Global reach
 - Int'l technical network
 - Regional managers in US, Europe & Asia

SOURCING

REGULATORY SUPPORT

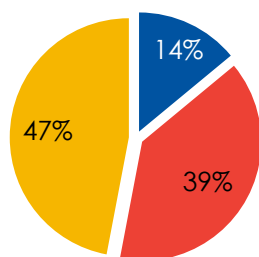
QUALITY ASSURANCE



Mix Shifting Toward Human Health Oriented Businesses

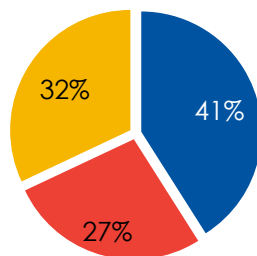
Net Sales- 10% CAGR

FY 2010



\$346.6 Million

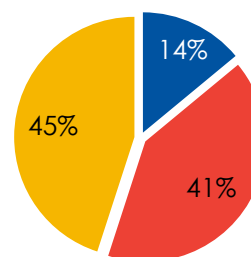
FY 2015



\$547.0 Million

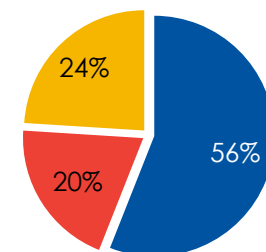
Gross Profit- 20% CAGR

FY 2010



\$54.2 Million
(Gross Margin- 15.6%)

FY 2015



\$135.4 Million
(Gross Margin- 24.8%)

■ Human Health ■ Pharmaceutical Ingredients ■ Performance Chemicals

Timeline of Transformation Toward Human Health Oriented Business

Date	Event
Dec-10	Acquired Rising Pharmaceutical
May-12	New logo and renamed business segments
Mar-14	Acquired Pack Pharmaceuticals
Sep-14	Acquired three ANDAs from Par utilizing softgel technology
Dec-14	SIC code changed to 5122- Wholesale- Drugs, Proprietarys and Druggists Sundries
Feb-15	GICS code changed to 35102010 (Health Care - Health Care Distributors)
Sep-15	Acquired 3 Ophthalmic ANDAs from NEXUS Pharmaceuticals
Sep-15	Acquired 3 ANDAs from ENDO International via FTC process



Investment Highlights

- Strategically positioned for growth through geographic expansion, new product offerings and bolt-on acquisitions
 - Primary focus on human health products
- Rising Pharmaceuticals is a platform for higher margin finished dosage form generics
- Scalable business model, SG&A leverage and improving product mix drives margin expansion
- Asset-light business model generates strong free cash flow
- Strong financial position supports growth initiatives
- Experienced executive management team
- Track record of 49 consecutive years of dividend payments, providing return to shareholders



Human Health

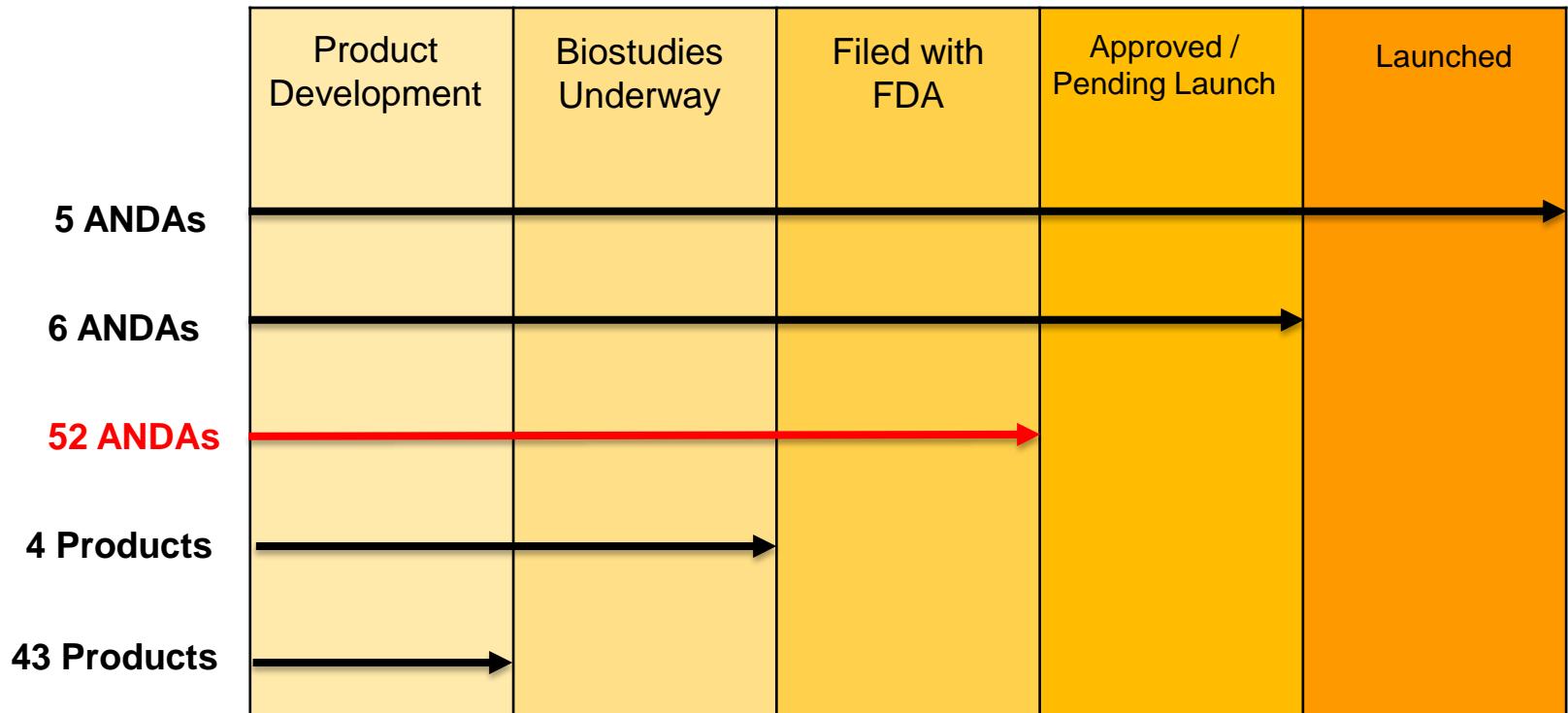
- Product Groups
 - Finished dosage form generic drugs (Rising Pharmaceuticals)
 - 60+ commercial products
 - 100+ pipeline products
 - Nutritionals
 - Nutraceutical ingredients
 - Packaged dietary supplements
- Growth Strategy
 - Expand portfolio of high margin finished dosage form generic products
 - Globalize and expand nutraceutical ingredients



Rising Pharmaceuticals

- Platform for growth as developer and marketer with established generics brand
- Strong brand recognition of “Rising” label among pharmacists and pharmaceutical product buyers
- Long-standing commitment to quality, service, supply and integrity
- Strategically utilizes partnership model
 - Product development programs
 - ANDA acquisitions
 - Paragraph IV product partnerships
 - Authorized generic marketer
 - Licensing opportunities on late stage product assets

Rising - Drug Development Pipeline



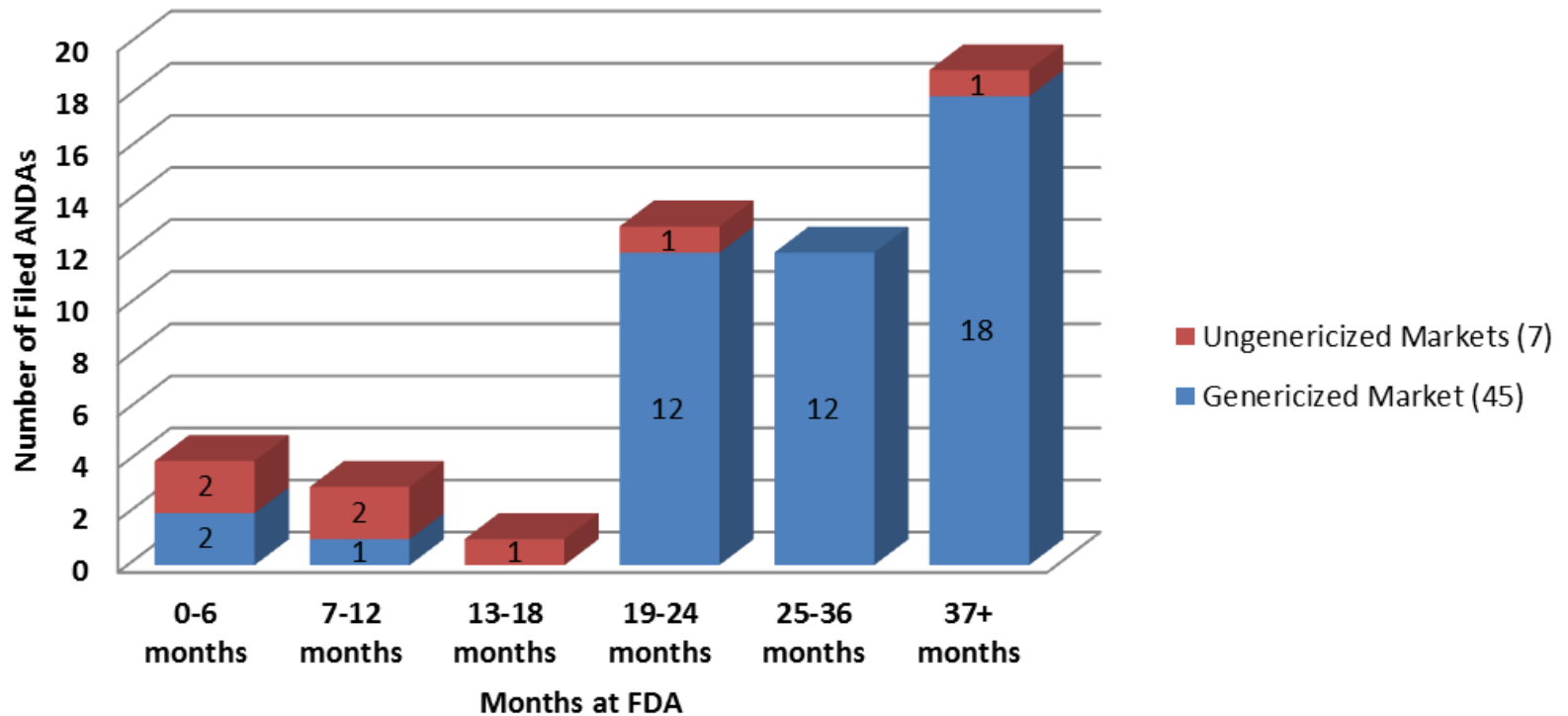
105 Pipeline Projects*

**Does not include the 5 products on this chart launched in FY2016.*

Aging of Filed ANDAs



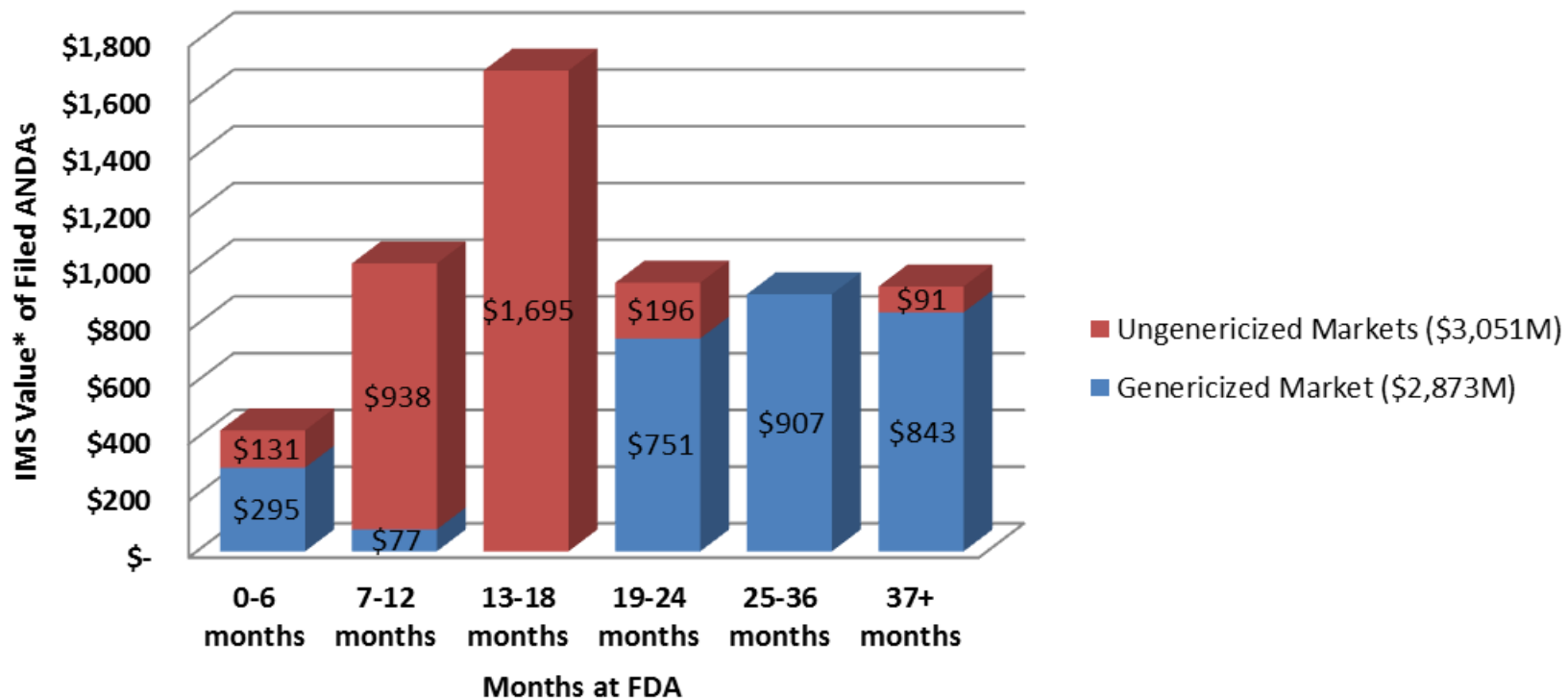
Aging of ANDAs: Filed ANDAs



Value* of Filed ANDAs



Value* of ANDAs: Filed ANDAs (\$M)



*Value is based on total market, including brand & generic where applicable, using recent IMS sales data

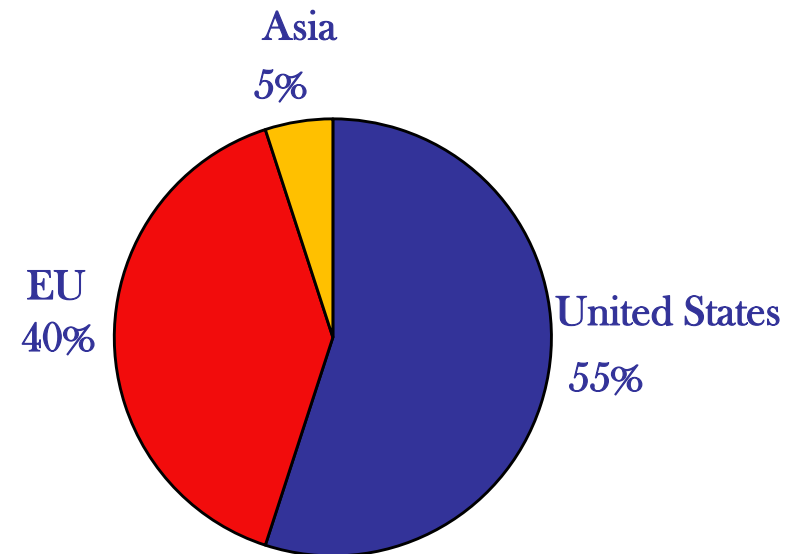


Broad Based Nutritional Products Offered on Global Basis

- Supply approximately 250 popular dietary supplements:

- Amino Acids
- Quercetin
- Coenzyme Q10
- Lactoferrin
- Chondroitin Sulfate
- Fish Oil/Omega 3
- Vitamins

Fiscal 2015 Sales





Human Health Customers (representative)





Pharmaceutical Ingredients

- **Product Groups**
 - Active Pharmaceutical Ingredients (API's) - bulk ingredients which impart therapeutic value to the drug
 - Pharmaceutical intermediates – building block chemicals used in the manufacturing of API's
- **Growth Strategy**
 - Focus on niche, small/mid-size products with a limited number of competitors
 - Serve as second source for branded drugs and generics
- >100 New Opportunities in Pipeline



Pharmaceutical Ingredients Customers

(representative)



L'ORÉAL





Performance Chemicals

- Product Groups
 - Specialty Chemicals - for coatings, inks, plastics, food, electronics, agricultural intermediates & other industrial applications
 - Agricultural Protection Products - fungicides, insecticides and sprout inhibitors
- Growth Strategy
 - Globalization of product offering
 - Creation of new product opportunities through new suppliers
 - Developing new products for existing customers
 - Continue to seek new generic Ag registrations

Performance Chemicals Customers (representative)

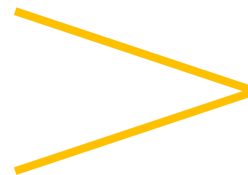




Value Proposition to Customers

- Core business competencies serve as sales and marketing drivers:

- Sourcing
- Regulatory Support
- Quality Assurance



Relieves customer of logistical concerns; ensures that products meet regulatory requirements

- Highly skilled, technically trained business development/sales force:

- >265 employees worldwide
- Well versed in science, regulations, chemistry and assessing customer and marketing needs to develop opportunities

- Function as virtual manufacturing company

- Match customers with fully vetted suppliers



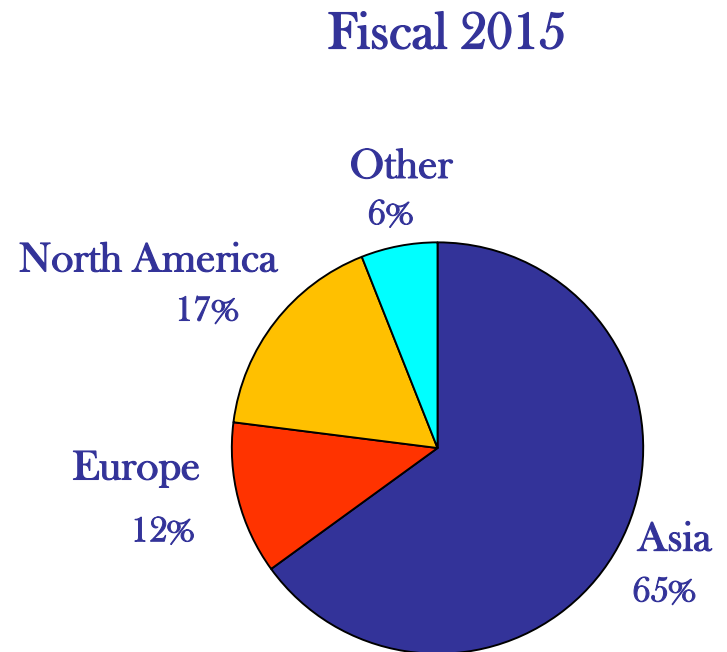
Worldwide Presence





Global Sourcing

- **China:**
 - Predominately source specialty chemicals, agricultural protection products and intermediates
 - 23 local professionals
- **India:**
 - Predominately source active ingredients and nutritionals
 - 12 local professionals
- **North America:**
 - Predominately source finished dosage form generics



Support: Technical & Regulatory with emphasis on Quality Assurance



- KEY differentiator between Aceto and other distribution companies
 - International Technical Network with regional managers in U.S., Europe and Asia
 - International Regulatory Support
 - Provides substantial global assistance as required
 - Enables manufacturers to bring products to market in conformance with regulations that they might not otherwise accomplish on their own
 - Worldwide Quality Assurance ensures that product quality meets both the customers' specifications and intended use



Strong Financial Position Provides Financial Flexibility

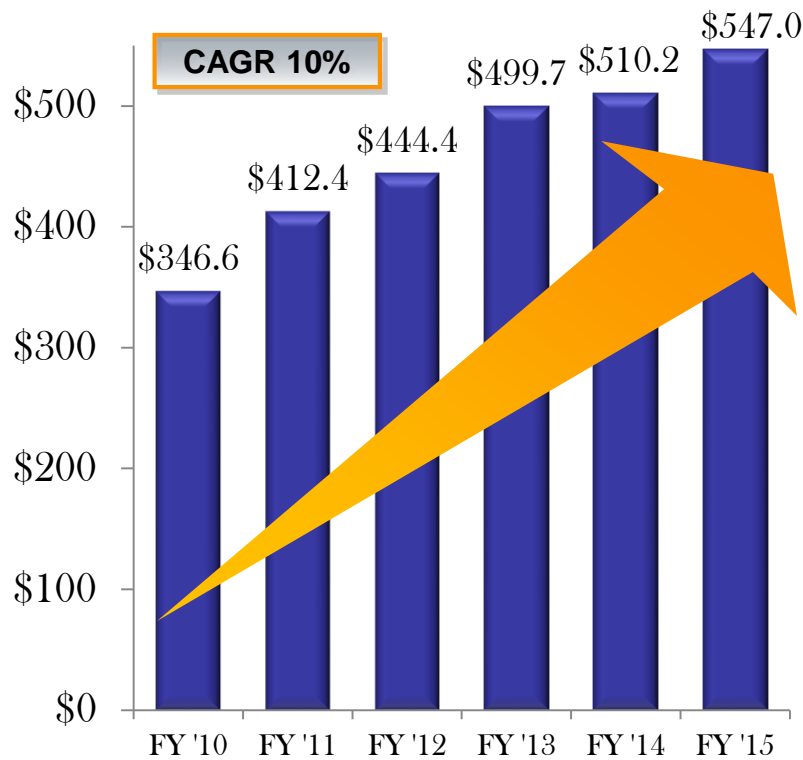
- Financial position at December 31, 2015:
 - Cash, cash equivalents and short-term investments of \$57 million
 - Convertible debt of \$113 million
 - Other bank debt of \$3 million
 - Working capital of \$227 million
 - Shareholders' equity of \$286 million
- Strong cash flow affords an expected \$0.24 per share annual dividend rate



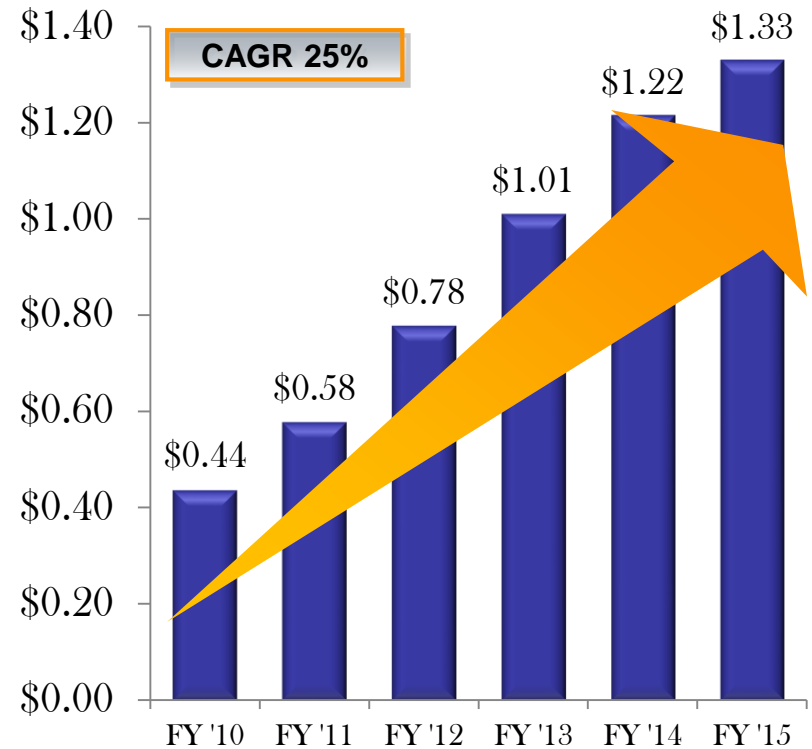
Strong Track Record of Growth

Net Sales

(\$ in millions)

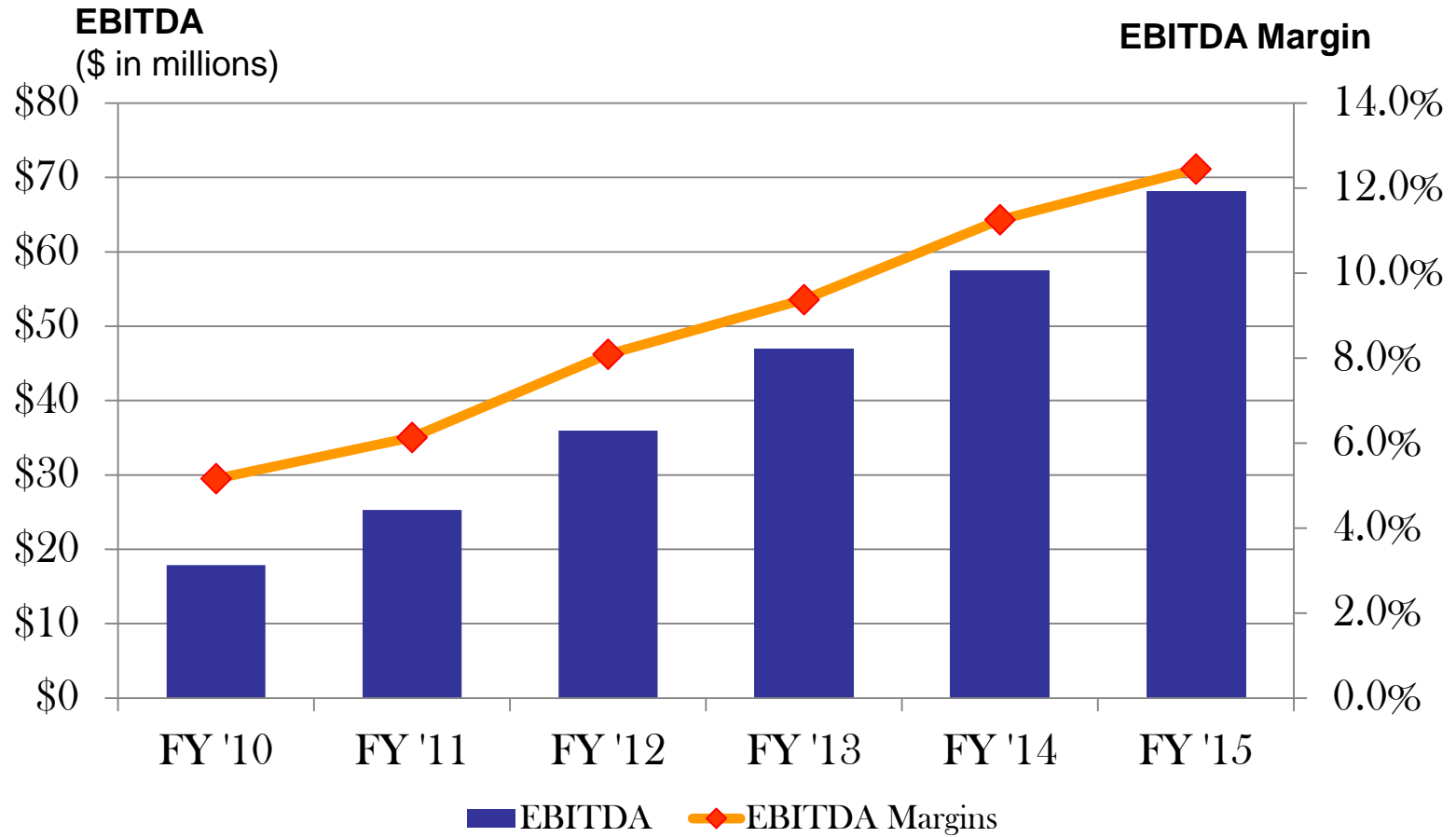


EPS (non-GAAP)





Expanding EBITDA & EBITDA Margin (non-GAAP)





Investment Highlights

- Strategically positioned for growth through geographic expansion, new product offerings and bolt-on acquisitions
 - Primary focus on human health products
- Rising Pharmaceuticals is a platform for higher margin finished dosage form generics
- Scalable business model, SG&A leverage and improving product mix drives margin expansion
- Asset-light business model generates strong free cash flow
- Strong financial position supports growth initiatives
- Experienced executive management team
- Track record of 49 consecutive years of dividend payments, providing return to shareholders



*Global Leader in the Marketing and Distribution of
Pharmaceutical Intermediates & Active Ingredients, Finished
Dosage Form Generics, Nutraceutical Products, Agricultural
Protection Products, and Specialty Chemicals*

For additional information please contact:

Jody Burfening

LHA

Investor Relations

800 3rd Avenue, 17th Fl.

New York, NY 10022

Tel: 212-838-3777

jburfening@lhai.com