

FY'12 Q1 Earnings Presentation

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SVP & CFO

11.01.11



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Disclaimer Statement

Forward Looking Statements

This presentation and release contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements generally can be identified by the use of statements that include phrases such as “believe,” “expect,” “anticipate”, “intend”, “estimate”, “plan”, “project”, “foresee”, “likely”, “may”, “will”, “would” or other words or phrases with similar meanings. Similarly, statements that describe our objectives, plans or goals are, or may be, forward-looking statements. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from Catalent Pharma Solutions’ expectations and projections. Some of the factors that could cause actual results to differ include, but are not limited to, the following: general industry conditions and competition; product or other liability risk inherent in the design, development, manufacture and marketing of our offerings; inability to enhance our existing or introduce new technology or services in a timely manner; economic conditions, such as interest rate and currency exchange rate fluctuations; technological advances and patents attained by competitors; and our substantial debt and debt service requirements that restrict our operating and financial flexibility and impose significant interest and financial costs. For a more detailed discussion of these and other factors, see the information under the caption “Risk Factors” in our most recent Annual Report on Form 10-K and our other reports filed with the Securities and Exchange Commission. All forward-looking statements speak only as of the date of this release or as of the date they are made, and Catalent Pharma Solutions does not undertake to update any forward- looking statements as a result of new information or future events or developments unless required by law.

Non-GAAP Financial Matters

Management measures operating performance based on consolidated earnings from continuing operations before interest expense, expense/ (benefit) for income taxes and depreciation and amortization and is adjusted for the income or loss attributable to non-controlling interest (“EBITDA from continuing operations”). EBITDA from continuing operations is not defined under US U.S. GAAP and is not a measure of operating income, operating performance or liquidity presented in accordance with U.S. GAAP and is subject to important limitations. Management believes these non-GAAP financial measures provide useful supplemental information for its investors’ evaluation of the Company’s business performance and are useful for period-over-period comparisons of the performance of the Company’s business.

Disclaimer Statement

We believe that the presentation of EBITDA from continuing operations enhances an investor's understanding of our financial performance. We believe this measure is a useful financial metric to assess our operating performance from period to period by excluding certain items that we believe are not representative of our core business and use this measure for business planning purposes. In addition, given the significant investments that we have made in the past in property, plant and equipment, depreciation and amortization expenses represent a meaningful portion of our cost structure. We believe that EBITDA from continuing operations will provide investors with a useful tool for assessing the comparability between periods of our ability to generate cash from operations sufficient to pay taxes, to service debt and to undertake capital expenditures because it eliminates depreciation and amortization expense. We present EBITDA from continuing operations in order to provide supplemental information that we consider relevant for the readers of the financial statements, and such information is not meant to replace or supersede U.S. GAAP measures. Our definition of EBITDA from continuing operations may not be the same as similarly titled measures used by other companies.

As exchange rates are an important factor in understanding period-to-period comparisons, we believe the presentation of results on a constant currency basis in addition to reported results helps improve investors' ability to understand our operating results and evaluate our performance in comparison to prior periods. Constant currency information compares results between periods as if exchange rates had remained constant period-over-period. We use results on a constant currency basis as one measure to evaluate our performance. In this release, we calculate constant currency by calculating current-year results using prior-year foreign currency exchange rates. We generally refer to such amounts calculated on a constant currency basis as excluding the impact of foreign exchange translation. These results should be considered in addition to, not as a substitute for, results reported in accordance with GAAP. Results on a constant currency basis, as we present them, may not be comparable to similarly titled measures used by other companies and are not measures of performance presented in accordance with GAAP.

In addition, the Company evaluates the performance of its segments based on segment earnings before minority interest, other (income) expense, impairments, restructuring costs, interest expense, income tax (benefit)/expense, and depreciation and amortization ("Segment EBITDA").

Under the indentures governing the notes, the Company's ability to engage in certain activities such as incurring certain additional indebtedness, making certain investments and paying certain dividends is tied to ratios based on Adjusted EBITDA (which is defined as "EBITDA" in the indentures). Adjusted EBITDA is based on the definitions in the Company's indentures, is not defined under U.S. GAAP, and is subject to important limitations. We have included the calculations of Adjusted EBITDA for the periods presented. Adjusted EBITDA is the covenant compliance measure used in certain covenants under the indentures governing the notes, particularly those governing debt incurrence and restricted payments. Because not all companies use identical calculations, the Company's presentation of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies.

Agenda

- First Quarter Highlights
- Catalent Financial Momentum
- Business Update
- FY'12 Q1 Financial Performance
- Adjusted EBITDA
- Cash Flow
- Q&A

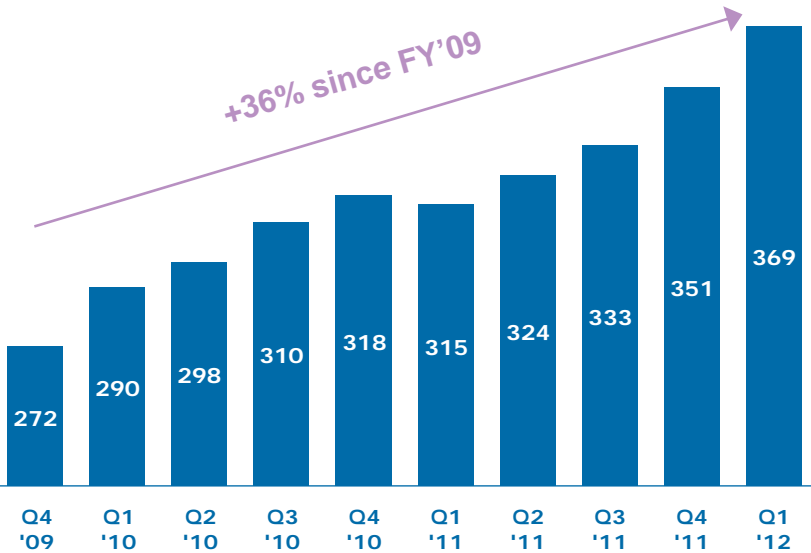
First Quarter Highlights

- Achieved strong Q1 growth despite Packaging and Sterile challenges:
 - Revenue up 8%, 3% at constant currency
 - Gross margin up 20%; Lean focus, favorable product mix shift
 - Adjusted EBITDA of \$84.7 million, up 28% vs. PY
- Double-digit EBITDA growth within Oral Tech and Development & Clinical Services; shortfalls within Sterile Tech and Packaging Services
- Strong focus on the optimization and enhancement of our business
 - Continued investments in sales and marketing, R&D/Innovation
 - Important technology and marketing initiatives announced
- Purchase of Aptuit CTS clinical services business on-track and expected to close in Q2

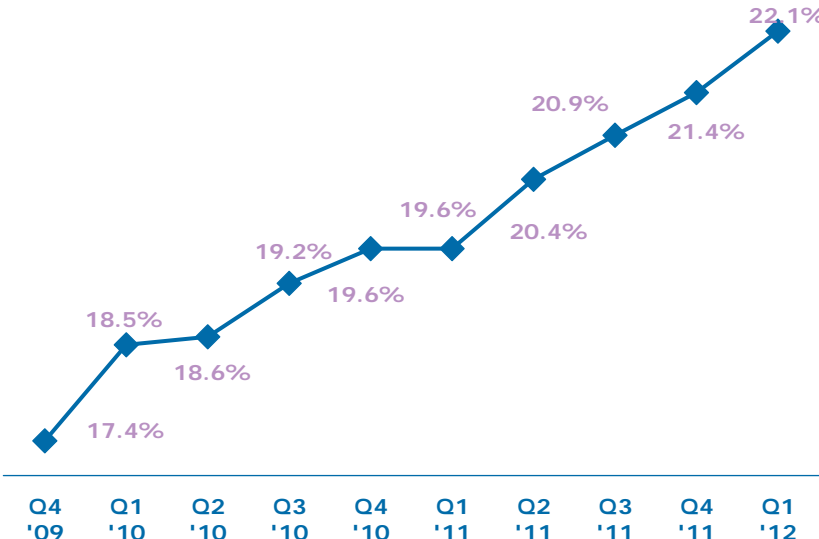
Nine Quarters of Financial Momentum

LTM Adjusted EBITDA

(USD millions)



LTM Adjusted EBITDA Margin



- Improved offering mix to higher margin (Oral Tech, Dev't & Clinical)
- Strong base cost discipline enabled by functional re-alignment



Expanded Adjusted EBITDA margin +470 bps; Adjusted EBITDA up \$97M

Note: Financials shown pro forma for divestiture of Printed Components business in Q4 FY11

Business Update – Oral Technologies

- Continued strong demand for Rx softgel products; robust pipeline for future revenue growth
- Sales of nutritional and other consumer health softgel products modestly higher than prior year
- Zydis[®] sales up 1.5% with EBITDA up 19% vs. prior year primarily due to increased royalties and improved productivity
- Strong demand for controlled release products within North America and Europe; double-digit growth in both sales & EBITDA
- Catalent and Sanwa announce exclusive license for OSDrC[®] Technology, bringing new modified release delivery technology to the RX and OTC global market

Business Update – Sterile Technologies

Sterile Injectables:

- Sales down nearly 15% with EBITDA down more than 65%
- Shortfalls in both flu and non-flu demand; backlog spike due to operational issues

Blow-Fill-Seal:

- First quarter revenue performance increased 9% vs. prior year with EBITDA significantly higher due to favorable product mix and efficiency gains (labor management, scrap reduction)
- Long-term market fundamentals remain attractive; new product pipeline robust, but long development cycle continues to exist

Business Update – Packaging Services

- Sales down 13% vs. prior year, but EBITDA well above prior year due to cost management
- Property and casualty loss experienced at our UK based commercial packaging facility; insurance proceeds expected to substantially cover property losses and business interruption although timing related variances may exist
- Quickly and efficiently transferred key existing business from UK fire-impacted facility to other Catalent facilities; commended by customers. These transfers are complete

Business Update – Development & Clinical Services

- Quoting and new business pipeline remains healthy across the segment; strong signings being delivered
- Expanded Analytical Services capabilities with a new lab in the UK
- Announced partnership with Toyobo Biologics, Inc. to co-promote GPEX® Technology in Japanese market
- Clinical Services revenue up 13% vs. prior year with profitability up 20% due to favorable product mix
- Purchase Aptuit CTS business expected to close in Q2; an excellent strategic fit

FY 2012 Q1 by Segment

(\$ millions)	Three Months	Three Months	Increase/(Decrease)		Excluding FX	
	Ended	Ended	Increase/(Decrease)		Increase/(Decrease)	
	Sep 30, 2011	Sep. 30, 2010	\$	%	\$	%
Oral Technologies						
Net Revenue	274.9	244.0	30.9	13%	17.7	7%
Segment EBITDA	67.3	52.2	15.1	29%	13.0	25%
Sterile Technologies						
Net Revenue	52.7	53.7	(1.0)	-2%	(3.9)	-7%
Segment EBITDA	3.9	5.2	(1.3)	-25%	(1.6)	-31%
Packaging Services						
Net Revenue	40.7	46.3	(5.6)	-12%	(6.0)	-13%
Segment EBITDA	4.1	1.9	2.2	N.M.	2.2	N.M.
Development & Clinical Services						
Net Revenue	47.6	43.4	4.2	10%	3.0	7%
Segment EBITDA	9.2	8.9	0.3	3%	(0.1)	-1%
Revenue Elimination	(5.4)	(6.6)	1.2	*	1.2	*
Other EBITDA	(14.0)	(25.3)	11.3	*	11.3	*
Combined Total						
Net Revenue	410.5	380.8	29.7	8%	12.0	3%
EBITDA	70.5	42.9	27.6	64%	24.8	58%

Operating Earnings to EBITDA

(\$ Millions)

	Quarters Ended			LTM	LTM	Quarter	LTM
	Sep 30, 2010	Dec 31, 2010	Mar 31, 2011			Mar 31, 2011	Jun 30, 2011
Income/(Loss)	(28.8)	(6.4)	(5.8)	1.5	(39.5)	(5.2)	(15.9)
Interest Expense, net	40.6	41.1	39.7	44.1	165.5	42.1	167.0
Income tax expense / (benefit)	1.4	9.2	7.9	5.6	24.1	3.5	26.2
Depreciation and Amortization	28.9	30.2	30.4	30.0	119.5	29.6	120.2
Noncontrolling Interest	0.8	(1.4)	(1.8)	(1.5)	(3.9)	0.5	(4.2)
EBITDA	42.9	72.7	70.4	79.7	265.7	70.5	293.3

LTM EBITDA Adjustments

(\$ millions)	Quarters Ended				LTM Jun 30, 2011	Quarter Ended Sep 30, 2011	LTM Sep 30, 2011
	Sep 30, 2010	Dec 31, 2010	Mar 31, 2011	Jun 30, 2011			
EBITDA	42.9	72.7	70.4	79.7	265.7	70.5	293.3
Non-cash stock compensation expense	1.4	1.0	0.9	0.6	3.9	0.9	3.4
Impairment charges and (gain)/loss on sale of assets	0.6	(0.5)	3.0	0.4	3.5	(0.4)	2.5
Restructuring and other special items	8.0	6.7	7.7	4.6	27.0	5.4	24.4
Property and casualty losses	-	-	1.1	10.5	11.6	(0.5)	11.1
Unrealized fx loss (included in other, net)	10.6	1.5	11.2	2.2	25.5	5.3	20.2
Other (Sponsor's fee, severance)	2.9	2.8	2.5	5.5	13.7	3.5	14.3
Subtotal	66.4	84.2	96.8	103.5	350.9	84.7	369.2
Estimated cost savings					-		-
Adjusted EBITDA					350.9		369.2

[Note:](#) Historical financials shown pro forma for divestiture of Printed Components business in Q4 FY'11

LTM EBITDA Trend

(\$ millions)	Quarters Ended								
	Sep 30, 2009	Dec 31, 2009	Mar 31, 2010	Jun 30, 2010	Sep 30, 2010	Dec 31, 2010	Mar 31, 2011	Jun 30, 2011	Sep 30, 2011
EBITDA	(209.3)	75.3	71.2	83.8	42.9	72.7	70.4	79.7	70.5
Non-cash stock compensation expense	(1.1)	1.3	1.0	1.4	1.4	1.0	0.9	0.6	0.9
Impairment charges and (gain)/loss on sale of assets	244.0	0.2	(0.2)	4.7	0.6	(0.5)	3.0	0.4	(0.4)
Restructuring and other special items	2.5	8.4	12.4	13.6	8.0	6.7	7.7	4.6	5.4
Other non-recurring/one time items (Sterile Facility Start Up, non cash adjustments)	0.1	(0.3)	-	-	-	-	-	-	-
Property and casualty losses	-	-	-	-	-	-	1.1	10.5	(0.5)
Unrealized fx (gain)/loss	31.1	(13.1)	0.1	(21.9)	10.6	1.5	11.2	2.2	5.3
Other (Sponsor's fee, severance)	2.0	3.5	3.3	4.2	2.9	2.8	2.5	5.5	3.5
Adjusted EBITDA, quarter	69.3	75.3	87.8	85.8	66.4	84.2	96.8	103.5	84.7
Estimated cost savings	-	-	-	-	-	-	-	-	-
Adjusted EBITDA - Trailing 12 months	289.9	297.8	310.1	318.2	315.3	324.2	333.2	350.9	369.2

Note: Historical financials shown pro forma for divestiture of Printed Components business in Q4 FY'11

FY 2012 Cash Flow (Three Months)

(\$ millions)	<u>Continuing</u>	<u>Discontinued</u>	<u>Total</u>
Net cash provided by/(used in) operations	21.8	-	21.8
Additions PP&E, net	(24.1)	-	(24.1)
Financing activities			(8.5)
FX on net cash			(7.0)
Increase/(Decrease) in cash			<u>(17.8)</u>
Cash at beginning of period			205.1
Cash at end of period			187.3
Items of note:			
Net cash cycle working capital decrease/(increase)			0.9
Cash interest			17.6
Cash taxes			6.6
Revolver at 9/30/11 (\$350 million facility)			-
Net Debt at 9/30/11			2,118.8



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