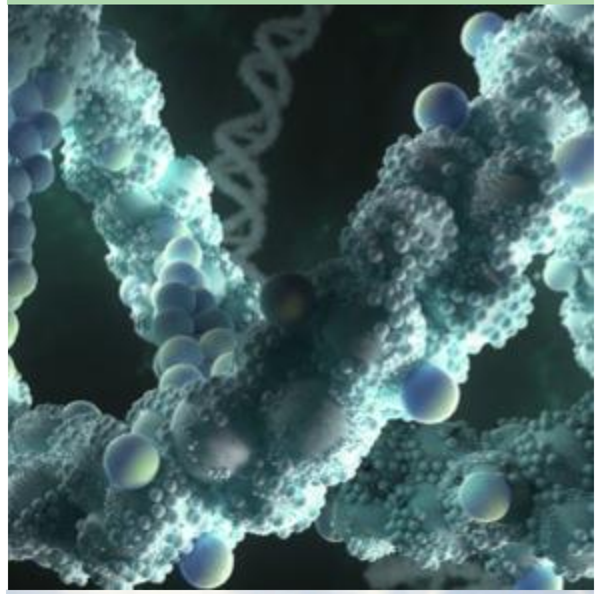
Q3 2016 Investor Call

September 8, 2016



CONFIDENTIALITY & DISCLAIMERS

Forward-Looking Statements

This presentation contains forward-looking statements which reflect the current beliefs and expectations of Patheon's management regarding the company's future growth, results of operations, performance (both operational and financial) and business prospects and opportunities. The statements in this press release that are not historical facts may be forward-looking statements. Readers can identify these forward-looking statements by the use of words such as ''outlook,'' ''believes,'' ''expects,'' ''potential,'' ''continues,'' ''may,'' ''will,'' ''should,'' ''seeks,'' ''approximately,'' ''predicts,'' ''intends,'' ''plans,'' ''estimates,'' ''anticipates'' or the negative version of these words or other comparable words. Such forward looking statements are subject to various risks and uncertainties, which could cause actual results to differ from those indicated in these forward looking statements. For more information concerning factors that could cause actual results to differ materially from those conveyed in the forward-looking statements, please refer to the "Risk Factors" section of the prospectus included in the company's registration statement, in the form last filed with the SEC. The Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable law. Accordingly, readers should not place undue reliance on forward-looking statements as a prediction of actual results.

Use of Non-GAAP Financial Matters

We define Adjusted EBITDA as income (loss) from continuing operations before repositioning expenses, interest expense, foreign exchange losses reclassified from other comprehensive income (loss), refinancing expenses, acquisition and integration costs (including certain product returns and inventory write-offs recorded in gross profit), gains and losses on sale of capital assets, Biologics earnout income and expenses, income taxes, impairment charges, remediation costs, depreciation and amortization, stock-based compensation expense, consulting costs related to our operational initiatives, purchase accounting adjustments, acquisition-related litigation expenses and other income and expenses.

Our management uses Adjusted EBITDA as one of several metrics to measure the Company's operating performance. Adjusted EBITDA is also a component of the performance objectives used to determine the short- and long-term incentive portions of executive compensation. We believe that providing this non-GAAP financial measure to investors as a supplement to the comparable U.S. GAAP measure in evaluating the performance of our operations provides greater transparency to the information used by the Company's management in its financial and operational decision-making. This non-GAAP financial measure does not have standard meaning, so it may not be comparable to similarly-titled measures presented by other companies and should not be considered in isolation or as a substitute for U.S. GAAP financial measures of performance. Reconciliations of this non-GAAP financial measure to the most comparable U.S. GAAP financial measure are included in the tables in the back of this presentation.

Patheon

A HEALTHIER WORLD. DELIVERED.

CATEGORY LEADER: HIGHLY PREDICTABLE, GLOBAL BUSINESS

A HEALTHIER WORLD. DELIVERED.

600+
Scientists and Technicians

26
Locations Serving 70 Countries

~700
Products

~400
Clients

25%
Of Top 100 Drugs (Developed or Manufactured)

21%
Of All Outsourced FDA Approvals Over 2006-2015

*Metrics shown are for FY 2015.

PATHEON: ONLY SINGLE SOURCE END-TO-END PROVIDER

Full suite of development and commercial manufacturing capabilities

Product Life Cycle

	Preclinical	Early Clinical Development (PhI-IIa)	Late Clinical Development (PhIIb-III)	Commercial	Generic-Biosimilar
Drug Substance Services: small & large molecule (DSS)	Route Selection / Cell Line Development	Process Development	Scale Up Validation SCM	Commercial Manufacturing LCC Sourcing	Second Generation Process
Pharmaceutical Development Services (PDS)	Pre-Formulation	Formulation Development	Scale Up Development		Generic Process New Formulation
Drug Product Services (DPS)				Commercial Manufacturing	Generic Process New Formulation (Generic Only)

Patheon
A HEALTHIER WORLD. DELIVERED.

PILLARS OF GROWTH

ORGANIC GROWTH

Leader in All Segments
- Addressing 75% of all dosage forms

High Quality Performance
- 95%+ RTF/OTD

End-to-End Provider
- ~1/3 DPS launches originate from PDS

New Product Launches
- ~70 launched in 2015

CONSOLIDATION

Fragmented Marketplace
- 650+ companies

Proven Track Record
- Integration playbook drives consistent value captures

Expanding Capabilities
- Capturing business earlier in value chain and/or retain it

Increased Scale
- Creating enterprise value through rapid synergy realization

NEW CLIENT MODELS

Condo Model
- Reduces investment to create manufacturing capacity

Flex Capacity
- Provides scale and flexible capabilities

Managed Networks
- Improves asset utilization

OneSource
- Integrated manufacturing capability

Patheon
A HEALTHIER WORLD. DELIVERED.

PERFORMANCE SUPPORTS POSITIVE TRAJECTORY INTO Q4

ABOVE-MARKET GROWTH

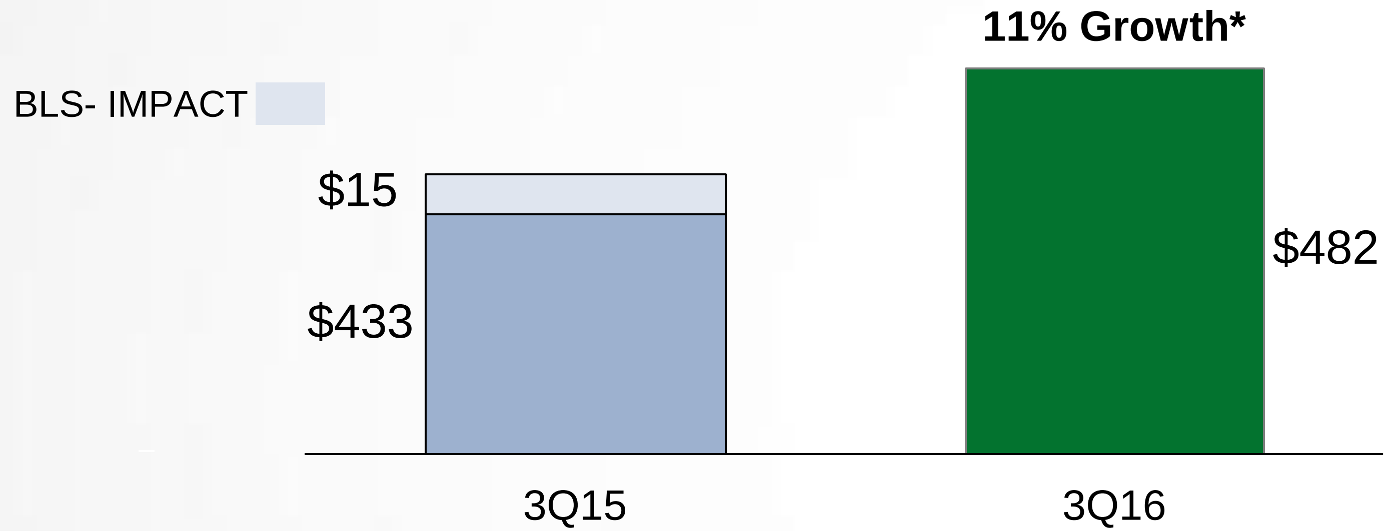
PROFITABILITY AND MARGIN EXPANSION

SOLID MOMENTUM

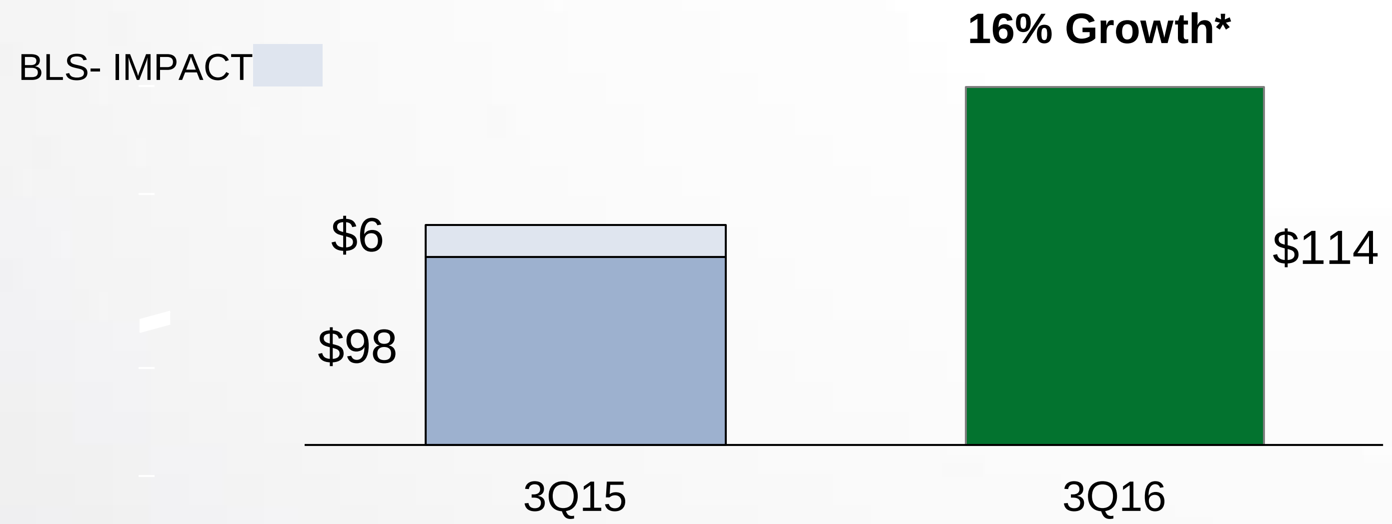
Q4 REVENUE AND ADJUSTED EBITDA ARE EXPECTED TO BE IN-LINE WITH CONSENSUS ESTIMATES

STRONG Q3 FINANCIAL RESULTS

REVENUE ($M)



ADJUSTED EBITDA ($M)



KEY CONSIDERATIONS

- Shares Outstanding at end of Q3'16: 145.1M
  - Diluted Weighted Avg. Shares Q3'16: 119.9M
- Interest Expense Q3'16: $43.1M
- Expected Q4'16 Interest Expense: $31M/qtr.
  - Includes ~$3M amortization of deferred financing costs
- Effective Tax Rate Q4'16: ~15%-20%
- Effective Tax Rate 2017: ~20%-25%
- Translational FX Impact on Revenue and Adjusted EBITDA minimal

STRONG GROWTH DELIVERS 24% ADJUSTED EBITDA MARGIN

* Excludes impact of BLS spin-off

Patheon®
A HEALTHIER WORLD. DELIVERED.

BROAD-BASED GROWTH ACROSS ALL SEGMENTS

DRUG SUBSTANCE SERVICES (DSS)

Revenue up 26% y/y to $116 million

Adj. EBITDA up 50% y/y to $31 million

Adj. EBITDA margin of 27%

- Strong demand in biologics
- 2017: ~85% of revenue under contract

PHARMACEUTICAL DEVELOPMENT SERVICES (PDS)

Revenue up 6% y/y to $57 million

Adj. EBITDA up 3% y/y to $20 million

Adj. EBITDA margin of 35%

- Additional capacity online in Greenville, good momentum heading into Q4 and 2017
- 2017: ~ 40% of revenue under contract
- 1/3 of DPS launches originate from PDS

DRUG PRODUCT SERVICES (DPS)

Revenue up 7% y/y to $309 million

Adj. EBITDA up 13% y/y to $88 million

Adj. EBITDA margin of 28%

- Recognized leader in launching new products
- 2017: ~90% of revenue under contract
- Sticky revenue, average contract term of 5+ years

CASH POSITION OF $100 MILLION AFTER REDEMPTION OF DEBT IN EARLY AUGUST

IPO Details

One of the Top IPOs of 2016

Sold ~29.5 million shares

11/12 Buy Ratings From Analysts

Proceeds of ~$585M

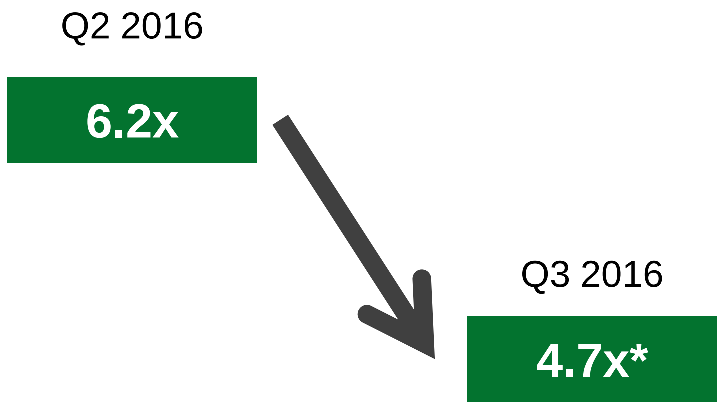
Cash Position

- $739M Cash & Cash Equivalents
- $2.7B Gross Debt
- $2.0B Net Debt

Cash Position: $100 million *as of early August 2016*

Delevering

IPO proceeds used to retire debt, reduce leverage and annual interest expense by $48M



* Leverage ratios derived using total debt on the balance sheet less cash on the balance sheet divided by LTM Pro-forma adjusted EBITDA; Refer to reconciliation tables for LTM Pro-forma adjusted EBITDA.

KEY TAKEAWAYS
Significant Potential for Further Growth

Strong, Growing Business

- Strategic investments in infrastructure to expand capacity across network
- Capability to address demand for more complex molecules
- Strategic investments in sales and marketing yielding strong volume of proposals
- 75% of all pharmaceutical dosage forms addressed

Industry Leader

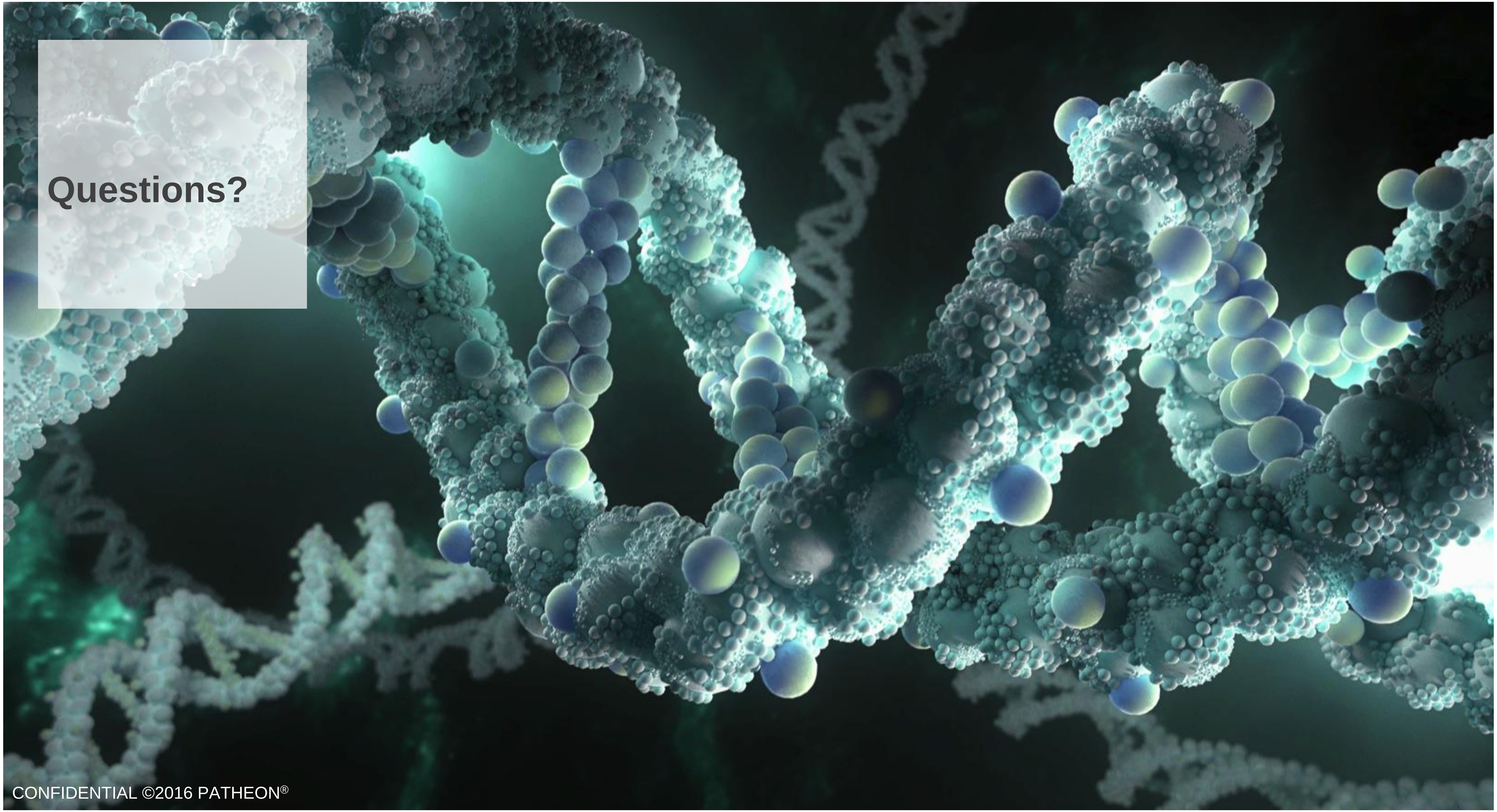
- 21% of all outsourced FDA approvals over last decade developed or manufactured by Patheon
- 17 new products launched in 2015; 8X nearest competitor
- Only end-to-end provider - broadest offering supporting new business models
- Outpacing peer group performance across all metrics

Excellence in Operations

- 95%+ RFT/OTD across network
- High quality performance drives demand for new business models
- Flexible manufacturing and network rationalization solutions addressing customer's needs for increasingly complex molecules

Solid Financial Performance

- Robust growth across all three segments
- Steady margin improvement
- Rapid EBITDA and FCF generation drives delevering, supporting future M&A



Questions?

RECONCILIATION OF GAAP TO NON-GAAP MEASURES

Unaudited

(in millions of U.S. dollars)	Three months ended July 31, 2016	Three months ended July 31, 2015
Net income (loss) from continuing operations	$8.8	$1.2
Depreciation and amortization	28.1	26.6
Repositioning expenses	0.4	3.1
Acquisition and integration costs	2.4	5.2
Interest expense, net	43.1	42.3
Impairment charge	0.1	3.2
Provision for income taxes	0.3	9.9
Refinancing expenses	-	-
Operational initiatives related consulting costs	0.5	2.9
Pre-IPO public company costs	0.4	0.2
Acquisition-related litigation expenses	1.1	5.6
Stock-based compensation expense	13.2	3.5
Remediation costs	8.9	0.9
Other	6.4	(0.4)
Total Adjusted EBITDA	$113.7	$104.2

A HEALTHIER WORLD. DELIVERED.

CONSOLIDATED SEGMENT OPERATIONS

Unaudited

Three months ended July 31, 2016

(in millions of U.S. dollars)	Revenues	Adjusted EBITDA
DPS	$309.1	$87.8
PDS	57.0	20.1
DSS	115.9	31.1
Other	-	(25.3)
Intersegment Eliminations	-	-
Total	$482.0	$113.7

Three months ended July 31, 2015

	Revenues	Adjusted EBITDA
DPS	$287.6	$77.5
PDS	54.0	19.5
DSS	91.7	20.8
Other	30.9	(13.6)
Intersegment Eliminations	(15.9)	-
Total	$448.3	$104.2

RECONCILIATION FOR CONSOLIDATED EBITDA per CREDIT AGREEMENT

Unaudited

(in millions of U.S. dollars)	**Twelve months ended 7/31/2016** $	**Twelve months ended 4/30/2016** $
Consolidated EBITDA per Credit Agreement	421.7	407.4
Less:		
Pro forma cost savings	(45.0)	(44.5)
Other	0.1	(0.7)
Add:		
BLS spinoff earnings - continuing operations	-	5.1
Adjusted EBITDA	376.8	367.3
(Deduct) add:		
Depreciation and amortization	(110.0)	(108.6)
Repositioning expenses	(6.7)	(9.4)
Acquisition and integration costs	(16.5)	(20.3)
Interest expense, net	(172.4)	(171.6)
Impairment charge	(1.0)	(4.1)
Benefit from income taxes	19.2	9.6
Operational initiatives related consulting costs	(8.0)	(10.3)
Pre-IPO public company costs	(3.3)	(3.1)
Acquisition-related litigation expenses	(7.9)	(12.4)
Stock-based compensation expense	(18.8)	(9.0)
Remediation costs	(30.0)	(21.0)
Gain on sale of investments	16.2	16.2
Other	(6.1)	0.6
Income from continuing operations	31.5	23.9
Add (deduct):		
Depreciation and amortization	110.0	108.6
Impairment charge	1.0	4.1
Stock-based compensation	18.8	9.0
Net change in non-cash working capital	(187.0)	(166.2)
Net change in deferred revenues	72.6	73.2
Non-cash interest	15.3	15.0
Gain on sale of investments	(16.2)	(16.2)
Other, primarily changes in long-term assets and liabilities and deferred taxes	(14.9)	(29.5)
Cash flows from operating activities of continuing operations	31.1	21.9
Cash flows from operating activities of discontinued operations	(8.7)	13.6
Cash flows from operating activities	22.4	35.5
Cash flows from investing activities	16.8	61.3
Cash flows from financing activities	571.7	(28.2)

Patheon
A HEALTHIER WORLD. DELIVERED.

WEIGHTED AVERAGE SHARE CALCULATION

Unaudited

Weighted Average Share Calculation
July 31, 2016

	2016
Fiscal Year Start	11/1/2015
Quarter Start	5/1/2016
Period End	7/31/2016
Days in YTD	273
Days in QTD	91
Basic Shares Outstanding at Year End:	145,074,042

YTD:		Shares	Days	Share Weight
11/1/2015	7/20/2016	115,609,756	262	110,951,487
7/20/2016	7/31/2016	145,074,042	11	5,845,474
				116,796,962

QTD:		Shares	Days	Share Weight
5/1/2016	7/20/2016	115,609,756	80	101,634,950
7/20/2016	7/31/2016	145,074,042	11	17,536,423
				119,171,373