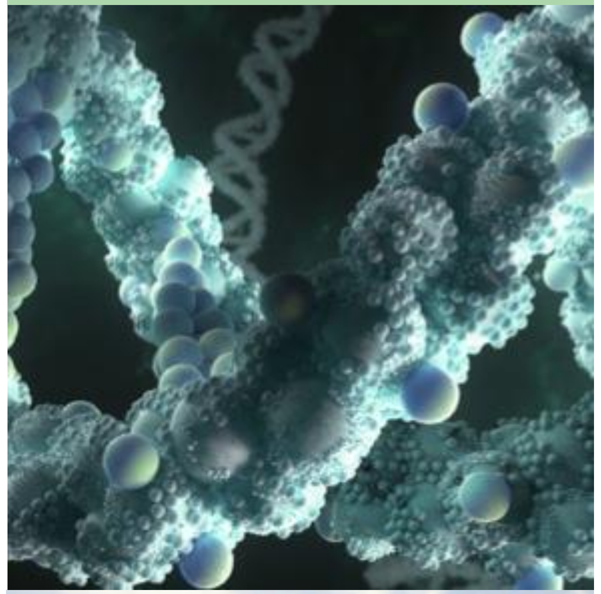
A HEALTHIER WORLD. DELIVERED.

1Q 2017 Financial Results Call

March 2017



FORWARD-LOOKING STATEMENTS AND NON-GAAP MEASURES

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 presentation are not historical facts and 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 included in the company's Fiscal 2016 Annual Report on Form 10-K 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 Measures

See the Appendix for additional information regarding the use of Non-GAAP financial measures.

AGENDA

BUSINESS HIGHLIGHTS

Q1 FINANCIAL RESULTS

GUIDANCE

1Q17 AND RECENT BUSINESS HIGHLIGHTS

Q1 FINANCIAL RESULTS

- Revenue of $457M
  - 13% y/y growth
  - Growth across all three segments
- Adjusted EBITDA of $83M
  - 350 bps of y/y margin expansion
- Q1 Total Contract Value (TCV) of $453M

INVESTMENTS FOR GROWTH

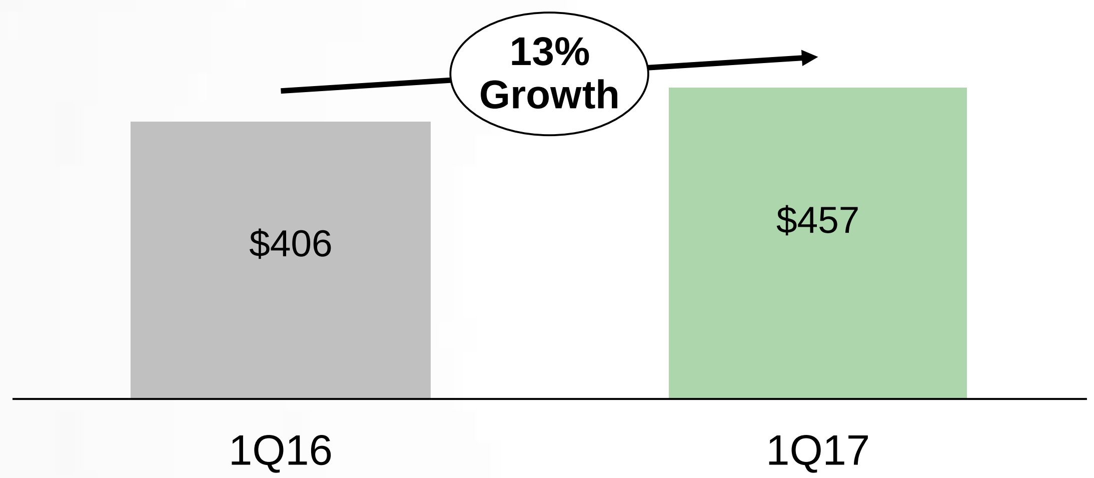
- Addition of Roche North American API facility
- Continued investment in capabilities and capacity to drive long-term growth
- Continuous manufacturing suite coming online in FY17

FY17 FULL-YEAR OUTLOOK

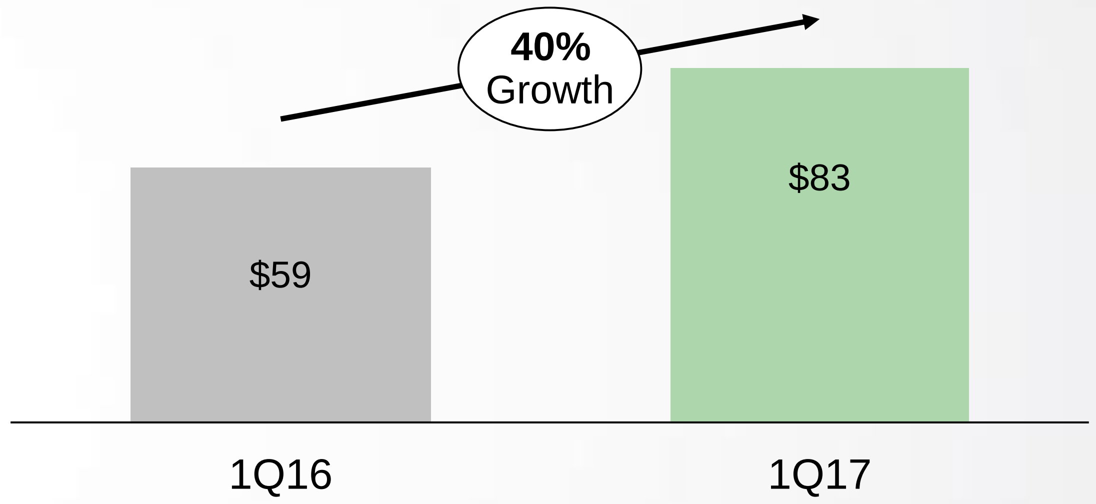
- Updated guidance reflects current exchange rates and latest outlook for the business, including Roche Florence, SC site
  - Revenue of $1,990M-$2,010M
  - Adjusted EBITDA of $430M-$450M
  - Adjusted EPS of $1.05-$1.20
- TCV target of $2.0-$2.2B unchanged

Q1 FINANCIAL RESULTS

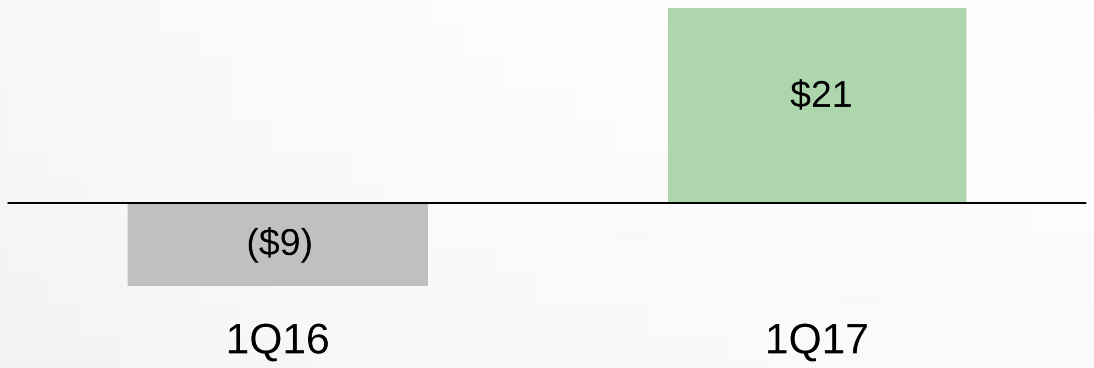
REVENUE ($M)



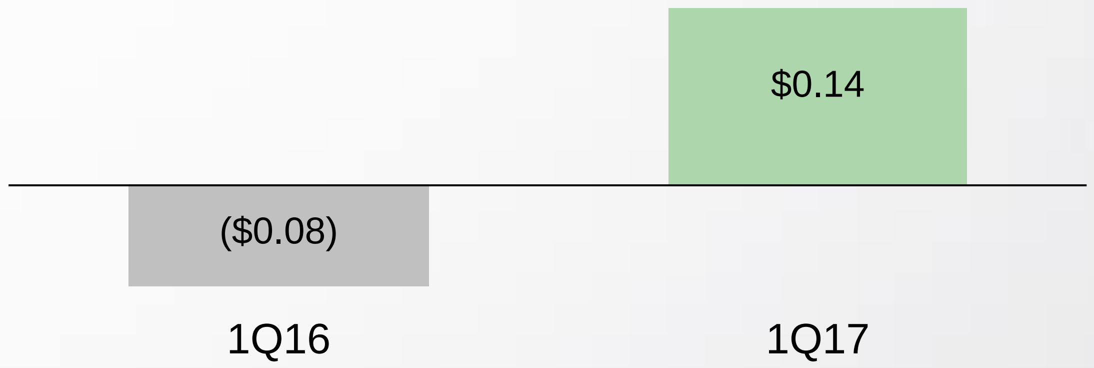
ADJUSTED EBITDA ($M)



ADJUSTED NET INCOME ($M)



ADJUSTED EPS



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Q1 SEGMENT RESULTS

DRUG SUBSTANCE SERVICES (DSS)	PHARMACEUTICAL DEVELOPMENT SERVICES (PDS)	DRUG PRODUCT SERVICES (DPS)
Revenue of $130M	**Revenue of $52M**	**Revenue $275M**
Adj. EBITDA of $32M	**Adj. EBITDA of $16M**	**Adj. EBITDA of $61M**
• 31% y/y growth driven by both API and biologics • 960 bps of y/y adj. EBITDA margin expansion to 25%	• 8% y/y growth driven by demand for sterile and low-solubility services • 270 bps of y/y adj. EBITDA margin expansion to 31%	• 6% y/y growth driven by higher product volumes, partially offset by delays in customer-supplied materials • 100 bps of y/y adj. EBITDA margin expansion to 22%

FY17 GUIDANCE | UPDATE

KEY DRIVERS OF UPDATED OUTLOOK

- Updating guidance to reflect:
  1. Current spot exchange rates
     - EUR:USD of $1.05
  2. Addition of Roche Florence, SC facility
  3. Timing of customer volumes and key product approvals
     - Shifts due to changing customer forecasts and contract delays
  4. Investment to support record level of recent wins
     - Additional resources to support biologics growth and increased tech transfer activity

UPDATED FY 2017 OUTLOOK

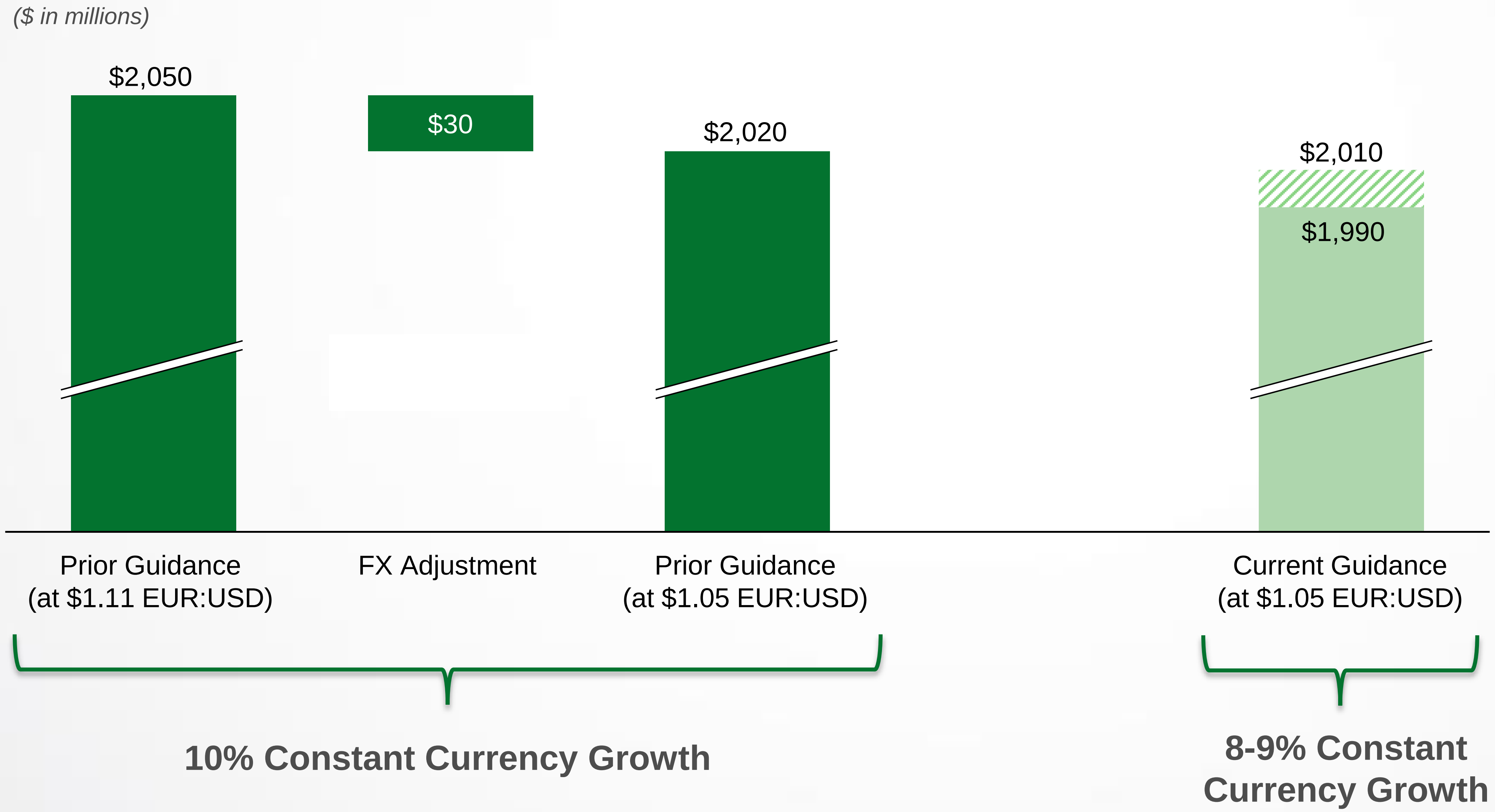
Revenue of $1,990M-$2,010M

Adj. EBITDA of $430M-$450M

Adj. EPS of $1.05-$1.20

UPDATED FY17 REVENUE OUTLOOK

PRIOR VS. CURRENT REVENUE GUIDANCE



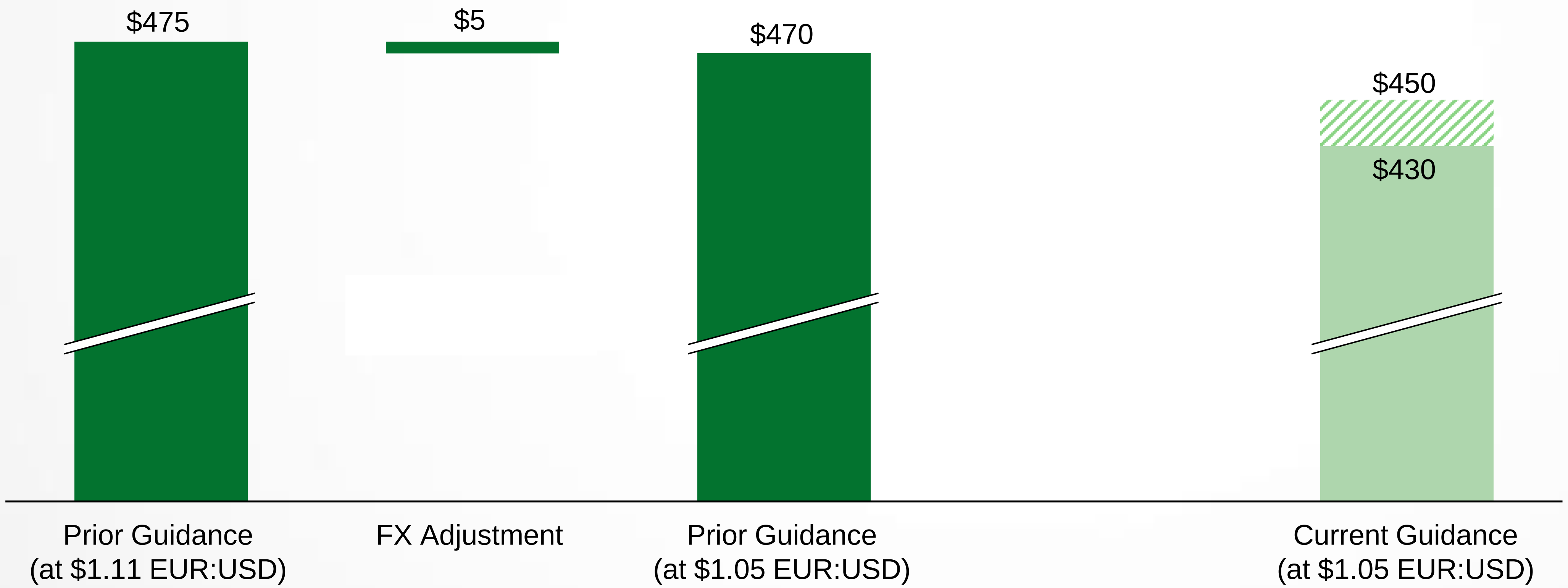
KEY ASSUMPTIONS

- FY17 revenue of $1,990M-$2,010M
- Q2 revenue of $460M-$470M
- Revenue build throughout year, similar to FY16

UPDATED FY17 ADJUSTED EBITDA OUTLOOK

PRIOR VS. CURRENT ADJUSTED EBITDA GUIDANCE

($ in millions)

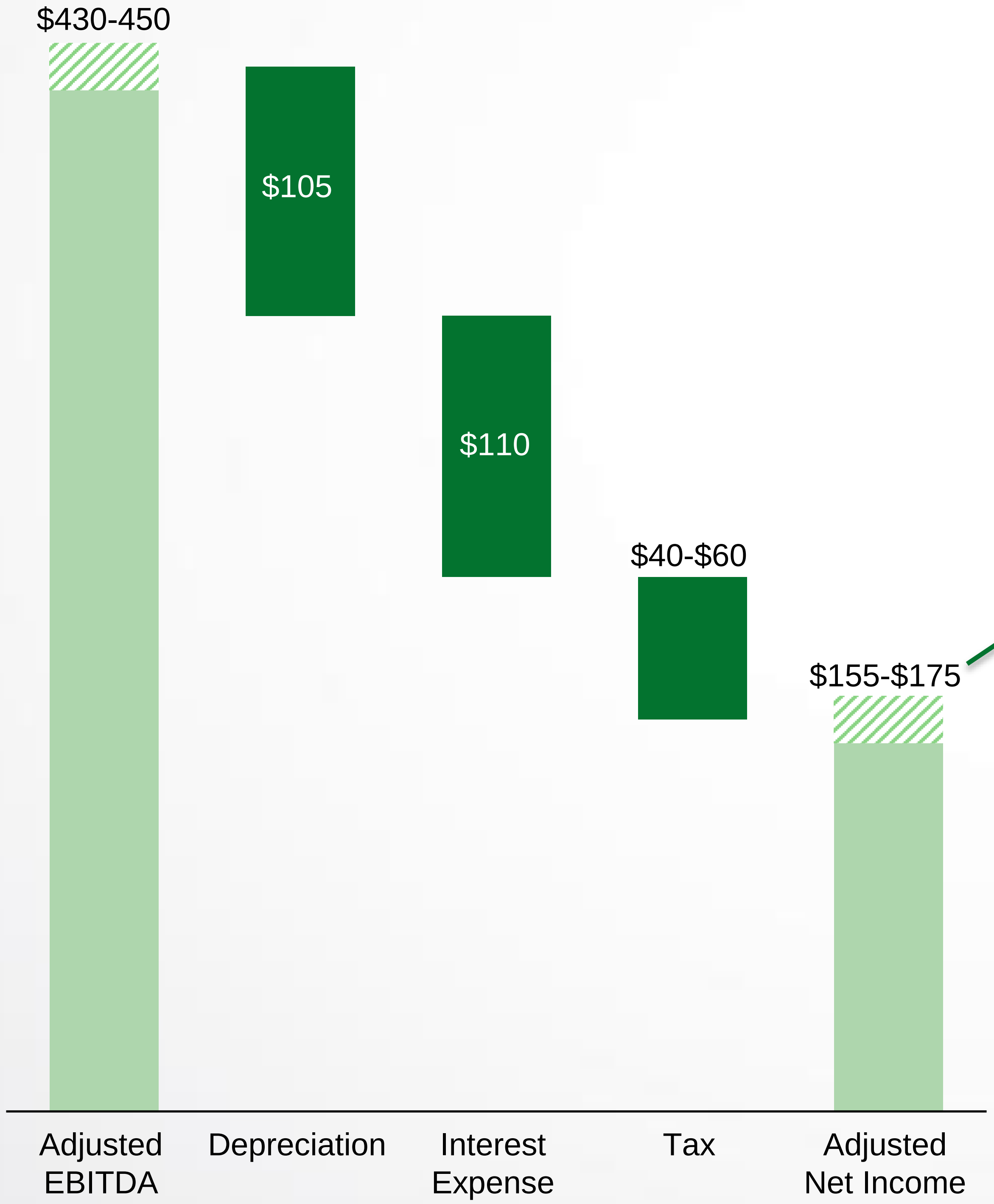


KEY ASSUMPTIONS

- FY17 adj. EBITDA of $430M-$450M
- Q2 adj. EBITDA of $85M-$95M
- Adj. EBITDA build throughout year, similar to FY16

UPDATED FY17 ADJ. NET INCOME AND ADJ. EPS

($ in millions, except per share amounts)



Adjusted Net Income: $155 - $175

~146M Shares

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Adjusted EPS $1.05 - $1.20

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APPENDIX

RECONCILIATION OF GAAP TO NON-GAAP MEASURES

(in millions of USD, except per share amounts)	Three Months Ended January 31,	
	2017	**2016**
Net Income (Loss) from Continuing Operations	**$28.3**	**($20.0)**
Depreciation and amortization	$27.6	$26.4
Repositioning expenses	$1.3	$1.2
Acquisition and integration costs	$3.5	$2.6
Interest expense, net	$28.2	$43.8
Benefit from income taxes	($21.3)	($0.7)
Operational initiatives-related consulting costs	$1.1	$1.4
IPO costs	--	$0.4
Acquisition-related litigation expense	$2.3	$1.0
Stock-based compensation expense	$4.0	$1.0
FDA remediation costs	--	$8.4
Environmental remediation costs	$3.7	--
Other	$3.8	($6.5)
Total Adjusted EBITDA	**$82.5**	**$59.0**
Depreciation	($21.5)	($20.4)
Interest expense	($25.5)	($40.5)
Tax expense	$21.3	$0.7
Discrete tax items	($28.1)	($1.1)
Estimated tax effect on adjustments	($7.5)	($6.7)
Adjusted Net Income (Loss)	**$21.2**	**($9.0)**
Weighted-average shares – diluted (in millions)	146.3	115.6
Adjusted Net Income (Loss) per Diluted Share	**$0.14**	**($0.08)**

 | *Note: Results unaudited.*

CONSOLIDATED SEGMENT OPERATIONS

(in millions of USD)	**Three Months Ended January 31, 2017**	
	Revenue	**Adjusted EBITDA**
DPS	$275.2	$61.4
PDS	$52.3	$16.3
DSS	$129.9	$32.0
Other	--	($27.2)
Total	**$457.4**	**$82.5**

(in millions of USD)	**Three Months Ended January 31, 2016**	
	Revenue	**Adjusted EBITDA**
DPS	$258.5	$55.1
PDS	$48.5	$13.8
DSS	$98.9	$14.8
Other	--	($24.7)
Total	**$405.9**	**$59.0**

 | *Note: Results unaudited.*

USE OF NON-GAAP FINANCIAL MEASURES

Use of Non-GAAP Financial Measures

We define Adjusted EBITDA as income (loss) from continuing operations before repositioning expenses (including certain product returns and inventory write-offs recorded in gross profit), 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 expense, 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. Adjusted EBITDA margin equals Adjusted EBITDA divided by revenues.

We define Adjusted net income as Adjusted EBITDA minus depreciation expense (excluding amortization from intangibles acquired in acquisitions), interest expense (excluding amortization of the deferred financing costs), and tax expense. In addition, we exclude discrete tax items and apply an estimated tax effect on adjustments within the calculation. The estimated tax effect is calculated using statutory tax rates on each expense item, except in the case where a jurisdiction is under a full valuation allowance at the time of the expense, in which we apply a tax rate of 0%. We define Adjusted EPS as Adjusted net income divided by the average number of shares outstanding on a diluted basis for the related period.

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 present Adjusted net income and Adjusted EPS because we believe they are useful supplemental measures in evaluating the performance of our operations and provide greater transparency into our results. We believe that providing these non-GAAP financial measures to investors as a supplement to the comparable U.S. GAAP measures 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. These non-GAAP financial measures do not have standard meanings, so they 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. Reconciliation of Adjusted EBITDA to the most comparable U.S. GAAP financial measure is included with the financial statements in this press release.

The Company does not provide a reconciliation of forward-looking non-GAAP financial measures to their comparable GAAP financial measures because it could not do so without unreasonable effort due to the unavailability of the information needed to calculate reconciling items and the variability, complexity and limited visibility of the adjusting items that would be excluded from the non-GAAP financial measures in future periods. When planning, forecasting and analyzing future periods, the Company does so primarily on a non-GAAP basis without preparing a GAAP analysis as that would require estimates for various cash and non-cash reconciling items that would be difficult to predict with reasonable accuracy. For example, equity compensation expense would be difficult to estimate because it depends on the Company's future hiring and retention needs, as well as the future fair market value of the Company's common stock, all of which are difficult to predict and subject to constant change. It is equally difficult to anticipate the need for or magnitude of a presently unforeseen one-time restructuring expense or the values of end-of-period foreign currency exchange rates. As a result, the Company does not believe that a GAAP reconciliation to forward-looking on-GAAP financial measures would provide meaningful supplemental information about the Company's outlook.