

**PRESS RELEASE**

**Noida, Monday February 06, 2012**

**Jubilant Life Sciences Ltd. Q3 FY'12**

**Revenue - Rs. 1,087crore, up 25% YoY**

**Recorded Highest ever sales in a Quarter**

**EBITDA - Rs. 212crore, up 58% YoY**

**EBITDA Margins at 19.5% as against 15.4% in Q3'FY11**

The Board of Jubilant Life Sciences Limited, an integrated pharmaceutical industry player and the largest Custom Research and Manufacturing Services Company in India met today to approve financial results for the third quarter and nine month period ended December 31, 2011.

**Commenting on the Company's performance, Mr. Shyam S Bhartia, Chairman & Managing Director and Mr. Hari S Bhartia, Co-Chairman & Managing Director, Jubilant Life Sciences said:**

*"We are happy to share that the Company has reported the highest ever revenue in Q3FY'12 and strong operating earnings in both quarter as well as nine months period. This strong growth was driven by good volumes from increased capacities and margin improvement in Products and Services business. The Generics business led revenue and profit growth there by making higher contribution to the mix.*

*We are confident of delivering robust growth in the ensuing period backed by higher capacity utilisations, new product launches across all our Products business and sustained higher margins in Services business."*

**Quarterly Results**

In the third quarter of FY2012, the Company recorded Net Sales of Rs 1,087crore, growing 25% YoY. The International business grew 28% YoY, contributing 71% to Net Sales, at Rs 767crore. Sales from Regulated Markets of USA, Canada, Europe and Japan were together at Rs 635crore, at 58% of the Net Sales and recorded a growth of 43% YoY.

In Q3'FY12, the Company EBITDA was Rs. 212crore up 58% YoY with margins at 19.5%, compared to 15.4% in Q3'FY11. Profit before exceptional items, tax and minority interest was Rs. 101crore, recording YoY growth of 81%. Exceptional items include:

- Unrealised Mark to Market book loss mainly on account of currency movement of USD, from base of Rs 45 to Rs 53.10, with respect to Rupee Loan swapped into USD Loan at the time of FCCB repayment, amounting to Rs 143crore and
- Unrealised exchange loss of Rs 12crore on Long Term Foreign Currency Loans amortised over the tenure of the loan as per Clause 46A of AS-11.



After accounting for Exceptional Items of Rs 155crore, the Company has reported Loss After Tax and Minority Interest of Rs 78crore. However, normalised Profit After Tax is Rs 77crore for the quarter.

Revenue from Life Science Products which stood at Rs. 867crore contributed 80% to sales, a growth 24% YoY. The share in revenue of Life Sciences Ingredients was 60% at Rs 656crore with YoY growth of 13%. Generics with sales of Rs. 211crore contributed 19% to the revenue mix and recorded a growth of 78% YoY. Product business EBITDA margins were higher at 23.6% up from 22.8% in Q3'FY11, an increase of 77bps.

Life Science Services Revenue was at Rs 220crore, a growth of 32% YoY. CMO contributed 14% to the Revenue Mix at Rs 157crore, and Drug Discovery and Development Solutions reported Rs 59crore in Net Sales, contributing over 5% to the revenue mix for the quarter. Services business EBITDA stood at Rs. 24crore and margins at 10.9% witnessed a nine fold increase on YoY basis.

### **Nine Months Results**

The Net Sales of the Company stood at Rs 3,080crore, up 21% YoY. International business contributed 70% to Net Sales at Rs 2,151 crore, growing at 22% YoY. Sales from Regulated Markets of USA, Canada, Europe and Japan were together at Rs 1,778 crore contributing 58% to the Revenue Mix and depicted a growth of 33% YoY.

The Company EBITDA was Rs. 643crore up 50% YoY, with margins at 20.9%, compared to 16.9% in corresponding period last year, up 396bps. Profit before exceptional items, tax and minority interest was Rs. 339crore, recording YoY growth of 61%. Exceptional items include:

- Unrealised Mark to Market book loss mainly on account of currency movement of USD, from base of Rs 45 to Rs 53.10, with respect to Rupee Loan swapped into USD Loan at the time of FCCB repayment, amounting to Rs 161crore and
- Unrealised exchange loss of Rs 41crore on Long Term Foreign Currency Loans amortised over the tenure of the loan as per Clause 46A of AS-11.

After accounting for Exceptional Items of Rs 202crore, the Company has reported Profit After Tax and Minority Interest of Rs 78crore. However, normalised Profit After Tax is Rs 280crore for the nine month period.

Revenue from Life Science Products which stood at Rs. 2,439crore contributed 79% to Net Sales and grew 23% YoY, from Rs. 1,987crore in the corresponding period last year. The share in revenue of Life Sciences Ingredients was 60% at Rs. 1,856crore with YoY growth of 12%. Generics with Sales of Rs. 583crore contributed 19% to the revenue mix and recorded a growth of 78% YoY. Product business EBITDA margins were at 24.5%, up 121 bps from 23.3% in corresponding period last year.

Life Science Services Revenue was at Rs 640 crore, a growth of 15% YoY. CMO contributed 15% to the Revenue Mix, growing 18% YoY at Rs 462crore. Drug Discovery and Development Solutions reported Rs 169crore in Net Sales, contributing over 5% to the revenue mix for the nine month period and growing at 9% YoY. Services business recorded high growth in EBITDA at Rs. 95crore with 14.9% margins a six fold increase from corresponding period last year.



### **Filings & Approvals**

In Solid Dosage Formulations business, as of December 2011, the Company has 19 approved ANDAs and 25 filings pending USFDA approval. In the European market, 30 Dossiers stand approved, while 5 are still under approval. 4 products are under approval with Health Canada and the Company has more than 150 filings in ROW out of which 28 have already been approved. This strong product pipeline in our solid dosage formulations business is expected to drive the growth momentum of the Company.

In Radiopharmaceuticals business, the Company filed for Rubidium Generator (used for PET Myocardial Perfusion Imaging) in US and Canada, approval for which is expected in FY13. The Company has the first mover advantage in Canada and would be one of the 2 suppliers in the US market.

In the API business, at the end of December 2011, the Company has 54 DMF filings in the US, 29 CEPs in Europe, 27 in Canada and 6 in Japan besides over 65 filings in ROW.

### **Capacity Additions**

During the quarter, the company commissioned new capacity at SEZ Gujarat for Niacinamide and its Intermediate, 3Cyanopyridine. Commercial supplies from the plants have been well received by the customers in the international market. The plant at SEZ for manufacturing a large agro-intermediate, Symtet is also likely to be commissioned in Q4'FY12.

### **Awards and Recognitions:**

Jubilant Life Sciences Limited, won the Golden Peacock National Quality Award-2011 in the Pharmaceutical Sector under Large Enterprises Category. The National Safety Council of India awarded the Company with a "Certificate of Appreciation" in recognition of appreciable achievement in occupational safety and health in the manufacturing sector. The Company won an award in the Chemicals Sector for the National Energy Conservation. One of the Company's Life Science Ingredients Plant has been awarded "The Economic Times-Frost & Sullivan India Manufacturing Excellence Gold Award - Process sector, Medium Business".

### **Outlook**

The overall underlying strength of our business has been strong with increasing order book position and capacity utilisation in all our business segments. The Company expects to continue to build on the robust sustainable revenue and margin growth momentum recorded for the nine month period.

In Products business, revenue growth would be on account of utilisation of new capacities, new product launches and geographic expansion while operating profit growth would be backed by improved capacity utilisation, increased vertical integration and favourable prices in certain key products.

In Services business, focused margin improvement initiatives, increased capacity utilisation, higher margin product mix and cost optimization would continue to lead to higher profitability.



### **About Jubilant**

Jubilant Life Sciences Limited is an integrated Pharma and Life Sciences Company. It is the largest Custom Research and Manufacturing Services (CRAMS) player and a leading Drug Discovery and Development Solution provider out of India. The Company provides Life Sciences products and services across the value chain. With 10 world-class manufacturing facilities and a team of 6,200 multicultural people across the globe, the Company is committed to deliver value to its customers spread across 75 countries. The Company is well recognized as a 'Partner of Choice' by leading life sciences companies worldwide. For more info: [www.jubl.com](http://www.jubl.com)

### **For more information please contact:**

#### **For Investors**

Nidhi Aggarwal  
Jubilant Life Sciences Limited  
Ph: +91-120 4361002  
E-mail: [nidhi\\_aggarwal@jubl.com](mailto:nidhi_aggarwal@jubl.com)

Siddharth Rangnekar  
Citigate Dewe Rogerson  
Tel: +91 -22 6645 1209  
E-mail: [siddharth@cdr-india.com](mailto:siddharth@cdr-india.com)

*Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. Jubilant Life Sciences may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the regulatory bodies and its reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.*