NEWS RELEASE

5th August 2010, Hyderabad, India

Aurobindo Pharma Q1 2010-11 Unaudited Results

- **Q1 FY11 Consolidated Operating Income up 8.2% to ₹ 922.3 Crores**
- **Operating Profit (EBIDTA) before Fx at ₹ 171.7 Crores**
- **PBT before Fx at ₹ 121.9 Crores**
- **PAT before Fx at ₹ 80.1 Crores**
- **4 ANDAs filed in USA in Q1 FY2010-11, cumulative filings 173**

Aurobindo Pharma Limited, is pleased to announce the unaudited financial results for the first quarter (Q1) FY2010-11.

- Total Operating Income up by 8.2% to ₹ 922.3 Crores (₹ 852.8 Crores)
- Formulation Sales up by 4.9% to ₹ 492.1 Crores (₹ 468.9 Crores)
- 4 ANDA filings in USA in Q1 FY 2010-11, cumulative filings 173
- 55 Dossier filings in Europe in Q1 FY 2010-11, cumulative filings 819
- Profitability impacted mainly due to Fx losses and overheads on operationalization of 2 large formulations manufacturing facilities.
- $57.88mn FCCBs have been converted / repurchased out of $60 mn Zero Coupon FCCBs. The balance $2.12 mn is due for redemption on 11th August 2010
- The National Long-term Fitch Rating of the Company has been upgraded in July 2010 to 'AA-(ind)' from 'A+(ind)' indicating stable outlook to the Company.

Commenting on the Company's performance, **Mr. Ramprasad Reddy, Chairman, Aurobindo Pharma** said:
"Aurobindo continues to show steady growth of its consolidated operating income driven by the formulations business. The company has commenced operation of its large formulations facility, Unit VII located in Special Economic Zone (SEZ) in Hyderabad during the quarter and another large facility located in New Jersey, USA earlier. The aggregate investment in these two facilities has been approximately ₹ 475 Crores. The overheads of these newly operationalized facilities have impacted the profitability during the quarter. The company is confident that the commercial benefits of these investments will accrue in the coming quarters."

Consolidated Q1 2010-11:

The Company has registered a total Operating Income of ₹ 922.3 Crores (₹ 852.8 Crores) up by 8.2%. The Operating Profit before Fx stands ₹ 171.7 Crores (₹ 195.7 Crores), down by 12.3%.

PBT before Fx has been at ₹ 121.8 Crores (₹ 142.0 Crores).and the reported PBT stands at ₹ 80.1 Crores (₹ 199.5 Crores)

PAT before Fx has been at ₹ 93.2 Crores (₹ 109.0 Crores) and the reported PAT stands at ₹ 51.5 Crores (₹ 166.6 Crores)

Stand Alone Q1 2010-11 :

The Company has registered a total Operating Income of ₹ 867.5 Crores (₹ 763.0 Crores) up by 13.7%. The Operating Profit before Fx stands ₹ 171.5 Crores (₹ 169.1 Crores), up by 1.4%.

PBT before Fx has been at ₹ 136.3 Crores (₹ 131.1 Crores) and the reported PBT stands at ₹ 91.2 Crores (₹ 159.1 Crores)

PAT before Fx has been at ₹ 108.4 Crores (₹ 98.1 Crores) and the reported PAT stands at ₹ 63.3 Crores (₹ 126.1 Crores)

Foreign exchange items:

This includes loss of ₹ 23.8 Crores (gain of ₹ 53.0 Crores) on account of the restatement of the Foreign Currency Convertible Bonds (net of Deposits) both in case of consolidated and stand alone financials.

Domestic and Export breakup of Gross Sales (Stand Alone) :

(₹ in Crores)

Particulars	Q1 FY 10-11	Q1 FY 09-10	Change
Domestic	225.5	199.7	12.9%
Export	630.8	567.0	11.3%
Total Sales	**856.3**	**766.7**	**11.7%**

Segmental Breakup of Sales (Consolidated) :

The Total Operating Income consists of the company's business from formulations, dossier income and active ingredients.

(₹ in Crores)

Particulars	Q1 FY 10-11	Q1 FY 09-10	Change
USA	216.2	231.0	(6.4%)
Europe	74.4	46.4	60.3%
ARV	146.5	137.5	6.5%
Rest of the World	55.0	54.0	1.9%
Formulations	**492.1**	**468.9**	**4.9%**
Dossier Income	**38.6**	**43.1**	**(10.4%)**
SSPs	132.0	151.7	(13.0%)
Cephs	185.3	139.0	33.3%
ARVs & Others	94.5	67.1	40.8%
Active Ingredients	**411.8**	**357.8**	**15.1%**

Global Regulatory filings :

Filings	Q1 FY 2010-11	Cumulative Filings as on 30.06.2010
ANDAs (USA)	4	173
DMFs (USA)	3	148
Formulations Dossiers in other key regulated markets (includes Multiple registration into EU)	59	1063
API DMF/COS filings in other key regulated markets	107	1519
Patents	11	429

As on 30.06.2010, 120 ANDAs have been approved in USA including 30 tentative approvals. The Company has commercialized 64 products in the USA market during the quarter.

The 7 ANDA approvals from the USFDA received during the first quarter of FY 2010-11 are as under:

1. Venlafaxine Hydrochloride Tablets 25mg, 37.5mg, 50mg, 75mg and 100mg (CNS) - Final
2. Ondansetron Orally Disintegrating Tablets 4mg and 8mg (Anti-emetic) - Final
3. Rosuvastatin Calcium Tablets 5mg, 10mg, 20mg and 40mg (CVS) - Tentative
4. Valacyclovir Hydrochloride Tablets 500mg and 1g (Anti-Infective) - Final
5. Ceftazidime for Injection USP 500mg, 1g and 2g (Anti-Infective) - Final
6. Ceftazidime for Injection USP 6g Pharmacy Bulk Pack (Anti-Infective) - Final
7. Sulfamethoxazole / Trimethoprim Oral Suspension USP 200mg/40mg per 5ml (Anti-Infective) –Final

About Aurobindo Pharma Limited:

Aurobindo Pharma Limited (www.aurobindo.com), headquartered at Hyderabad, India, manufactures generic pharmaceuticals and active pharmaceutical ingredients. The company's manufacturing facilities are approved by several leading regulatory agencies like US FDA, UK MHRA, WHO, Health Canada, MCC South Africa, ANVISA Brazil. The company's robust product portfolio is spread over 6 major therapeutic/product areas encompassing Antibiotics, Anti-Retrovirals, CVS, CNS, Gastroenterologicals, and Anti-Allergics. The Company is marketing these products globally, in over 100 countries.

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AUROBINDO PHARMA LIMITED

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Unaudited Financial Results for the Quarter ended 30th June, 2010

(Rs.in lakhs)

Particulars	Stand alone			Consolidated		
	First Quarter Ended		Year Ended	First Quarter Ended		Year Ended
	30.06.2010	30.06.2009	31.03.2010	30.06.2010	30.06.2009	31.03.2010
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
Sales(including excise duty) & operating income	88,657	77,744	331,960	94,389	86,981	365,133
Less: Excise Duty	1,906	1,447	6,733	2,164	1,706	7,590
Net Sales	86,751	76,297	325,227	92,225	85,275	357,543
Expenditure						
a. (Increase)/Decrease in Stock	863	(603)	(14,748)	26	(1,018)	(18,492)
b. Material Consumed	46,859	42,547	187,775	43,265	40,131	177,927
c. Purchase of traded goods	116	347	1,936	2,564	3,025	12,673
d. Staff Cost	6,902	5,066	23,262	9,849	6,906	32,728
e. Depreciation/Amortisation	2,739	2,150	9,546	4,007	3,326	14,934
f. Other Expenditure	14,866	12,033	52,046	19,348	16,661	70,389
Total Expenditure	72,345	61,540	259,817	79,059	69,031	290,159
Profit from Operations before Other Income, interest, tax and exceptional income	14,406	14,757	65,410	13,166	16,244	67,384
Other Income	130	136	2,281	311	223	3,894
Profit before interest, tax and exceptional item	14,536	14,893	67,691	13,477	16,467	71,278
Interest (net)	909	1,781	5,233	1,292	2,268	6,779
Foreign Exchange (Gain)/Loss (net)	4,502	(2,804)	(8,558)	4,177	(5,754)	(10,726)
Profit from Ordinary Activities before tax and exceptional item	9,125	15,916	71,016	8,008	19,953	75,225
Provision for Taxation	2,791	3,305	18,659	2,851	3,308	19,136
Profit before Exceptional item & Minority Interest	6,334	12,611	52,357	5,157	16,645	56,089
Exceptional item (Net of tax)		-	219		-	219
Profit before Minority Interest	6,334	12,611	52,576	5,157	16,645	56,308
Minority Interest			-	7	(12)	(32)
Net Profit for the period	6,334	12,611	52,576	5,150	16,657	56,340
Paid-up Equity Share Capital	2,823	2,688	2,786	2,823	2,688	2,786
(Face value Rs. 5 per share)						
Reserves excluding Revaluation Reserve			188,651			180,122
Basic Earnings per share before & after Extraordinary items (Rs.) (not annualised)	11.28	23.45	97.09	9.17	30.98	104.04
Diluted Earnings per share before & after Extraordinary items (Rs.) (not annualised)	9.82	19.50	83.16	7.99	25.76	89.12
Public Shareholding						
- Number of Shares	24,752,318	22,042,779	24,027,998			
- Percentage of Shareholding	43.85	41.00	43.12			
Promoters and promoter group Shareholding						
a) Pledged/Encumbered						
- Number of Shares	6,242,721	10,594,000	6,792,721			
- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	19.69	33.40	21.43			
- Percentage of Shares (as a % of the total share capital of the company)	11.06	19.70	12.19			
b) Non-encumbered						
- Number of Shares	25,458,118	21,128,489	24,908,118			
- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	80.31	66.60	78.57			
- Percentage of Shares (as a % of the total share capital of the company)	45.09	39.30	44.69			

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NOTES:

1. The above unaudited financial results were reviewed by the Audit Committee and have been approved by the Board at its meeting held on August 5, 2010. A Limited Review of the above stand alone financial results has been carried out by the Statutory Auditors.

2. The Consolidated financial results, which are optional, have been presented by the Company, so as to provide additonal information.

3. The consolidated financial results have been prepared in accordance with AS - 21 on 'Consolidated Financial Statement', AS-27 ' Financial Reporting of Interests in Joint Ventures' and includes financial results of all subsidiaries and Joint Ventures.

4. The Company's operations fall within a single primary business segment viz. 'Pharmaceutical Products'.

5. Investor complaints pending at the beginning of the quarter: Nil, received: 43, resolved: 43 and lying unresolved at the end of the quarter Nil.

6. Sales for the quarter include exports of Rs. 63078 lakhs (Rs.56697 lakhs).

7. Sales include Dossier income in standalone of Rs.3031 lakhs(Rs. 1074 lakhs) and in consolidated of Rs.3868 lakhs (Rs. 4310 lakhs).

8. Foreign Exchange (Gain)/Loss represents exchange differences arising on all foreign currency transactions. This includes net loss during the quarter due to restatement of Foreign Currency Convertible Bonds (net of Deposits) Rs.2376 lakhs (gain of Rs.5302 lakhs).

9. The paid up share capital of the Company has increased during April-June 2010 to Rs. 2822.66 lakhs as a result of allotment of 7,24,320 Equity Shares of Rs. 5 each for cash at premium of Rs.517.036 upon request received for conversion of FCCBs worth USD 8.714 Millions, out of USD 60 Million issue in terms of the offer document. 17,41,394 Equity shares were similarly allotted during July- August 2010 by conversion of FCCBs worth USD 20.95 Millions, out of USD 60 Million issue. Further, 27,007 Equity Shares of Rs. 5 each at a premium of Rs. 357.60 per share were allotted under ESOP 2004 Scheme by the Compensation Committee of the Company at their meeting held on July 19, 2010. Accordingly, as on date the paid up share capital of the Company has increased to Rs. 2911.08 lakhs.

10. In respect of matter referred to in the auditors' review report for the quarter ended June 30, 2010 in relation to non-provision of premium on redemption of 139,200 Zero Coupon Foreign Currency Convertible Bonds (FCCBs) of USD 1000 each, the management is of the view that it is contingent in nature, as determination and crystallization of liabilities is dependent on uncertain future events or actions, not wholly within the control of the Company.

11. Zao Express Pharma (formerly Zao Aurobindo Pharma), Russia ceased to be subsidiary effective April 1, 2010 by way of 100% divestiture.

12. The National Long-term Fitch Rating of the Company has been upgraded in July 2010 to 'AA-(ind)' from 'A+(ind)' indicating that the Company's Outlook is Stable.

13. Figures for the previous periods have been rearranged/regrouped wherever necessary.

By Order of the Board

Place: Hyderabad
Date : August 5, 2010

www.aurobindo.com

K.Nithyananda Reddy
Managing Director