AUROBINDO

November 9, 2017

To	To
NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza, Bandra Kurla Complex, Bandra (E), **MUMBAI -400 051** **Company Code No. AUROPHARMA**	**BSE LIMITED** Phiroz Jeejeebhoy Towers, 25th floor, Dalal Street, **MUMBAI -400 001** **Company Code No. 524804**

Dear Sirs,

SUB: Press Release – Reg.

We enclose copy of the Press Release issued by the Company.

This is for your information and record

Thanking you,

Yours faithfully,
For **AUROBINDO PHARMA LIMITED**

B.Adi Reddy
Company Secretary

AUROBINDO PHARMA LTD. HYD.

NEWS RELEASE

9th November 2017, Hyderabad, India

Aurobindo Pharma Ltd Q2 FY17-18 Financial Results

Consolidated financial results – Q2FY17-18

Amount in INR Cr	Q2 FY17-18	Q2 FY16-17	% Chg	Q1 FY17-18	% Chg
Revenue from operations	4,435.9	3,775.5	17.5	3,678.7	20.6
EBITDA before Forex and Other income	1,117.3	929.2	20.2	841.6	32.8
EBITDA %	25.2%	24.6%		22.9%	
PBT	977.8	829.9	17.8	708.0	38.1
Net Profit after JV share, minority interest	781.1	605.6	29.0	518.5	50.7

Post implementation of GST with effect from July 1, 2017, revenue from operations of Q2FY18 is net of GST

Key Highlights of Q2FY18 consolidated financials

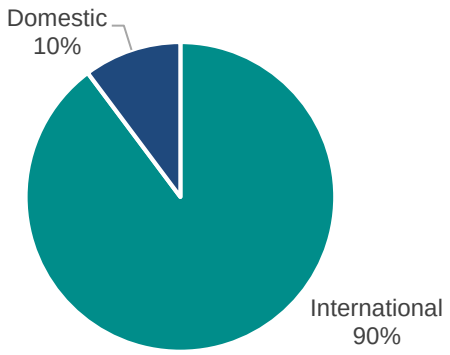
- Revenue from Operations at INR 4,435.9 Cr, an increase of 17.5% over corresponding previous period.
  - US formulation sales of INR 2,098.9 Cr vs INR 1,735.1 Cr in Q2FY17 and INR 1,694.9 in Q1FY18, registering a strong growth of 21.0% YoY and 23.8% QoQ basis.
  - Europe formulation sales at INR 1,113.5 Cr, witnessed a robust growth of 36.9% YoY and 21.4% QoQ basis.
  - ARV sales at INR 207.5 Cr vs. INR 278.5 Cr in Q2FY17.
  - Growth Markets sales at INR 243.4, up 37.7% against Q2 last year.
  - API sales at INR 771.8 Cr vs. INR 768.8 Cr in Q2 last year.
- EBIDTA before Forex and Other income at INR 1,117.3 Cr vs INR 929.2 Cr, a growth of 20.2% YoY; EBITDA margin at 25.2% improved 60 bps YoY.
- Net Profit after JV share, minority interest at INR 781.1 Cr as against INR 605.6 Cr in the corresponding previous period.
- Basic & Diluted EPS is INR 13.33 per share.
- Research & Development (R&D) spend at INR 160.6 Cr, 3.6% of revenues
- Received final approval for 2 ANDAs and tentative approval for 3 ANDAs from USFDA
- Interim Dividend @ 150% i.e., INR 1.50 per equity share of INR 1/- has been approved by the Board for the year FY17-18

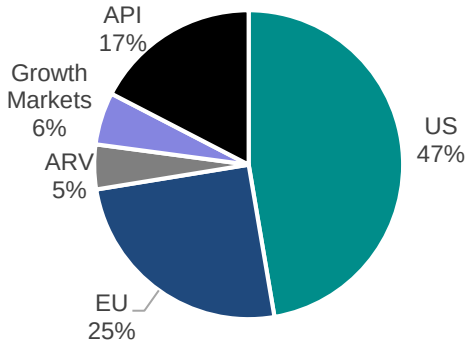
Commenting on the Company's performance, Mr. N. Govindarajan, Managing Director of the company said: *"Strong growth in US, EU and Growth Markets have contributed to a healthy Performance in our Q2FY18. Despite challenging environment, our US business posted a robust growth of 21% YoY driven by new product launches and increased volumes of existing products. Our steady focus on developing a differentiated and speciality product basket will help to sustain the growth momentum for the future"*

Operational Performance (Consolidated):

Gross Sales (Amt in INR Cr)	Q2 FY17-18	Q2 FY16-17	% Chg (YoY)	Q1 FY17-18	% Chg (QoQ)
Formulations					
USA	2,098.9	1,735.1	21.0	1,694.9	23.8
Europe	1,113.5	813.4	36.9	917.6	21.4
Growth Markets	243.4	176.8	37.7	193.9	25.5
ARV	207.5	278.5	-25.5	244.6	-15.1
Total Formulations	**3,663.3**	**3,003.8**	**22.0**	**3,051.0**	**20.1**
Active Pharmaceuticals Ingredients (API)					
Betalactum	514.2	511.3	0.6	408.9	25.8
Non Betalactum	257.6	257.5	0.0	216.2	19.2
Total API	**771.8**	**768.8**	**0.4**	**625.0**	**23.5**
Consolidated Gross Sales	**4,435.1**	**3,772.6**	**17.6**	**3,676.0**	**20.7**
Dossier Income	0.7	2.8		2.8	
Revenue from operations	**4,435.9**	**3,775.5**	**17.5**	**3,678.7**	**20.6**

Consolidated Revenue breakup - Geography & segment wise





Formulations

Formulation sales for the quarter recorded a strong growth of 22.0% YoY and 20.1% QoQ to INR 3,663.3 Cr and accounted for 83% of total revenues.

US Formulations

- US sales of INR 2,098.9 Cr compared to INR 1,735.1 Cr in Q2FY17 and INR 1694.9 in Q1FY18, witnessing a growth of 21.0% YoY and 23.8% QoQ. On constant currency basis, sales grew by 25.9% YoY and 24.1% QoQ. US accounted for 47% of total revenues.
- The company filed 21 ANDAs with USFDA including 11 in oral and 10 injectable.
- Received final approval for 2 ANDAs and tentative approval for 3 ANDAs.
- As on 30th Sep 2017, on a cumulative basis, the company filed 463 ANDAs with USFDA and received approval for 334 ANDAs including 40 tentative* approvals

- The company has launched 8 products including 2 injectables during the quarter

**Tentative approvals include 11 ANDAs approved under PEPFAR.*

EU Formulations

- Sales from EU formulations in Q2FY17-18 was at INR 1,113.5 Cr, registering a robust growth of 36.9% YoY and 21.4% QoQ. The business accounted for 25% of revenues. On constant currency basis, sales grew by 35.3% YoY and 13.8% QoQ.
- The acquired Actavis business continue to improve profitability.
- As on 30th Sep, 2017, we have transferred manufacturing of 74 products from Europe to India.

ARV formulations

ARV business sales was at INR 207.5 Cr compared to INR 278.5 Cr in Q2FY17 and accounted for 5% of revenues.

Growth Markets formulations

Sales from Growth markets formulations posted strong growth of 37.7% YoY to INR 243.4 Cr in Q2FY17-18 and accounted for ~6% of revenues.

API business

The Active Pharmaceuticals Ingredients business contributed 17% to the total revenue and witnessed a muted growth 0.4% YoY to INR 771.8 Cr in Q2FY17-18.

Global Regulatory Filings:

Filings	Q2 FY17-18	Cumulative Filings as on 30th Sep 2017
ANDAs (including filings made from Aurobindo USA)	21	463
DMFs (including filings made from AuroNext and AuroPeptide)	3	226
Formulations Dossiers in other key advanced markets (incl. Multiple registrations into Europe. South Africa and Canada)	103	3,266
API DMF/COS filings in other key regulated markets (incl. Multiple registrations)	34	2,657

USFDA approvals received in Q2 FY17-18:

Final Approvals

1	Sevelamer Carbonate Tab (gRenvela) 800mg	Phosphate Binder
2	Ezetimibe Tab (gZetia) 10mg	CVS

Tentative Approvals

1	Esomeprazole Magnesium DR Cap (gNexium 24HR) 20mg (OTC)	Gastroenterological
2	Lorcaserin Hydrochloride Tab (gBelviq) 10mg	CNS
3	Dolutegravir, Lamivudine and Tenofovir Disoproxil Fumarate Tab 50mg/300mg/300mg	ARV

Earnings call details

The company will host an earnings call at 8.30 AM IST on November 10, 2017, to discuss the performance and answer any questions from participants.

Participants can dial-in on the numbers below
Primary Number: +91 22 3960 0689
Local Access Number: 3940 3977 *(Available in - Ahmedabad, Bangalore, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Pune)*

About Aurobindo Pharma Limited:

Aurobindo Pharma Limited (www.aurobindo.com), (NSE: AUROPHARMA, BSE: 524804, Reuters: ARBN.NS, Bloomberg: ARBP:IN) 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, EU, Japan PMDA, WHO, Health Canada, South Africa MCC, Brazil ANVISA. The company's robust product portfolio is spread over 6 major therapeutic/product areas encompassing Antibiotics, Anti-Retroviral, CVS, CNS, Gastroenterological, Pain management and Anti-Allergic, supported by an outstanding R&D set-up. The Company is marketing these products globally in over 150 countries.

For further information, please contact:

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Disclaimer:

This press release contain statements that may constitute "forward looking statements" including and without limitation, statements relating to product characteristics and uses, sales potential and target dates for product launch, implementation of strategic initiatives, and other statements relating to our future business developments and economic performance. While these forward looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other factors could cause actual developments and results to differ materially from our expectations. The company undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances and will not be held liable for any use of this information.

AUROBINDO

AUROBINDO PHARMA LIMITED

(CIN - L24239TG1986PLC015190)

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Tel: +91 040 23736370 ; Fax: +91 40 23747340 ; Email: info@aurobindo.com (Rs. In lakhs)

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2017

		Quarter ended			Six months ended		Year ended
		30.09.2017	30.06.2017	30.09.2016	**30.09.2017**	30.09.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	**Unaudited**	Unaudited	Audited
1	**Revenue from operations**						
	(a) Net sales/ income from operations (refer note 4)	**435,418**	362,107	371,358	**797,525**	741,818	1,484,479
	(b) Other operating income	**8,171**	5,768	6,187	**13,939**	12,386	24,507
	Total revenue from operations	**443,589**	367,875	377,545	**811,464**	754,204	1,508,986
2	**Other income**						
	(a) Foreign exchange gain (net)	**-**		2,019	**-**	2,723	6,205
	(b) Others	**1,027**	2,209	828	**3,236**	2,417	5,384
	Total other income	**1,027**	2,209	2,847	**3,236**	5,140	11,589
	Total income (1+2)	**444,616**	370,084	380,392	**814,700**	759,344	1,520,575
3	**Expenses**						
	(a) Cost of material consumed	**143,954**	137,833	132,975	**281,787**	269,070	518,492
	(b) Purchase of stock-in-trade	**35,591**	34,041	35,829	**69,632**	76,723	155,854
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	**(2,752)**	(22,091)	(10,326)	**(24,843)**	(15,039)	(30,920)
	(d) Employee benefits expense	**51,872**	49,017	42,658	**100,889**	85,866	176,776
	(e) Finance costs	**1,727**	1,687	1,754	**3,414**	3,818	6,672
	(f) Foreign exchange loss (net)	**44**	766	-	**810**	-	-
	(g) Depreciation and amortisation expense	**13,208**	13,118	11,020	**26,326**	21,644	42,763
	(h) Other expenses	**103,192**	84,915	83,488	**188,107**	155,767	345,356
	Total expenses	**346,836**	299,286	297,398	**646,122**	597,849	1,214,993
4	**Profit before tax (1+2-3)**	**97,780**	70,798	82,994	**168,578**	161,495	305,582
5	Share of profit/ (loss) of joint venture	**113**	134	(40)	**247**	33	502
6	**Profit from ordinary activities before tax (4+5)**	**97,893**	70,932	82,954	**168,825**	161,528	306,084
7	Tax expense	**19,796**	19,099	22,399	**38,895**	42,483	75,964
8	**Net profit for the period (6-7)**	**78,097**	51,833	60,555	**129,930**	119,045	230,120
9	Non controling interest	**(18)**	(18)	(9)	**(36)**	(15)	(47)
10	**Net profit/ (loss) after taxes and non controling interest (8-9)**	**78,115**	51,851	60,564	**129,966**	119,060	230,167
11	Other Comprehensive income/ (expense) - items that will not be reclassified to profit or loss (net of tax)	**(139)**	(158)	(302)	**(297)**	(338)	(579)
12	**Total Comprehensive income for the period (10+11)**	**77,976**	51,693	60,262	**129,669**	118,722	229,588
13	Paid-up equity share capital (face value Re. 1 per share)	**5,859**	5,859	5,852	**5,859**	5,852	5,859
14	Earnings per equity share of Re. 1 each (not annualised)						
	(a) Basic	**13.33**	8.85	10.41	**22.18**	20.40	39.33
	(a) Diluted	**13.33**	8.85	10.40	**22.18**	20.40	39.33

NOTES:

1 The financial results of the Company has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.

2 The above consolidated financial results have been prepared in accordance with principles and procedures as set out in the Ind AS 110 on "Consolidated financials statements" and Ind AS 28 on "Investment in Associate and Joint Venture" notified under Section 133 of Companies Act, 2013 and Companies (Indian Accounting Standards)

3 The above consolidated financial results as reviewed by the audit committee have been approved by Board of Directors at its meeting held on November 9, 2017.

4 Post implementation of Goods and Services Tax ('GST') with effect from July 1, 2017, revenues from operations is disclosed net of GST. Revenue from operations for the earlier periods included excise duty which is now subsumed in the GST. Revenue from operations for the half year ended September 30, 2017 includes excise duty upto June 30, 2017. Accordingly, revenue from operations for the quarter and half year ended September 30, 2017 are not comparable with those of the previous periods presented.

5 During the half-year ended September 30, 2017, Agile Pharma B.V., a step down subsidiary of the Company acquired Generis Farmacêutica SA and its subsidiaries viz. (i) Mer Medicamentos, Portugal (ii) Generis Phar, Portugal (iii) Pharma APS, Portugal (iv) Generis Mozambique, Mozambique. The above consolidated results for the current quarter and half-year ended September 30, 2017 includes the results of operations of the above entities from May 01, 2017. The corresponding figures for the previous periods are not comparable. The accounting for this business combination has been prepared on a provisional basis as new information regarding the identifiable assets and liabilities as at the acquisition date may arise during the measurement period, being no more than one year from the date of acquisition.

6 The Company operates in only one segment viz. 'Pharmaceutical Products'.

7 Previous period figures have been regrouped/rearranged wherever considered necessary to conform to the current period presentation.

By Order of the Board

Place: Hyderabad
Date : November 9, 2017

www.aurobindo.com

N.Govindarajan
Managing Director

AUROBINDO

Consolidated Balance Sheet (Rs. In lakhs)

Sl. No.	PARTICULARS	As at 30.09.2017 (Unaudited)	As at 31.03.2017 (Audited)
	ASSETS		
1	**Non-current assets**		
	Property, plant and equipment	438,355	408,305
	Capital work-in-progress	124,546	123,736
	Goodwill	108,911	40,630
	Other intangible assets	61,014	34,443
	Intangible assets under development	9,503	22,072
	Financial assets		
	Investments	24,542	24,585
	Loans	583	570
	Other financial assets	7,726	7,517
	Non current tax assets (net)	5,799	5,798
	Deferred tax assets (net)	29,532	16,776
	Other non-current assets	14,413	19,892
	Non-Current assets	**824,924**	**704,324**
2	**Current assets**		
	Inventories	518,978	433,054
	Financial assets		
	Investments	2	2
	Trade receivables	303,656	276,533
	Cash and cash equivalents	94,283	48,944
	Bank balances other than above	3,070	2,404
	Loans	1,108	1,089
	Financial assets - receivable from bank	125,440	73,885
	Other financial assets	110	1,880
	Current tax assets (net)	1,206	1,751
	Other current assets	124,992	81,076
	Current assets	**1,172,845**	**920,618**
	TOTAL ASSETS	**1,997,769**	**1,624,942**
	EQUITY AND LIABILITIES		
1	**Equity**		
	Equity share capital	5,859	5,859
	Other equity	1,061,922	931,332
	Non-controlling interest	172	208
	Equity	**1,067,953**	**937,399**
	Liabilities		
2	**Non-current liabilities**		
	Financial liabilities		
	Borrowings	5,670	18,140
	Provisions	3,443	2,241
	Deferred tax liability (net)	5,961	4,930
	Non-current liabilities	**15,074**	**25,311**
3	**Current liabilities**		
	Financial liabilities		
	Borrowings	475,199	290,272
	Trade payables	290,497	248,827
	Other financial liabilities	111,802	104,230
	Other current liabilities	14,534	9,915
	Provisions	6,974	6,342
	Current tax liabilities	15,736	2,646
	Current liabilities	**914,742**	**662,232**
	TOTAL EQUITY AND LIABILITIES	**1,997,769**	**1,624,942**