AUROBINDO

NEWS RELEASE

6th February 2014, Hyderabad, India

Aurobindo Pharma 3Q 2013-14 Unaudited Results

	Q3FY14 ₹ Crores	Q3FY13 ₹ Crores	Y-o-Y Variance	Q2FY14 ₹ Crores	Q-o-Q Variance	
Consolidated Net Operating Income	2140.6	1570.1	36.3%	1913.9	11.8%	↑
Operating Profit (EBIDTA) before Fx	643.8	259.1	148.5%	438.4	46.9%	↑
PBT before Fx (Profit)	547.7	170.8	220.7%	342.3	60.0%	↑

Consolidated Financials during Q3FY2013-14 on Y-o-Y basis:

- Total Operating Income up by 36.3% to ₹2140.6Crores (₹1570.1Crores)
- Operating Profit (EBIDTA) before Fx improves to 30.1% (16.5%)
- Operating Profit (EBIDTA) before Fx up 148.5% to ₹643.8Crores (₹259.1Crores)
- PBT before Fx up by 220.7% to ₹547.7Crores (₹170.8Crores)
- PAT up by 354.8% to ₹417.5Crores (₹91.8Crores)
- Basic & diluted EPS (not annualized) is ₹14.34 and ₹14.32 respectively for the current quarter.
- Formulation Sales up by 57.5% to ₹1436.1 Crores (₹911.8 Crores)
- API Sales up by 12.8% to ₹744.5 Crores (₹660.2 Crores)
- Formulations Sales constitute 65.9% (58.0%) and API 34.1% (42.0%) of gross sales

The EBITDA during the quarter has improved by 13.6% on Y-o-Y basis due to improved business mix resulting in decrease in materials consumption, staff costs other expenses to net sales by 9.1%, 0.9% and 5.6% respectively and decline in dossier income by 2.0%

Commenting on the Company's performance, ***Mr. N. Govindarajan, Managing Director*** *of the company said:*
"We have had a robust quarter driven by our sustaining base business along with successful launches in US, translating into better top and bottom line We are confident to sustain the momentum as we foray into strengthening our access into markets, products and technology platforms where we are not dominantly present as we consolidate on our existing businesses"

Segmental Breakup of Sales (Consolidated):

(₹Crores)

Particulars	Q3 FY13-14	Q3 FY12-13	Change	9M FY13-14	9M FY12-13	Change
USA	931.2	513.4	+81.4%	2286.8	1266.6	+80.5%
ARV	220.4	175.1	+25.9%	645.3	567.5	+13.7%
EU	150.8	110.4	+36.6%	495.3	346.8	+42.8%
RoW	133.7	112.9	+18.4%	337.6	288.3	+17.1%
Formulations	**1436.1**	**911.8**	**+57.5%**	**3765.0**	**2469.2**	**+52.5%**
Dossier Income	**1.7**	**38.6**	**(95.6%)**	**11.0**	**57.1**	**(80.7%)**
SSPs	258.3	213.0	+21.3%	723.4	576.6	25.5%
Cephs	217.5	245.2	(11.3%)	640.4	693.8	(7.7%)
Non-Betalactam	268.7	202.0	+33.0%	745.6	599.0	24.5%
Active Ingredients	**744.5**	**660.2**	**+12.8%**	**2109.4**	**1869.4**	**12.8%**

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

(₹Crores)

Particulars	Q3 FY13-14	Q3 FY12-13	Change	9M FY13-14	9M FY12-13	Change
Domestic	500.5	424.1	+18.0%	1283.9	1148.7	+11.8%
Export	1436.8	1029.2	+39.6%	3929.1	2887.7	+36.1%
Total Sales	**1937.3**	**1453.3**	**33.3%**	**5213.0**	**4036.4**	**+29.1%**

Global Regulatory filings:

Filings	Q3 FY13-14	Cumulative Filings as on 31st Dec 2013
ANDAs (USA)	14	**308**
DMFs (USA)	1	**176**
Formulations Dossiers in other key advanced markets (incl. Multiple registration into EU. South Africa, Australia and Canada)	81	**1940**
API DMF/COS filings in other key regulated markets	28	**2214**
Patents	6	**551**

Following approvals in USA (188 cumulative approvals including 25 tentative by USFDA), South Africa (66 cumulative approvals by MCC-SA), Australia (47 cumulative approvals by TGA) and Canada (45 cumulative approvals by Health Canada)) were received during the quarter ended 31st December 2013:

USA

1. Acyclovir Sodium Injection 500mg/10mL (50mg/mL) & 1000mg/20mL (50mg/mL) (Treatment of Herpes, Shingles): Final
2. Bupivacaine Hydrochloride Injection USP 0.25% (2.5mg/mL), 0.5% (5mg/mL) & 0.75% (7.5mg/mL) (Anesthetic): Final
3. Finasteride Tablets USP 1mg (Benign prostatic hyperplasia): Final (Earlier TA)
4. Lamivudine+Tenofovir Disoproxil Fumarate Tablets, Co-packaged with Nevirapine Tablets USP 300mg/300mg/200mg (ARV): Final
5. Dextroamphetamine Saccharate, Amphetamine Aspartate, Dextroamphetamine Sulfate & Amphetamine Sulfate Tablets 5mg, 7.5mg, 10mg, 12.5mg, 15mg, 20mg & 30mg (ADHD and Narcolepsy): Final
6. Duloxetine Hydrochloride Delayed Release Capsules 20mg, 30mg & 60mg (CNS): Final

South Africa

1. Fluconazole Capsules 50mg, 100mg, 150mg, 200mg
2. Escitalopram Oxalate Tablets 5mg, 10mg, 20mg

Australia

1. Candesartan/Hydrochlorothiazide Tablets 16/12.5mg, 32/12.5mg and 32/25mg

Canada

1. Sildenafil Tablets 25mg, 50mg, 100mg
2. Valsartan Tablets 40mg, 80mg, 160mg, 320mg
3. Lamivudine/Zidovudine Tablets 150/300mg
4. Pantoprazole Gastro Resistant Tablets 40mg
5. Clopidogrel Tablets 75mg
6. Efavirenz Tablets 600mg

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, Japan PMDA, 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, supported by an outstanding R&D set-up. The Company is marketing these products globally, in over 125 countries.

For further information, please contact:

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AUROBINDO

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PART I — Rs. in lakhs

STATEMENT OF STAND ALONE/CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31.12.2013

	Particulars	Stand alone						Consolidated					
		Three months ended			Nine months ended		Year Ended	Three months ended			Nine months ended		Year Ended
		31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012	31.03.2013	31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012	31.03.2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Income from operations**												
	(a) Net sales/income from operations (Net of excise duty)	**189,291**	158,162	141,263	**507,031**	389,767	535,291	**213,552**	189,748	155,195	**573,260**	423,044	578,312
	(b) Other operating income	**504**	1,638	1,874	**3,738**	5,450	7,219	**504**	1,638	1,814	**3,738**	5,450	7,219
	Total income from operations (net)	**189,795**	159,800	143,137	**510,769**	395,217	542,510	**214,056**	191,386	157,009	**576,998**	428,494	585,531
2	**Expenses**												
	(a) Cost of material consumed	**88,028**	80,838	85,423	**248,425**	232,142	305,364	**90,294**	85,166	84,470	**254,153**	233,563	309,144
	(b) Purchase of stock-in-trade	**6,424**	429	2,229	**8,737**	6,138	7,809	**9,155**	2,838	3,010	**17,166**	11,456	16,958
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	**(4,648)**	1,855	(8,873)	**2,865**	(17,505)	(12,108)	**(9,677)**	3,917	(9,260)	**(498)**	(26,410)	(27,025)
	(d) Employee benefits expense	**13,347**	11,964	10,995	**37,657**	32,016	43,142	**21,343**	19,596	16,682	**59,830**	48,812	66,331
	(e) Depreciation and amortisation expense	**4,719**	4,703	4,224	**14,015**	12,541	17,139	**7,597**	7,662	6,079	**22,451**	17,946	24,874
	(f) Provision for decline in the value of long-term investment	**-**	2,500	-	**2,500**	1,800	6,900	**-**	-	-	**-**	-	-
	(g) Other expenses	**28,662**	26,185	25,113	**79,748**	70,118	95,597	**38,561**	36,034	36,198	**107,361**	96,173	131,216
	Total expenses	**136,532**	128,474	119,111	**393,947**	337,250	463,843	**157,273**	155,213	137,179	**460,463**	381,540	521,498
3	**Profit/(Loss) from operations before other income, finance costs, foreign exchange (gain)/loss and exceptional items (1-2)**	**53,263**	31,326	24,026	**116,822**	57,967	78,667	**56,783**	36,173	19,830	**116,535**	46,954	64,033
4	Other Income	**1,313**	205	108	**1,805**	838	1,501	**356**	511	564	**1,259**	1,445	2,854
5	**Profit/(Loss) from ordinary activities before finance costs , foreign exchange (gain)/ loss and exceptional items (3+4)**	**54,576**	31,531	24,134	**118,627**	58,805	80,168	**57,139**	36,684	20,394	**117,794**	48,399	66,887
6	Finance costs (refer note 6)	**1,745**	1,969	2,850	**5,787**	8,879	11,474	**2,374**	2,458	3,312	**7,371**	9,973	13,133
7	Foreign exchange (Gain)/Loss (refer note 6)	**(2,021)**	7,838	6,496	**19,770**	13,336	12,382	**(208)**	6,829	7,336	**23,862**	16,214	16,344
8	**Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6-7)**	**54,852**	21,724	14,788	**93,070**	36,590	56,312	**54,973**	27,397	9,746	**86,561**	22,212	37,410
9	Exceptional item	**-**	-	-	**-**	-	-	**-**	-	-	**-**	-	-
10	**Profit /(Loss) from ordinary activities before tax (8-9)**	**54,852**	21,724	14,788	**93,070**	36,590	56,312	**54,973**	27,397	9,746	**86,561**	22,212	37,410
11	Tax expense/(credit)	**13,036**	3,754	360	**18,921**	3,345	6,713	**13,361**	4,011	646	**19,817**	3,819	8,271
12	**Net Profit /(Loss) for the period (10-11)**	**41,816**	17,970	14,428	**74,149**	33,245	49,599	**41,612**	23,386	9,100	**66,744**	18,393	29,139
13	Minority Interest							**(137)**	(109)	(81)	**(360)**	(132)	(246)
14	**Net Profit/(Loss) after taxes and minority interest (12-13)**	**41,816**	17,970	14,428	**74,149**	33,245	49,599	**41,749**	23,495	9,181	**67,104**	18,525	29,385
15	Paid-up Equity Share Capital (Face value Re. 1 per share)	**2,912**	2,912	2,911	**2,912**	2,911	2,912						
16	Reserves excluding Revaluation Reserve						290,998						
17	Earnings per share of Re.1/- each (not annualised)												
	(a) Basic	**14.36**	6.17	4.96	**25.46**	11.42	17.04	**14.34**	8.07	3.15	**23.04**	6.36	10.09
	(a) Diluted	**14.34**	6.16	4.96	**25.43**	11.42	17.02	**14.32**	8.06	3.15	**23.01**	6.36	10.09

PART II

SELECT INFORMATION FOR THE QUARTER & NINE MONTHS ENDED 31.12.2013

	Particulars	Three months ended			Nine months ended		Year Ended
		31.12.2013	30.09.2013	31.12.2012	31.12.2013	31.12.2012	31.03.2013
A	**PARTICULARS OF SHAREHOLDING**						
1	Public Shareholding						
	- Number of Shares	**131,834,694**	131,514,694	131,708,307	**131,834,694**	131,708,307	131,514,844
	- Percentage of Shareholding	**45.27**	45.16	45.24	**45.27**	45.24	45.16
2	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	- Number of Shares	**34,931,797**	33,293,797	35,932,297	**34,931,797**	35,932,297	37,461,297
	- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	**21.92**	20.85	22.54	**21.92**	22.54	23.46
	- Percentage of Shares (as a % of the total share capital of the company)	**12.00**	11.43	12.34	**12.00**	12.34	12.86
	b) Non-encumbered						
	- Number of Shares	**124,444,799**	126,402,799	123,480,686	**124,444,799**	123,480,686	122,235,149
	- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	**78.08**	79.15	77.46	**78.08**	77.46	76.54
	- Percentage of Shares (as a % of the total share capital of the company)	**42.73**	43.41	42.42	**42.73**	42.42	41.97

	Particulars	Three months ended 31.12.2013
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	65
	Disposed of during the quarter	65
	Remaining unresolved at the end of the quarter	Nil

NOTES:

1 The above unaudited financial results for the quarter and nine months ended December 31, 2013 as reviewed by the Audit Committee have been approved by the Board at its meeting held on February 06, 2014. A Limited Review of the stand alone financial results for the quarter ended December 31, 2013 has been carried out by the Statutory Auditors.

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

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

4 Sales of standalone for the current quarter include exports Rs.143,682 lakhs(Quarter ended December 31, 2012: Rs.102,921 lakhs).

5 Net sales for the current quarter include dossier income in standalone of Rs.98 lakhs (Quarter ended December 31, 2012:Rs.1,857 lakhs) and in consolidated of Rs.167 lakhs (Quarter ended December 30, 2012: Rs.3,855 lakhs).

6 Foreign exchange (gain)/loss for stand alone and consolidated includes exchange difference of Rs.5,196 lakhs, Rs.4,920 lakhs,Rs.4,999 lakhs for three months ended December 31, 2013, September 30, 2013,December 31, 2012, respectively and Rs.15,164 lakhs, Rs.14,444 lakhs for the nine months ended December 31, 2013 and December 31, 2012 respectively and Rs.13,532 lakhs for the year ended March 31, 2013 arising from foreign currency borrowings to the extent that they are regarded as an adjustment to finance cost as per para 4(e) of "AS 16" on Borrowing costs.

7 With effect from April 1, 2013, the Company has changed the accounting policy for valuation of cost of the inventory from 'first- in -first out' basis to 'moving average basis'. Accordingly, this has resulted in decrease/(increase) in the value of inventory on standalone basis as at December 31, 2013 and September 30, 2013 by Rs. 377 lakhs and Rs.694 lakhs respectively, and on consolidated basis by Rs.(1786 lakhs) and Rs.713 lakhs respectively, and decrease/(increase) in profit before tax on standalone basis for the quarter ended December 31, 2013 and September 30, 2013, and for the nine months ended December 31, 2013 by Rs.(317 lakhs), Rs. 634 lakhs and Rs. 377 lakhs respectively, and on consolidated basis for the quarter ended December 31, 2013 and September 30, 2013, and for the nine months ended Decemeber 31, 2013 by (Rs.2390 lakhs) Rs.554 lakhs and Rs. (1792 lakhs) respectively.

8 The Company incorporated a wholly owned subsidiary viz. AuroZymes Limited on November 28, 2013.

9 The Company has allotted 1,27,500 equity shares Re.1/- each under ESOP on January 9, 2014. Consequently, the paid up share capital of the Company has increased to 29,13,38,790 equity shares of Re.1/- each.

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

By Order of the Board

Place: Hyderabad
Date : February 6 , 2014

www.aurobindo.com

N.Govindarajan
Managing Director