

PRESS RELEASE

Noida, Tuesday January 29, 2013

JUBILANT LIFE SCIENCES

Q3 FY'13

Income from Operations – Rs. 1,306 crore, up 19%YoY

EBITDA – Rs. 263 crore, up 24%YoY, Margins at 20.2%

PAT at Rs 27 crore (up 134%) after exceptional loss of Rs 71 crore

9 Months FY'13

Income from Operations – Rs. 3,769 crore, up 22%YoY

EBITDA – Rs. 811 crore, up 26%YoY, Margins at 21.5%

PAT at Rs 184 crore (up 135%) after exceptional loss of Rs 132 crore

The Board of Jubilant Life Sciences Limited, an integrated pharmaceutical and life science industry player met today to approve financial results for the quarter and nine-months ended December 31, 2013.

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:

"During the nine months period, the Company delivered a strong revenue growth of 22% with 26% EBITDA growth, driven by pharma segment top line growth of 26% and business EBITDA growth of 46%. Our strategy of enhancing presence in identified international markets is delivering results with 28% growth and high 73% contribution to revenue mix. We believe this momentum is sustainable due to strong product pipeline and order book position along with leveraging benefits from vertical integration."

In Q3 FY2013, Income from Operations was at Rs 1,306 crore growing over 19% YoY. This was led by volume increase of 23%. The EBITDA stood at Rs. 263 crore, up by 24% YoY with EBITDA margins at 20.2%, compared to 19.4% last year. The Profit before exceptional items, tax and minority interest stood at Rs. 146 crore, higher by 44% YoY. The Reported Profit after Tax grew 134% at Rs. 27 crore after considering the Rs 71 crore impact of exceptional items. Normalised PAT was higher at Rs 98 crore, up 27%.

In 9M FY2013, the Income from Operations stood at Rs 3,769 crore with 22% growth on YoY basis with volume increase of 18%. EBITDA saw enhancement of 26% to Rs. 811 crore. EBITDA margins stood at 21.5% compared to 20.8% in the same period last year.



The Profit before exceptional items, tax and minority interest in the period was Rs. 455 crore, up 34% YoY. The Reported Profit after tax was at Rs. 184 crore after adjusting exceptional items of Rs.132 crore. The Normalised PAT stood at Rs 316 crore, up 13% from same period last year.

Pharmaceuticals Segment Review

The Pharmaceutical segment comprises of APIs, Generics, Speciality Pharma, CMO, DDDS and Healthcare. In Q3 FY2013, Income from operations of the segment stood at Rs 665 crore, up over 18% YoY thereby accounting for a share of 51% in the revenue mix. The segment EBITDA came in at Rs 195 crore, and was up 29% YoY. Segment EBITDA margins stood at 29.3%, 240 basis points higher than 26.9% witnessed last year in the same period.

In 9M FY2013, the Income from operations of the segment stood at Rs 1,956 crore, up 26% YoY and contributing 52% to the revenue mix. The segment EBITDA was 46% higher at Rs 575 crore, up from Rs 394 crore last year. The corresponding EBITDA margins stood at 29.4% compared to 25.3% in the previous period.

Strong volume growth in Generics and Specialty Pharma continued to drive performance for the segment. While APIs witnessed flattish YoY growth in Q3'FY13, CMO services witnessed some deferment of sales which are expected to be realised in the current quarter.

As of December 31st, 2012, the Company has 50 cumulative US ANDA filings, of which 25 are approved, 41 Dossier filings in the EU of which 33 are approved, 17 filings in Canada of which 4 are approved and 469 in ROW of which 77 are approved. The Company also has 58 DMF filings in the U.S., 29 CEPs in Europe, 33 in Canada, 7 in Japan and 90 filings in ROW.

Life Science Ingredients Segment Review

The Ingredients segment comprises of Proprietary Products and Exclusive Synthesis, Nutrition Ingredients and Life Science Chemicals.

In Q3 FY2013 the Income from operations was at Rs. 641 crore, showing a growth of 20% YoY with a 49% contribution to revenues overall. The segment EBITDA stood at Rs 98 crore, up from Rs. 80 crore last year. The EBITDA margins stood at 15.4% in Q3 FY'13, compared to 15.0% in the same period last year.

9M FY2013, the Income from operations was at Rs. 1,813 crore, up 17% YoY with a 48% share to the overall revenues. The segment EBITDA was at Rs 286 crore with EBITDA margin 15.8% compared to Rs. 298 crore in the corresponding period in previous year.

The incremental Pyridine and Beta Picoline capacities have served to consolidate the company's global leadership position in the segment, driving excellent volume growth in the PPES segment. Owing to the integrated nature of the operation, the SEZ facility is expect to support growth both in the captive business of downstream products and in terms of external demand. Nutrition Ingredients prices were low but stable during the quarter. Some early signs of consolidation are expected to bring improvement in pricing and consequently higher margins in the coming year, especially with our low cost manufacturing base and vertical integration benefits. Life Science Chemical business witnessed good volume growth with improved margins due to lower input material costs.



Geographical Overview

With focus on strategic geographic expansion in key markets across business lines, the Company's products and services have reach across 90 countries in the world.

In Q3 FY2013 the contribution from regulated markets of the U.S., Canada, Europe and Japan remained robust with growth at 26% YoY. Revenues from the North American market stood at Rs. 539 crore, up 26% YoY, contributing over 41% to revenue mix. Revenues from Europe and Japan markets were at Rs. 266 crore, growing 28% YoY and contributing over 20% to the revenue mix. Revenue from ROW stood at Rs. 158 crore, with 19% YoY growth and Domestic revenues at Rs. 344 crore, up 5% YoY accounted for a share 26% in the revenue mix.

In 9M FY2013, the revenues from North America were at Rs. 1,554 crore, up 29% YoY, contributing 41% to the revenue mix; revenues from Europe and Japan were at Rs. 757 crore, thus higher by 31% and contributing 20% to the revenue mix. Revenues from ROW were at Rs. 443 crore, up 19% accounting for 12% of the revenue mix. The domestic revenues stood at Rs. 1,015 crore, thereby growing 8% YoY and contributing 27% to the revenue mix.

Outlook

The Company maintains its stance on revenue growth of over 20% and EBITDA margins around 21% for the year. Jubilant's performance has been driven by higher volumes and stable pricing across the strong product portfolio in the Pharmaceuticals business. In Life Science Ingredients, higher capacity utilisation levels together with greater vertical integration are expected to drive growth and profitability.

About Jubilant

Jubilant Life Sciences Limited is a global Pharmaceutical and Life Sciences Company engaged in manufacture and supply of APIs, Generics, Specialty Pharmaceuticals and Life Science Ingredients. It also provides Services in Contract Manufacturing and Drug Discovery and Development. The Company's strength lies in its unique offerings of Pharmaceutical and Life Sciences products and services across the value chain. With 10 world-class manufacturing facilities in India, US and Canada and a team of ~6400 multicultural people across the globe, the Company is committed to deliver value to its customers spread across over 90 countries. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally. For more info: 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

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



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