



Performance Highlights- Q1 FY 2011

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 Organosys 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 our reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

NOTES:

1. **Business segments**
 - PLSPS – Pharma and Life Sciences Products and Services**
 - APP – Agri and Performance Polymers**
2. Q1 FY 2011 numbers in presentation are un audited consolidated numbers
3. The numbers have been regrouped/reclassified in line with the proposed business reorganization
4. Exchange rate USD 1 = Rs. 46.45 as on June 30, 2010 and 1USD = Rs. 47.90 as on June 30, 2009
5. No.s of Q1 FY 2011 are compared with Q1 FY 2010
6. The Company has exercised the option under AS 11 to account for the effect of restatement of loans in to Foreign Currency Monetary Items Translation Difference Account, which is amortized as required

Profit and Loss Account

Rs. Crore

Particulars	Quarter Ended June 30 (Unaudited)		Variance (%)	Year Ended March 31 Audited		Variance (%)
	2010	2009		2010	2009	
Net sales/Income from operations	982	896	10	3,781	3,518	7
Other income	6	8	(25)	38	43	(12)
Total income	988	904	9	3,819	3,561	7
Total expenditure	825	735	12	2,993	2,946	2
Operating profit before interest, depreciation tax	163	169	(4)	826	615	34
Depreciation	49	30	(61)	125	163	23
Interest (Net)	20	41	51	150	107	(40)
Exceptional item - Loss/(Gain)	21	(49)		33	48	
Profit from Ordinary Activities before tax	73	147	50	518	297	75
Tax Expenses (Net)	11	22		96	27	(256)
Net Profit after Tax	62	125	50	422	270	57
Minority Interest	(1)	(1)		1	(13)	
Net profit after share of loss of Associate Co. & Min	63	126	50	421	283	49
Paid-up share capital (Face value per share Re.1)	15.88	14.75		15.88	14.75	
Earnings per share						
Basic (Rs.)	3.95	8.53	(54)	28.56	19.22	49
Diluted (Rs.)	3.60	7.36	(51)	24.66	16.56	49

- Jubilant has shown a steady revenue growth in Pharma and Life Sciences Products & Services (PLSPS) business and a very strong growth in Agri & Performance Polymers (APP) business.
 - PLSPS business grew by 4 % whereas there was a strong volume growth across all segments of Life Science Products by 16% in Q1 FY 2011.
 - APP business grew by 44% on account of excellent growth in Agri products business
- EBITDA at Rs. 163 crore with EBITDA margin of 16.6%
 - The Quarter EBITDA has been under pressure on account of lag effect of passing on higher input material prices to the customers, delay in innovator product approvals at customer's end and exchange rate volatility.
- Strong Balance Sheet
 - Healthy balance sheet due to strong internal accruals and change in capital structure after QIP issue in March 2010
 - Net Debt at Rs. 2,729 crore that includes FCCB debt of USD 142 million

Revenue – Q1 FY 2011					
Quarterly view	Q1 FY11	% Share	Q1 FY10	% Share	Growth %
PLSPS	813	83	779	87	4
APP	169	17	117	13	44
Total	982		896		10

- **PLSPS business grew by 4 % whereas there was a strong volume growth across all segments of Life Science products by 16% in Q1 FY 2011.**
- **APP business grew by 44% on account of excellent growth Agri products business**

Revenue Analysis – Life Sciences business



Rs. Crore

PLSPS Business	Quarter Ended June 30		
	2010	2009	Growth
1. Life Sciences Products	616	585	5%
i) Life Science Ingredients	518	492	5%
a) <i>Proprietary Prod. & Excl. Synthesis</i>	225	239	-6%
b) <i>Nutritional Ingredients</i>	47	50	-6%
c) <i>Life Science Chemcials</i>	176	146	20%
d) <i>Active Pharmaceutical Ingredients (API)</i>	70	57	23%
iii) Generics	98	93	5%
a) <i>Radio Pharmaceuticals</i>	30	29	3%
b) <i>Allergenic Extracts</i>	29	31	-5%
a) <i>Dosage Forms</i>	39	33	17%
2. Life Science Services	197	194	1%
i) CMO of Sterile and Non Sterile Prod. (CMO)	140	131	7%
ii) Drug Disc. and Development Services (DDDS)	54	61	-12%
iii) Healthcare	3	2	76%

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Revenue Analysis – Life Sciences business



- In Proprietary Products and Nutrition Ingredient business there has been a strong volume growth. However, the pressure in margins is due to lag effect of passing on higher input material prices to the customers, which is likely to be corrected in H2 FY 2011.
- Good revenue growth in Life Science Chemicals business was due to very strong volume growth.
- API business has shown a very good growth in sales and profitability due to strong demand.
- The Radiopharmaceutical business revenue is at stable level due to non availability of Isotope. The sale of Sestamibi is expected to start from October since the Canadian reactor is expected to resume operation by August 2010
- CMO business has shown a lower growth than the expected due to postponement of some customer orders and delay in innovator's product approval.
- In Drug Discovery Business there has been a steady growth in revenue and profitability of Biosys and Chemsys . However, due to uncertainty in US CRO market the revenue in Clinical Research business declined and margins eroded.

Revenue Analysis – APP business

Rs. Crore

APP Business	Quarter Ended June 30		
	2010	2009	Growth
1. Agri Products	88	47	86%
2. Performance Polymers	81	70	16%

- Excellent growth in Agri business due to price stabilization & nutrition based subsidy for fertilizer
- Performance Polymer business growth is mainly driven by Consumer products and VP Latex business

Geographical revenue analysis

Geographical Revenue Break-up – Q1 FY 2011			Rs. Crore
Quarterly view	Q1 FY2011	% Share	Growth %
Domestic Operations	396	40	20
International Operations	586	60	3
- North America	311	53	(1)
- Europe	125	21	22
- China	88	15	1
- Other markets	62	11	0

- International Revenues grew by 3% in Q1 FY 2011 due to lower revenue in CMO and CRO business in North America and also due to the impact of forex translation.
- Domestic Revenue grew by 20% in Q1 FY 2011 due to good growth in Life Science Chemicals and fertilizers business

Segmental Earnings Review

EBIDTA Q1 FY 2011					Rs. Crore
Quarterly view	EBIDTA Q1 FY2011	EBIDTA Q1 FY2010	Growth %	% Share To total EBIDTA	EBIDTA margin on net Revenue %
PLSPS	155	190	(18)	88	19.1
APP	21	3	521	12	12.1

- Life Sciences reported margins of 19.1% in Q1 FY2011 compared to 24.4% last year due to lag effect of passing on higher input material prices to the customers, delay in innovator product approvals at customer's end and exchange rate volatility.
- APP business reported healthy margins of 12.1% compare to 2.8% last year due to excellent margins improvement in Agri business

Pipeline of Products

A	CRAMS				
		Phase I	Phase II	Phase III	Total
	Exclusive Synthesis	1	2	6	9
	CMO	28	12	10	50
	Total	29	14	16	59
B	API				
	Number of DMFs Filed	38	(2 in Q1 FY 2011)		
	Commercialised Products	19			
	Products to be Commercialised	10			
	Products in R&D Pipeline	19			
	<i>Expect to file 8-10 DMFs each year</i>				
C	Dosage Form				
		ANDAs	Dossiers	Total	
	Products Approved	17	17	34	
	Products Filed and Under Approval	12	11	23	
	Products Filed in Q1 FY2011	1	1	2	
	<i>Expect to file 18-20 ANDAs/Dossiers each year</i>				
D	RadioPharmaceuticals	Ruby fill in 2012			
	Products to be commercialized	Magnevist in 2013			
		Moly fill in 2015			

Expenditure Analysis

Expenditure Analysis - Q1 FY 2011					Rs. Crore
Quarterly view	Q1 FY2011	% Share to Net Sales	Q1 FY2010	% Share to Net Sales	Change %
Material etc. consumed	474	48	414	46	15
Mfg. Expenses	73	7	61	7	18
Staff cost	186	19	183	20	1
SG&A	92	9	77	9	20
Exceptional Item	21	2	(49)	5	

- Increase in material and Manufacturing cost is due to higher growth in manufacturing business compared to services business
- Exceptional items for Q1 FY 2011 includes MTM provisions of Rs. 3.8 crore and FCMITDA amortization of Rs. 17.0 crore
- SG&A (after adjustment of forex fluctuation) increased by 11.8% in Q1 FY 2011. This increase was mainly due to increase in freight and forwarding charges.

Debt Profile

Debt Profile		As on 31-Mar-10	As on 30-Jun-10
		In Rs. Crores	In Rs. Crores
Normal Debt		2,259	2,210
FCCB* Debt		861	660
Total Debt		3,120	2,870
Cash and Cash Equivalent		727	141
Net Debt		2,393	2,729
		In Rs. Crores	In Rs. Crores
Debt in Jubilant Standalone		1,151	1,105
	Foreign Currency Debt	471	903
	Rupee Debt	680	201
FCCB* (in Jubilant Standalone)		861	660
Debt in Subsidiaries		1,108	1,106
	Foreign Currency Debt	1,057	1,055
	Rupee Debt	51	51
Total		3,120	2,870
		In USD Million	In USD Million
Debt in Jubilant Standalone		256	246
	Foreign Currency Debt	105	201
	Rupee Debt	151	45
FCCB* (in Jubilant Standalone)		192	147
Debt in Subsidiaries		247	246
	Foreign Currency Debt	235	235
	Rupee Debt	11	11
Total		695	639
Average Interest Rate			
Foreign Currency Debt (without FCCB)		3.50%	4.15%
Rupee Debt		10.57%	8.74%
Total (without FCCB)		5.91%	4.88%
Exchange Rate	USD 1 = Rs.	44.90	46.45

- No major repayment of loans in Jubilant Organosys in next 3 years other than FCCBs due in May 2011 of USD 142 million + YTM of USD 60 million
- Average cost of borrowing at very low level of 4.9%
- Healthy balance sheet due to strong internal accruals and change in capital structure after QIP issue in March 2010
- Increase in net debt is mainly due to Exchange rate variations on Forex loans and FCCB repayment.

The buoyancy in global outsourcing business continues. Jubilant expects robust increase in revenue & profitability due to

- The strong order book position of about USD 1 billion in CRAMS business and expected new contracts signing in exclusive synthesis & CMO business defines clear visibility for growth
- Growth initiatives are on track. Capacity expansion in pyridine & its derivatives, commissioning of additional capacity in Niacinamide & multipurpose API facility for Sartans are as per schedule. These initiatives are expected to commence revenue during Q4 FY 2011
- Our Spokane, Washington site for CMO business has been approved for production of adjuvant for vaccines by a large pharma customer. We expect to receive approval of products at the customers end in few countries, which is expected to generate substantial revenue and profitability in second half.
- Product pipelines for generics and API is very robust. New product launches are expected due to envisaged approval of ANDAs and DMFs on account of patents expiry

Thank You