Marksans Pharma Ltd.

The Bombay Stock Exchange Limited
Corporate Relation Department
Phiroze Jeejeebhoi Towers,
Dalal Street,
Mumbai 400 001

The National Stock Exchange of India Ltd
Listing Department,
Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex,
Bandra (E), Mumbai- 400 051

30th May, 2016

Sub: News Release

Dear Sir,

Enclosed herewith kindly find a News Release dated 30th May, 2016 of the Company.

You are requested to note the above in your records.

Thanking You.

Yours faithfully,
For **Marksans Pharma Limited**

Harshavardhan Panigrahi
Company Secretary & Manager-Legal

Enclosed as above.

Marksans Pharma Ltd.

NEWS RELEASE
30th May 2016, Mumbai - India

Performance Highlights- Consolidated.

Marksans Consolidated Revenue increased by 12.77% to Rs 902.19 crores in 2015-16

- EBITDA was Rs 145.13 crores for the year. EBITDA margin was 16.09% for the year.
- Profit before Tax was Rs.106.85 crores for the year.
- Consolidated Net Profit was Rs 78.51 crores for the FY 2015-16.
- Zero Long Term Secured Loans as at 31.03.2016.

Business Highlights

- US & North America Formulation business reported strong growth of 105.20% to Rs. 325.81 crores aided by Time-Cap Laboratories Inc acquisition.
- Company achieved revenue of Rs. 418.19 crores from Europe, UK Formulation business.
- Australia & NZ Formulation business grew at 18.79% to Rs. 107.76 crores from Rs. 90.72 crores during previous year.
- Rest of World Formulation business was Rs. 50.43 crores. Almost 94% of company's total revenue came from regulated markets of US, Europe, Australia & Canada.

Dividend

- The Board of Directors recommends dividend of 12% for FY 2015-16.

MARKSANS PHARMA LTD. MUMBAI-53

Marksans Pharma Ltd.
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E-mail: info@marksanspharma.com

Management Discussion and Analysis for the F.Y. 2015-16

Revenue Figures - Consolidated

INR in crores

	Twelve months ended 31st March		
	F.Y.15-16	F.Y.14-15	Growth %
Europe, UK – Formulations	418.19	494.87	-15.50%
US & North America – Formulations	325.81	158.78	105.20%
Australia & NZ – Formulations	107.76	90.72	18.79%
Rest of World(ROW)	50.43	55.66	-9.39%
Consolidated Revenue from operations	902.19	800.03	12.77%

Subsidiaries

Marksans Pharma UK Limited

Marksans Pharma UK Limited, through its step down subsidiaries Bells Sons & Co(Druggists) Ltd and Relonchem Ltd has achieved revenue of GBP 30.22 mn as against revenue of GBP 33.69 mn achieved during last year. Profit after tax for the year was GBP 645,378 as against GBP 3.89 mn during last year.

Though UK based business is witnessing higher volumes and market growth, however, it is negated by price erosion on account of higher competition, channel consolidation and government action on pricing/ reimbursement.

Marksans Pharma Inc. USA

On June 22, 2015, the group acquired 100% share capital of Time Cap Laboratories Inc for a cash consideration of USD 28.08 mn.

Asset Price Allocation	Amount in USD
Consideration – Cash paid	28,079,293
Fair value of assets & liabilities acquired	
Property & equipment	7,171,455
Cash	5,280,106
Debtors	3,863,949
Inventories	4,849,475
Prepaids	251,210
Trade & other payables	(1,132,372)
Accrued expenses & capital lease obligation	(721,852)
Total identifiable net assets	19,561,971
Goodwill	8,517,322

Marksans Pharma Inc through its step down subsidiary, Time-Cap Laboratories Inc has achieved revenue of USD 23.32 mn(nine months) and net loss of USD 861,650. Time-Cap Laboratories Inc has taken one off inventory adjustment of around USD 1.2 mn, One time acquisition cost of USD 1.74 mn has also been charged to Statement of Profit and Loss for the year.

Goodwill arising on the acquisition of Time-Cap Laboratories Inc is attributable to synergies expected to arise from the combination of the acquired assets, businesses and Marksans global sales, production & marketing networth. During the year depreciation & amortization costs came in higher at USD 912,455 on account of higher amortization towards Time-Cap Laboratories Inc consolidation.

Integration of Marksans operations with Time-Cap Laboratories Inc is under transition.

Nova Pharmaceuticals Australasia Pty Ltd

Nova Pharmaceuticals Australasia Pty Ltd has achieved sales of AUD 15,481,427 as against sales of AUD 10,816,046 achieved during last year. Profit after tax for the year was AUD 2,084,461 as against AUD 1,193,748 during last year.

The robust growth has come from higher market share and also due to launch of new products into the market.

Information Technology Initiative

We are implementing state of the art IT applications in automating the processes in Quality, Manufacturing and R & D. We are also investing significant amount of resources to build IT platform to de-risk the manufacturing process and to adopt best practices in the industry. The implementations spread across Lab automation, instrument integration and manufacturing execution systems. The IT transformation programme is planned for roll out in phases commencing from April 2016 to the production environment.

We have spent an amount of USD 1.47 mn towards IT system upgradation, the same has been charged to Statement of Profit and Loss during the year. We expect similar amount of expenditure in FY 2016-17.

Change Management

Marksans has hired top-notch professional senior management team at corporate and at site, who have rich experience of the best practices, knowledge base and leadership.

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The list includes Executive Director, Site Director, Corporate QA, Experienced QC, Regulatory, Manufacturing and Human Resource leaders.

New Approvals

Marksans is currently marketing 10 approved ANDAs in USA. It has made 10 more ANDA filings which are awaiting approval. During the quarter we have received ANDA approval for Metformin Hydrochloride Extended Release(ER) USP 500 mg and 750 mg Tablets. The product has market size of around USD 230 million.

About Marksans Pharma Limited

Marksans Pharma Limited (www.marksanspharma.com) headquartered at Mumbai, India is engaged in Research, Manufacturing & Marketing of generic pharmaceutical formulation in the global markets. The company's manufacturing facilities are approved by several leading regulatory agencies. The company's robust product portfolio spreads over major therapeutic segments of CVS, CNS, Anti-diabetic, Pain Management, Gastroenterologicals and Anti-allergies. The company is marketing these products globally.

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