

Performance Highlights- Q4 and FY 2010

Disclaimer

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. *All numbers in this presentation are audited consolidated numbers*
3. *The numbers have been regrouped/reclassified in line with the proposed business reorganization*
4. *Exchange rate USD 1 = Rs. 44.90 as on March 31, 2010*
5. *No.s of Q4 and FY 2010 are compared with last year same period*
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 March 31 (Audited)		Variance (%)	Year Ended March 31 Audited		Variance (%)
	2010	2009		2010	2009	
Net sales/Income from operations	**990**	**841**	**18**	**3,781**	**3,518**	**7**
Other income	8	13	(37)	38	43	(12)
Total income	**998**	**854**	**17**	**3,819**	**3,561**	**7**
Total expenditure	**771**	**748**	**3**	**2,993**	**2,946**	**2**
Operating profit before interest, depreciation tax	**227**	**106**	**115**	**826**	**615**	**34**
Depreciation	**32**	**45**	**29**	**125**	**163**	**23**
Interest (Net)	35	39	10	150	107	(40)
Exceptional item - Loss/(Gain)	(2)	37		33	48	
Profit from Ordinary Activities before tax	**162**	**-15**	**1167**	**518**	**297**	**75**
Tax Expenses (Net)	27	(24)		96	27	(256)
Net Profit after Tax	**135**	**9**	1,395	**422**	**270**	**57**
Minority Interest	**(2)**	**(3)**		**1**	**(13)**	
Net profit after share of loss of Associate Co. & Min	**137**	**12**	**1,006**	**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.)	**9.29**	**0.84**	**1,006**	**28.56**	**19.22**	**49**
Diluted (Rs.)	**8.03**	**0.72**	**1,015**	**24.66**	**16.56**	**49**

Revenue Analysis

Revenue – Q4 FY 2010					Rs. Crore
Quarterly view	**Q4 FY10**	**% Share**	**Q4 FY09**	**% Share**	**Growth %**
PLSPS	898	91	745	89	21
APP	93	9	96	11	(3)
Total	990		841		18

Revenue – FY 2010					Rs. Crore
Full Year view	**FY10**	**% Share**	**FY09**	**% Share**	**Growth %**
PLSPS	3362	89	2972	84	13
APP	419	11	546	16	(23)
Total	3781		3518		8

- **PLSPS business grew by 21 % on back of healthy growth in CMO of sterile injectables, API and Life science Chemicals**
- **APP business declined by 3% on account of decline in Application Polymers and Fertilizers business**

Past 5 year Financials at a glance

Rs. Crore

		FY05	FY06	FY07	FY08	FY09	FY10	5 year CAGR
PLSPS								
	Sales	908	1186	1494	2145	2972	3362	30%
	EBITDA	223	227	319	518	649	874	31%
APP								
	Sales	258	313	316	344	546	419	10%
	EBITDA	11	25	25	17	44	19	12%

PLSPS : Pharma and Life Sciences Products and Services

APP : Agri and Performance Polymers

Life Sciences business Break-up

Rs. Crore

	Quarter Ended March 31			Year Ended March 31		
PLSPS Business	**FY 2010**	**FY 2009**	**Growth**	**FY 2010**	**FY 2009**	**Growth**
Proprietary Products & Exclusive Synthesis	216	242	-11%	939	912	3%
Active Pharmaceuticals Ingredients (API)	79	47	67%	282	255	10%
CMO of Sterile Injectables & Non- Sterile Products	221	135	63%	662	490	35%
Drug Discovery & Development Services	56	66	-15%	249	241	3%
1. Total CRAMS	***572***	***490***	**17%**	***2132***	***1898***	**12%**
Specility Pharmaceuticals	57	53	7%	231	193	20%
Generics	*44*	*33*	33%	*152*	*113*	34%
2. Total Pharmaceuticals Products	**101**	**86**	**17%**	**383**	**306**	**25%**
3. Life Science Chemicals	**173**	**130**	**33%**	**642**	**597**	**8%**
4. Nutrition Ingredients	**50**	**38**	**32%**	**197**	**165**	**19%**
5. Health Care	**2**	**1**	**64%**	**8**	**6**	**45%**
Total	**898**	**745**	**20%**	**3362**	**2972**	**13%**

- **Strong growth in CMO business is on account of execution of new contracts signed during the year**
- **Healthy growth in API is due to strong volume growth across all the products**
- **Strong growth in Life Sciences chemicals was due to good volume growth, which is on account of strong demand from Pharma & Agro companies**
- **Lower revenue in Proprietary Products & Exclusive Synthesis is due to decline in selling prices on account of reduction in raw material cost. However, there is a good volume growth**

Geographical revenue analysis

Geographical Revenue Break-up – Q4 FY 2010			
Quarterly view	**Q4 FY2010**	**% Share**	**Growth %**
Domestic Operations	324	33	24
International Operations	666	67	15
- North America	397	60	25
- Europe	102	15	(6)
- China	98	15	43
- Other markets	69	11	(19)

Geographical Revenue Break-up –FY 2010			
Yearly view	**FY 2010**	**% Share**	**Growth %**
Domestic Operations	1327	35	(1)
International Operations	2454	65	13
- North America	1392	57	18
- Europe	398	16	5
- China	371	15	28
- Other markets	293	12	(10)

- **International Revenues grew by 15% in Q4 FY 2010 due to robust growth in China and North America**
- **Domestic Revenue grew by 24% in Q4 FY 2010 due to increased demand for Life Science Chemicals**

Segmental Earnings Review

EBIDTA Q4 FY 2010					Rs. Crore
Quarterly view	EBIDTA Q4 FY2010	EBIDTA Q4 FY2009	Growth %	% Share To total EBIDTA	EBIDTA margin on net Revenue %
PLSPS	235	143	64	96	26.2
APP	10	1	827	4	11.0

EBIDTA FY 2010					Rs. Crore
Yearly view	EBIDTA FY2010	EBIDTA FY2009	Growth %	% Share To total EBIDTA	EBIDTA margin on net Revenue %
PLSPS	874	649	35	98	26.0
APP	19	44	(56)	2	4.6

- **Life Sciences reported robust margins of 26.2% in Q4 FY2010 compare to 19.2% last year due to excellent improvement in margins in Proprietary products, API, generics and Life Science Chemicals**
- **Margins in APP business came back to their normal level of 11.0% in Q4 FY 2010**

Pipeline of Products

A	**CRAMS**					
		Phase I	Phase II	Phase III	Total	Launched
	Exclusive Synthesis	1	2	5	8	2
	CMO	30	15	11	56	28
	Total	31	17	16	64	30
B	**API**					
	Number of DMFs Filed	36	(4 in FY10)			
	Commercialised Products	19				
	Products to be Commercialised	10				
	Products in R&D Pipeline	19				
	Expect to file 8-10 DMFs each year					
C	**Dosage Form**					
		ANDAs	Dossiers	Total		
	Products Approved	18	17	35		
	Products Filed and Under Approval	13	10	23		
	Products Filed in FY2010	7	8	15		
	Expect to file 18-20 ANDAs/Dossiers each year					
D	**RadioPharmaceuticals**	Ruby fill in 2012				
	Products to be commercialized	Magnevist in 2013				
		Moly fill in 2015				

Expenditure Analysis

Expenditure Analysis - Q4 FY 2010					Rs. Crore
Quarterly view	Q4 FY2010	% Share to Net Sales	Q4 FY2009	% Share to Net Sales	Change %
Material etc. consumed	446	45.0	347	41.3	28.4
Mfg. Expenses	78	7.9	59	7.0	32.1
Staff cost	185	18.7	178	21.1	3.9
SG&A (excl. exchange Variations)	88	8.9	89	10.6	(1.3)
Exceptional Item	(2)	(0.2)	37	4.4	

Expenditure Analysis -FY 2010					Rs. Crore
Yearly view	FY2010	% Share to Net Sales	FY2009	% Share to Net Sales	Change %
Material etc. consumed	1,709	45.2	1,561	44.4	9.5
Mfc. expenses	293	7.8	277	7.9	5.7
Staff cost	745	19.7	657	18.7	13.3
SG&A (excl. exchange Variations)	352	9.3	345	9.8	2.1
Exceptional Item	(33)	(0.9)	(48)	(1.4)	

- **Increase in material cost is in line with increase in sales in FY 2010**
- **Manufacturing cost has come down as % of revenue due to cost reduction initiatives**
- **Increase in Staff cost is due to increase in revenue from service business**
- **Exceptional items for FY 2010 includes MTM provisions of Rs. 10 crore, FCMITDA amortization of Rs. 16.2 crore and intangible write-off & loss on sale of Fixed Assets of Rs 6.7 crore**
- **Previous year restated SG&A due to forex losses of Rs. 104 crore is Rs. 345 crore. After adjustment for realized forex gains of Rs. 107 crore, SG&A for FY 2010 is Rs. 352 crore**

Financial & Ratio Analysis

Rs. Crore

Financial & Ratio Analysis	As on 31-Mar-10	As on 31-Mar-09
Shareholder's Funds	2201	1543
Net Debt (Net of cash balances)	2393	3258
Net Debt/Equity	1.1	2.1
Net Fixed Assets (including goodwill)	4325	4248
Reported EBITDA Margin	**21.8%**	**17.5%**
EBIT Margin	**18.5%**	**12.8%**
Net Profit Margin	**11.1%**	**8.0%**
Interest Coverage Ratio	**5.5**	**5.7**
Return on Capital Employed	**12.8%**	**9.2%**
Return on Net Operating Assets	**16.3%**	**11.7%**
Return on Equity	**19.1%**	**18.4%**

Debt Profile

Debt Profile		As on 31-Mar-09	As on 31-Mar-10
		In Rs. Crores	In Rs. Crores
Normal Debt		2,903	2,259
FCCB* Debt		975	861
Total Debt		3,878	3,120
Cash and Cash Equivalent		620	727
Net Debt		3,258	2,393
		In Rs. Crores	In Rs. Crores
Debt in Jubilant Standalone		1,552	1,151
	Foreign Currency Debt	619	471
	Rupee Debt	933	680
FCCB* (in Jubilant Standalone)		975	861
Debt in Subsidiaries		1,351	1,108
	Foreign Currency Debt	1,291	1,057
	Rupee Debt	60	51
Total		3,878	3,120
		In USD Million	In USD Million
Debt in Jubilant Standalone		306	256
	Foreign Currency Debt	122	105
	Rupee Debt	184	151
FCCB* (in Jubilant Standalone)		192	192
Debt in Subsidiaries		266	247
	Foreign Currency Debt	255	235
	Rupee Debt	12	11
Total		764	695
Average Interest Rate			
Foreign Currency Debt (without FCCB)		3.03%	3.50%
Rupee Debt		10.97%	10.57%
Total (without FCCB)		5.48%	5.91%
Exchange Rate	USD 1 = Rs.	50.72	44.90

- **Repayment of debt during FY 2010 and 2011**
  - **Jubilant Organosys Ltd. –Rs. 22 crore in FY 2011 and Rs. 10 crore in FY 2012**
  - **Subsidiary – Rs. 141 crore in FY 2011 and Rs. 198 crore in FY 2012**
- **FCCB debt of USD 50 million due on 23rd May 2010 with YTM of USD 19 million**
- **FCCB debt of USD 142 million due in May 2011 with YTM of USD 60 million**

Outlook for FY 2011

Jubilant continues to see strong traction across all the businesses and expects robust increase in revenue and profitability driven by

- Order book position of ~ USD 1bn in CRAMS business
- Increase in operating margins in DDDS business
- Increase in capacity utilization in CMO business
- Capacity expansion in Pyridines & its derivatives
- Launch of new Pharmaceutical products in API, Speciality Pharmaceuticals and generics
- Commissioning of additional capacity in Niacinamide

The buoyancy in growth continues and is driven by visibility in all segments.

Thank You