



NEWS RELEASE

30<sup>th</sup> July, 2008, Hyderabad, India.

**Q1 FY09 Consolidated Revenues up 27.6% to Rs 684.7 crores  
Formulation business constitutes 41% of the Gross Sales  
Operating Profit (EBIDTA) before Fx up 57.5% to Rs. 115.9 Crores  
8 ANDA filings in USA in Q1 FY 2008-09, cumulative filings 136**

Aurobindo Pharma Limited, is pleased to announce the unaudited financial results for the first quarter (Q1) FY 2008-09.

- Financials Consolidated:
  - Total Income up by 27.6% to Rs 684.7 Crores (Rs 536.4 Crores)
  - Gross Margin improves to 45.7% from 45.0%
  - Operating Margin before Forex loss (Fx) improves to 16.9% (13.7%)
  - Operating Profit before Fx up by 57.5% to Rs 115.9 Crores (Rs 73.6 Crores)
  - Earning is impacted by Fx mainly due to restatement of FCCB (net of deposits) by Rs. 56.6 Crores. This is a non-cash charge
  - PBT lower by 68.1% to Rs 22.0 Crores (Rs 69.0 Crores) mainly due to Fx
  - PAT lower by 73.3% to Rs 16.4 Crores (Rs 61.7 Crores) mainly due to Fx
  - Basic & diluted EPS (not annualized) Rs 3.1 (Rs.11.6) & Rs 2.4 (Rs.9.1)
- Formulation Sales up by 64.4% to Rs 289.7 Crores (Rs 176.2 Crores)
- 8 ANDA filings in USA in Q1 FY 2008-09, cumulative filings 136
- Fitch Rating Agency has accorded "A+" for Long Term Borrowings & highest rating "F1+" for Short Term Borrowings

**Consolidated Q1 2008-09 :**

The Company has registered a total Income of Rs.684.7 Crores (Rs.536.4Crores) up by 27.6%. The Operating Profit before Fx stands Rs.115.9 Crores (Rs.73.6 Crores), up by 57.5%. During the quarter, the company has incurred loss on foreign currency transactions of Rs 53.7 Crores (Gain of Rs 29.4 Crores), which includes loss due to restatement of Foreign Currency Convertible Bonds (net of Deposits) of Rs. 56.6 Crores (Gain of Rs 40.9 Crores).

PBT before Fx stands at Rs.75.7 Crores (Rs.39.6 Crores) thus growing by 91.2%. However, the PBT has been at Rs.22.0 Crores (Rs.69.0 Crores).

PAT before Fx stands at Rs.70.1 Crores (Rs.32.3 Crores) thus growing by 117.0%. However, the PAT has been at Rs.16.4 Crores (Rs.61.7 Crores).

**Stand-alone Q1 2008-09 :**

The Company has registered a total Income of Rs.647.2 Crores (Rs.480.0 Crores) up by 34.8%. The Operating Profit before Fx stands Rs.126.4 Crores (Rs.57.9 Crores), up by 118.5%. During the quarter, the company has incurred loss on foreign currency transactions of Rs 56.0 Crores (Gain of Rs 28.9 Crores), which includes loss due to restatement of Foreign Currency Convertible Bonds (net of Deposits) of Rs. 56.6 Crores (Gain of Rs 40.9 Crores)

PBT before Fx stands at Rs.99.7 Crores (Rs.36.1 Crores) thus growing by 176.2%. However, the PBT has been at Rs.43.8 Crores (Rs.65.1 Crores).

PAT before Fx stands at Rs.95.9 Crores (Rs.29.6 Crores) thus growing by 224.0%. However, the Net profit has been at Rs.39.9 Crores (Rs.58.5 Crores).

**Foreign exchange items :**

This includes loss of Rs.56.6 Crores (Gain of Rs.40.9 Crores) on account of the restatement of the Foreign Currency Convertible Bonds (net of Deposits) both in case of stand alone and consolidated financials. The loss or gain in this regard is a non-cash charge/accrual. As a policy, the company does not enter into any forex derivatives, which are speculative in nature.

**Domestic and Export breakup of Gross Sales (Standalone) :**

(Rs.in Crores)

Particulars	Q1 FY 08-09	Q1 FY 07-08	Change
Domestic	235.7	231.5	+ 1.8%
Export	438.7	277.2	+ 58.3%
<b>Total Sales</b>	<b>674.4</b>	<b>508.7</b>	<b>+ 32.6%</b>

**Segmental breakup of Gross Sales (Consolidated) :**

(Rs.in Crores)

Particulars	Q1 FY 08-09	Q1 FY 07-08	Change
USA	81.7	54.7	+ 49.4%
Europe	44.7	33.9	+ 31.9%
ARV	124.9	64.2	+ 94.5%
Rest of the World	38.4	23.4	+ 64.1%
<b>Formulations</b>	<b>289.7</b>	<b>176.2</b>	<b>+ 64.4%</b>
SSPs	214.0	210.4	+ 1.7%
Cephs	156.4	130.9	+ 16.3%
ARVs & Others	46.7	43.6	+ 8.4%
<b>Active Ingredients</b>	<b>417.1</b>	<b>384.9</b>	<b>+ 8.4%</b>
<b>Total Sales</b>	<b>706.8</b>	<b>561.1</b>	<b>+ 26.0%</b>





The formulation sales has grown by 64.4% to Rs 289.7 Crores (Rs 176.2 Crores) and it now constitutes 41.0% (31.4%) of the gross sales.

**Global Regulatory filings :**

The Company has filed and received approvals for large number of products in six key therapeutic segments across several countries.

Filings	Q1 FY 08-09	Cumulative Filings as on 30.06.2008
ANDAs (USA)	8	136
DMFs (USA)	3	125
Formulations Dossiers in other key regulated markets (includes Multiple registration into EU)	56	688
API DMF/COS filings in other key regulated markets	59	954
Patents	21	339

As on 30.06.2008, 70 ANDAs have been approved in USA including 18 tentative approvals. The Company has so far launched 37 products in the USA market.

During the quarter the company has received USFDA approvals for the following:

- ❑ Emtricitabine Capsules 200 mg (ARV)
- ❑ Benazepril Hydrochloride Tablets 10, 20 and 40 mg (CVS)
- ❑ Zaleplon Capsules 5 and 10 mg (CNS)

**About Aurobindo Pharma Limited**

Aurobindo Pharma Limited ([www.aurobindo.com](http://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, 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. The Company is marketing these products globally, in over 100 countries.

**For further information, please contact:**

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**AUROBINDO PHARMA LIMITED**

Regd Office: Plot No.2, Matrivihar, Ameerpet, Hyderabad - 500 038, India  
**Unaudited Financial Results for the Quarter ended 30th June, 2008**

(Rs in lakhs)

Particulars	Stand alone			Consolidated		
	First Quarter Ended		Year Ended	First Quarter Ended		Year Ended
	30.06.2008	30.06.2007	31.03.2008	30.06.2008	30.06.2007	31.03.2008
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
Sales(including excise duty)	67,436	50,868	235,112	70,679	56,107	255,229
Less: Excise Duty	2,713	2,873	11,639	2,713	2,873	11,639
Net Sales	64,723	47,995	223,473	67,966	53,234	243,590
Other Operating Income	582	330	5,816	358	329	1,058
Other Income	73	72	1,178	150	81	1,436
<b>Total Income</b>	<b>65,378</b>	<b>48,397</b>	<b>230,467</b>	<b>68,474</b>	<b>53,644</b>	<b>246,084</b>
Expenditure						
a. (Increase)/Decrease in Stock	19	(3,453)	(3,470)	(997)	(4,396)	(7,121)
b. Material Consumed	37,921	32,402	137,546	35,724	30,369	126,117
c. Purchase of traded goods	165	449	1,179	2,164	3,302	16,147
d. Staff Cost	4,370	3,366	14,870	5,737	4,423	19,300
e. Depreciation/Amortisation	1,955	1,737	7,460	2,704	2,335	10,037
f. Other Expenditure	10,268	9,840	41,600	14,247	12,584	55,036
<b>Total Expenditure</b>	<b>54,698</b>	<b>44,341</b>	<b>199,185</b>	<b>59,579</b>	<b>48,617</b>	<b>219,516</b>
<b>Profit before interest &amp; tax</b>	<b>10,680</b>	<b>4,056</b>	<b>31,282</b>	<b>8,895</b>	<b>5,027</b>	<b>26,568</b>
Interest (net)	706	444	1,611	1,325	1,063	4,324
Foreign Exchange (Gain)/Loss	5,599	(2,894)	(4,813)	5,371	(2,939)	(6,931)
<b>Profit from Ordinary Activities before tax</b>	<b>4,375</b>	<b>6,506</b>	<b>34,464</b>	<b>2,199</b>	<b>6,903</b>	<b>29,175</b>
Provision for Taxation						
a. Current Tax (MAT)	489	757	4,835	653	806	4,792
b. MAT Credit Entitlement	(408)	(38)	-	(408)	(38)	-
c. Deferred Tax	100	(77)	524	101	(77)	521
d. Fringe Benefit Tax (net of recovery)	9	10	47	9	10	47
e. Tax adjustments of previous years	198	-	-	198	-	-
Total Tax	388	652	5,406	553	701	5,360
<b>Profit before Minority Interest</b>	<b>3,987</b>	<b>5,854</b>	<b>29,078</b>	<b>1,646</b>	<b>6,202</b>	<b>23,815</b>
Minority Interest				4	29	(33)
<b>Net Profit for the period</b>	<b>3,987</b>	<b>5,854</b>	<b>29,078</b>	<b>1,642</b>	<b>6,173</b>	<b>23,848</b>
Paid-up Equity Share Capital (Face value Rs. 5 per share)	2,688.26	2,667.43	2,688.26	2,688.26	2,667.43	2,688.26
Reserves excluding Revaluation Reserve			119,372			109,714
Basic Earnings per share before & after Extraordinary items (Rs.) (not annualised)	7.42	10.97	54.21	3.06	11.57	44.46
Diluted Earnings per share before & after Extraordinary items (Rs.) (not annualised)	5.90	8.66	43.07	2.43	9.13	35.33
Public Shareholding						
a. Number of Shares	24,049,036	26,636,405	24,049,036	24,049,036	26,636,405	24,049,036
b. Percentage of Shareholding	44.73	44.31	44.73	44.73	44.31	44.73

**NOTES:**

- The above unaudited financial results were reviewed by the Audit Committee and have been approved by the Board at its meeting held on 30.07.2008. The quarterly stand alone results are subject to Limited Review by Auditors of the Company.
- The Consolidated financial results, which are optional, have been presented by the Company, so as to provide additional information.
- The consolidated financial results have been prepared in accordance with AS - 21 on 'Consolidated Financial Statement', AS-27 'Financial Reporting of Interests in Joint Ventures' and includes financial results of all subsidiaries and 50:50 Joint Ventures.
- The Company's operations fall within a single primary business segment viz. 'Pharmaceutical Products'.
- Investor complaints pending at the beginning of the quarter: Nil, received 45, resolved 45 and lying unresolved at the end of the quarter Nil.
- Sales for the quarter include exports of Rs 43868 lakhs (Rs 27720 lakhs).
- Other Operating Income represents sale of dossier.
- Foreign Exchange (Gain)/Loss represents exchange differences arising during the period on all foreign currency transactions. This includes Loss due to restatement of Foreign Currency Convertible Bonds (net of Deposits) Rs 5662 lakhs (Gain of Rs 4085 lakhs).
- Premium on redemption of USD 255.5 Million zero coupon Foreign Currency Convertible Bonds is contingent in nature, the dependant on uncertain future events.
- During the quarter, the Company has formed a new step-down subsidiary viz., Aurobindo Pharma (Portugal) Unipessoal Limitada.
- Figures for the previous periods have been rearranged/regrouped wherever necessary to make it comparable.

By Order of the Board

Place: Hyderabad  
Date: 30.07.2008

www.aurobindo.com

K.Nithyananda Reddy  
Managing Director