



30th January 2009, Hyderabad, India.

Q3 FY 2008-09 Results

- *Q3 FY09 Consolidated Revenues up 43.4% to Rs 828.1 Crores*
- *Formulation business constitutes 46.7% of the Gross Sales*
- *Operating Profit (EBIDTA) before Fx up 93.3% to Rs 157.8 Crores*
- *PAT before Fx higher by 182.6% to Rs 98.9 Crores*
- *4 ANDA filings in USA in Q3 FY09, cumulative filings 145*

Aurobindo Pharma Limited is pleased to announce the unaudited financial results for the third quarter (Q3) FY 2008-09.

- Consolidated Financial Highlights:
 - Total Income up by 43.4% to Rs 828.1 Crores (Rs 577.6 Crores)
 - Material consumption to net sales has risen to 58.1% (53.2%) mainly due to consumption of high priced materials on hand in a falling price scenario
 - Gross Margin improves to 48.1% from 47.1%
 - Operating Profit before Fx up by 93.3% to Rs 157.8 Crores (Rs 81.6 Crores)
 - Earning is impacted by Fx Loss mainly due to restatement of FCCB (net of deposits) by Rs 39.3 Crores. This is a non-cash charge
 - PBT before Fx higher by 108.4% to Rs 106.5 Crores (Rs 51.1 Crores)
 - PAT before Fx higher by 182.6% to Rs 98.9 Crores (Rs 35.0 Crores)
- Formulation Sales up by 43.2% to Rs 353.1 Crores (Rs 246.6 Crores)
- 4 ANDA filings in USA in Q3 FY 2008-09, cumulative filings 145

Consolidated Q3 2008-09 :

The Company has registered a total Income of Rs 828.1 Crores (Rs 577.6 Crores) up by 43.4%. The Operating Profit before Fx stands Rs 157.8 Crores (Rs 81.6 Crores), up by 93.3%. During the quarter, the company has incurred loss on foreign currency transactions of Rs 57.0 Crores (Gain of Rs 9.5 Crores), which includes loss due to restatement of Foreign Currency Convertible Bonds (net of Deposits) of Rs 39.3 Crores (Gain of Rs 7.3 Crores)

PBT before Fx stands at Rs 106.5 Crores (Rs 51.1 Crores) thus growing by 108.4%. However, the PBT has been at Rs 49.5 Crores (Rs 60.6 Crores).

PAT before Fx stands at Rs 98.9 Crores (Rs 35.0 Crores) thus growing by 182.6%. However, the PAT has been at Rs 41.8 Crores (Rs 44.6 Crores).



Stand-alone Q3 2008-09 :

The Company has registered a total Income of Rs 725.0 Crores (Rs 542.6 Crores) up by 33.6%. The Operating Profit before Fx stands Rs 134.3 Crores (Rs 83.1 Crores), up by 61.6%. During the quarter, the company has incurred loss on foreign currency transactions of Rs 49.8 Crores (Gain of Rs 6.9 Crores), which includes loss due to restatement of Foreign Currency Convertible Bonds (net of Deposits) of Rs 39.3 Crores (Gain of Rs 7.3 Crores)

PBT before Fx stands at Rs 98.5 Crores (Rs 64.4 Crores) thus growing by 53.0%. However, the PBT has been at Rs 48.6 Crores (Rs 71.3 Crores).

PAT before Fx stands at Rs 90.5 Crores (Rs 48.4 Crores) thus growing by 87.0%. However, the PAT has been at Rs 40.7Crores (Rs 55.3 Crores).

Foreign exchange items :

This includes loss of Rs 39.3 Crores (Gain of Rs 7.3 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	Q3 FY 08-09	Q3 FY 07-08	Change
Domestic	219.4	226.4	(3.1%)
Export	479.1	315.2	52.0%
Total Sales	698.5	541.6	29.0%

Segmental breakup of Gross Sales (Consolidated) :

(Rs.in Crores)

Particulars	Q3 FY 08-09	Q3 FY 07-08	Change
USA	142.7	49.7	187.1%
Europe	46.7	64.1	(27.1%)
ARV	121.5	93.9	29.4%
Rest of the World	42.2	38.9	8.5%
Formulations	353.1	246.6	43.2%

SSPs	174.4	164.9	5.8%
Cephs	154.3	162.0	(4.8%)
ARVs & Others	75.0	26.8	179.9%
Active Ingredients	403.7	353.7	14.1%

Total Sales	756.8	600.3	26.1%
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The formulation sales has grown by 43.2% to Rs 353.1 Crores (Rs 246.6 Crores) and it now constitutes 46.7% (41.1%) 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	Q3 FY 08-09	Cumulative Filings as on 31.12.2008
ANDAs (USA)	4	145
DMFs (USA)	-	128
Formulations Dossiers in other key regulated markets (includes Multiple registration into EU)	6	812
API DMF/COS filings in other key regulated markets	65	1109
Patents	4	355

As on 31.12.2008, 87 ANDAs have been approved in USA including 24 tentative approvals. The Company has so far launched 43 products in the USA market.

The 8 ANDA approvals from the USFDA received during the quarter are as under:

- Fluconazole Tablets 50, 100, 150 and 200mg - Final
- Risperidone Tablets 0.25, 0.5, 1, 2, 3 and 4mg - Final
- Sertraline Hydrochloride Oral Concentrate 20mg/ml - Final
- Alfuzosin Hydrochloride Extended Release Tablets 10mg - Tentative
- Perindopril Erbumine Tablets 2, 4 and 8mg - Tentative
- Escitalopram Oxalate Oral Solution 5mg/5ml - Tentative
- Efavirenz Tablets 100mg - Tentative
- Abacavir Sulfate / Lamivudine Tablets 60mg / 30mg - Tentative

About Aurobindo Pharma Limited

Aurobindo Pharma Limited (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, supported by an outstanding R&D set-up. The Company is marketing these products globally, in over 100 countries..

For further information, please contact:

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Particulars	Stand alone					Consolidated				
	Three months ended		Nine months ended		Year Ended	Three months ended		Nine months ended		Year Ended
	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.03.2008	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.03.2008
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Sales(including excise duty)	69,845	54,157	202,047	169,106	235,112	75,678	60,034	218,755	181,901	255,229
Less: Excise Duty	2,167	3,079	7,178	8,873	11,639	2,167	3,078	7,178	8,873	11,639
Net Sales	67,678	51,078	194,869	160,233	223,473	73,511	56,956	211,577	173,028	243,590
Other Operating Income	4,539	2,815	6,224	5,024	5,816	8,771	282	9,974	793	1,058
Total Income	72,217	53,893	201,093	165,257	229,289	82,282	57,238	221,551	173,821	244,648
Expenditure										
a. (Increase)/Decrease in Stock	(2,883)	(1,776)	(9,438)	(7,591)	(3,470)	(1,709)	(4,335)	(8,512)	(12,004)	(7,121)
b. Material Consumed	44,956	32,831	125,524	103,090	137,546	42,814	29,747	118,488	93,209	126,117
c. Purchase of traded goods	205	138	836	1,221	1,179	1,574	4,880	5,741	12,708	16,147
d. Staff Cost	4,354	3,793	12,979	10,988	14,870	6,536	4,979	18,168	14,331	19,300
e. Depreciation/ Amortisation	2,104	1,908	6,108	5,527	7,460	3,108	2,560	8,695	7,390	10,037
f. Other Expenditure	12,156	10,598	34,886	30,863	41,600	17,289	13,806	47,948	40,616	55,036
Total Expenditure	60,892	47,492	170,895	144,098	199,185	69,612	51,637	190,528	156,250	219,516
Profit from Operations before Other Income, interest & tax	11,325	6,401	30,198	21,159	30,104	12,670	5,601	31,023	17,571	25,132
Other Income	282	358	451	471	1,178	532	517	1,058	859	1,436
Profit before interest and tax	11,607	6,759	30,649	21,630	31,282	13,202	6,118	32,081	18,430	26,568
Interest (net)	1,761	322	3,481	1,173	1,611	2,547	1,010	5,435	3,233	4,324
Foreign Exchange (Gain)/Loss (net)	4,984	(691)	20,062	(5,425)	(4,813)	5,705	(953)	21,586	(6,150)	(6,931)
Profit/(Loss) from Ordinary Activities before tax	4,862	7,128	7,106	25,882	34,484	4,950	6,061	5,060	21,347	29,175
Provision for Taxation										
a. Current Tax	343	1,523	2,700	4,279	4,835	339	1,537	2,874	4,335	4,792
b. MAT Credit Entitlement	-	-	-	-	-	-	-	-	-	-
c. Deferred Tax	416	64	488	94	524	416	64	488	94	521
d. Fringe Benefit Tax (net of recovery)	16	16	42	39	47	16	16	42	39	47
e. Tax adjustments of previous years	15	-	(333)	-	-	15	-	(333)	-	-
Total Tax	790	1,603	2,897	4,412	5,406	786	1,617	3,071	4,468	5,360
Profit/(Loss) before Minority Interest	4,072	5,525	4,209	21,470	29,078	4,164	4,444	1,989	16,879	23,815
Minority Interest						(20)	(13)	4	42	(33)
Net Profit/(Loss) for the period	4,072	5,525	4,209	21,470	29,078	4,184	4,457	1,985	16,837	23,848
Paid-up Equity Share Capital (Face value Rs. 5 per share)	2,688.26	2,688.26	2,688.26	2,688.26	2,688.26					2,688.26
Reserves excluding Revaluation Reserve					119,372					109,714
Basic Earnings per share before & after Extraordinary items (Rs.) (not annualised)	7.57	10.28	7.83	40.06	54.21	7.78	8.29	3.69	31.41	44.46
Diluted Earnings per share before & after Extraordinary items (Rs.) (not annualised)	6.02	8.17	6.22	31.82	43.07	6.19	6.59	2.94	24.96	35.33
Public Shareholding										
a. Number of Shares			22,692,786	24,049,036	24,049,036					
b. Percentage of Shareholding			42.21	44.73	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 30.01.2009. The quarterly stand alone results are subject to Limited Review by Auditors of the Company.
- 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 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: 33, resolved: 33 and lying unresolved at the end of the quarter Nil.
- Sales for the quarter include exports of Rs 47906 lakhs (Rs 31524 lakhs).
- Foreign Exchange (Gain)/Loss represents exchange differences arising on all foreign currency transactions. This includes Loss during the quarter due to restatement of Foreign Currency Convertible Bonds (net of Deposits) Rs 3990 lakhs (Gain of Rs 728 lakhs).
- In respect of a matter referred to in the limited review report by the Auditors for the quarter and six months ended September 30, 2008 relating to non-provision of premium of Rs. 27285 lakhs on redemption of outstanding USD 255.5 Million Zero Coupon Foreign Currency Convertible Bonds (FCCBs), the management is of the opinion that the determination crystallisation of liability is dependent upon the outcome of uncertain future events or actions, not wholly within the control of the Company and therefore the same has been considered as a "contingent liability" as at September 30, 2008. Further, the management continues to hold the same view as at December 31, 2008 on outstanding USD 255.5 Million FCCBs.
- The Company in the month of January 2009 has repurchased and cancelled Foreign Currency Convertible Bonds (FCCBs), in accordance with RBI Policy, aggregating to USD 25,940,000 comprising USD 19,360,000 FCCBs due 2011 (Tranche A) and USD 6,580,000 FCCBs due 2011(Tranche B) at discount to the face value.
- The manufacturing unit hitherto forming part of Aurobindo Pharma USA, Inc. has since been demerged effective October 1, 2008 and transferred to new step down subsidiary Auro Life Pharma LLC, USA. The Pharmacin International B.V. Netherlands, step down subsidiary, has since been liquidated on 22nd December, 2008 to rationalise the business operations in Netherlands. This de-merger and liquidation does not have any material impact on the above financials of the Company.
- During January 2009, step down subsidiary Aurobindo Pharma (Bulgaria) EAD has been incorporated. The Aurobindo Pharma (Pty) Limited, the step down subsidiary, in South Africa has entered into an agreement to form a 50:50 Joint Venture to market our products in South Africa and Namibia.
- The Board in its meeting held on 30.01.2009 has approved an interim dividend of 60%, i.e. Rs 3/- per equity share of Rs. 5/- each for the current financial year 2008-09. Consequently, the total amount of Interim dividend payable would be Rs. 1613 lakhs.
- Figures for the previous periods have been rearranged/regrouped wherever necessary to make it comparable.

By Order of the Board

Place: Hyderabad
 Date : 30.01.2009

www.aurobindo.com

KNithyananda Reddy
 Managing Director