



## NEWS RELEASE

13<sup>th</sup> February 2012, Hyderabad, India

### Aurobindo Pharma Q3FY2011-12 Unaudited Results

	Q3FY12 ₹ Crores	Q2FY12 ₹ Crores	Q-o-Q Variance	Q3 FY11 ₹ Crores	Y-o-Y Variance
Consolidated Net Sales	1261.8	1060.0	19.0%	1071.8	17.7%
Consolidated Net Operating Income	1284.5	1075.3	19.5%	1192.2	7.8%
Operating Profit (EBIDTA) before Fx	191.2	114.6	66.8%	319.5	(40.2%)
PBT before Fx (Profit)	113.5	53.7	111.4%	270.6	(58.1%)

- Formulation Sales up by 14.7% to ₹738.7 Crores (₹643.8 Crores)
- Formulations Sales constitute 57.4% (58.6%) of gross sales
- 11 ANDAs filed in USA in Q3FY12, cumulative filings 233
- 52 Dossier filings in Europe in Q3 FY2011-12, cumulative filings 1177

The profitability during the quarter has been impacted on Y-o-Y basis mainly due to:

- Sharp decline in dossier income by ₹97.6 Crores, which is non-recurring and subject to periodic variability
- Increase in materials consumption to net sales by 2.6% on account of change in sales mix
- Increase in staff costs by ₹32.7 crs mainly due to new hires in European countries and Aurolife, USA
- Increase in other expenses to net sales by 1.5% on account of Power & Fuel, Legal & Analytical charges

There is Net Loss of ₹28.5 crores (PAT of ₹188.6) crores impacted by exchange fluctuation loss of ₹144.5 crores.

Commenting on the Company's performance, **Mr. Ramprasad Reddy, Chairman** of the company said:

*"The current fiscal year has been challenging on account of full impact of the USFDA alert on our Unit 6 Cephalosporin manufacturing facility and mark to market loss on foreign currency borrowings. The silver lining is that the Operating Profit has significantly improved on a Q-o-Q basis. We may expect stability of rupee against USD and consequent reversal of the notional exchange fluctuation loss by year end."*

#### Segmental Breakup of Sales (Consolidated):

Particulars	(₹ in Crores)					
	Q3 FY 11-12	Q3 FY 10-11	Change	9MFY 11-12	9MFY 10-11	Change
USA	325.4	328.2	(0.8%)	882.7	839.9	5.1%
ARV	208.5	174.5	19.5%	536.1	492.7	8.8%
Europe & Row	204.8	141.1	45.1%	533.1	420.3	26.8%
<b>Formulations</b>	<b>738.7</b>	<b>643.8</b>	<b>14.7%</b>	<b>1951.9</b>	<b>1752.9</b>	<b>11.4%</b>
<b>Dossier Income</b>	<b>22.8</b>	<b>120.4</b>	<b>(81.1%)</b>	<b>57.0</b>	<b>228.9</b>	<b>(75.1%)</b>
SSP	157.2	136.6	15.1%	464.1	428.8	8.2%
Cephalosporin	193.7	223.2	(13.2%)	558.2	614.7	(9.2%)
Non-Pen Non -Cephs	197.4	95.8	106.1%	474.9	275.6	72.3%
<b>Active Ingredients</b>	<b>548.3</b>	<b>455.6</b>	<b>20.3%</b>	<b>1497.2</b>	<b>1319.1</b>	<b>13.5%</b>



**Domestic and Export breakup of Gross Sales (Stand Alone) :**

(₹ in Crores)

Particulars	Q3 FY 11-12	Q3 FY 10-11	Change	9MFY 11-12	9MFY 10-11	Change
Domestic	321.1	316.4	1.5%	931.0	826.3	12.7%
Export	885.1	741.3	19.4%	2277.3	2114.9	7.7%
<b>Total Sales</b>	<b>1206.2</b>	<b>1057.7</b>	<b>14.0%</b>	<b>3208.3</b>	<b>2941.2</b>	<b>9.1%</b>

**Global Regulatory filings :**

Filings	Q3 FY 2011-12	Cumulative Filings as on 31.12.2011
ANDAs (USA)	11	233
DMFs (USA)	2	157
Formulations Dossiers in other key regulated markets (Multiple registration into EU and South Africa)	62	1487
API DMF/COS filings in other key regulated markets	37	1948
Patents	9	488

As on 31.12.2011, 144 ANDAs have been approved in USA including 29 tentative approvals. Following approvals in USA, Australia (28 cumulative approvals by TGA), Canada (14 cumulative approvals by Health Canada) and South Africa (52 cumulative approvals by MCC-SA) were received during the quarter:

USA

- Gabapentin Tablets USP 600 mg and 800 mg (Final)
- Naproxen Sodium Tablets USP 275 mg and 550 mg (Final)
- Naproxen Tablets USP 250 mg, 375 mg, 500 mg (Final)
- Lamivudine Tablets 150 mg and 300 mg (Final)
- Amoxicillin & Clavulanate Potassium for Oral Suspension USP 200mg/28.5mg per 5mL & 400mg/57mg per 5 mL (Final)
- Amoxicillin & Clavulanate Potassium for Oral Suspension USP 600mg/42.9mg per 5mL (Final)

Australia

- Ceftriaxone Sodium for Injection 0.5g, 1g & 2g
- Mirtazapine Tablets 15 mg, 30mg & 45mg
- Mirtazapine OD Tablets 15mg, 30mg & 45mg
- Paroxetine Tablets 20mg
- Cefazolin for Injection 0.5g, 1g & 2g
- Levetiracetam Tablets 250mg, 500mg, 750mg & 1000mg
- Pioglitazone Hydrochloride Tablets 15 mg, 30 mg & 45 mg
- Ciprofloxacin Tablets 250 mg, 500 mg & 750 mg
- Ceftazidime for Injection 1g & 2g
- Piperacillin & Tazobactam for injection 2.25g & 4.55g
- Metformin Tablets 500mg, 850mg & 1000mg
- Olanzapine Tablets 2.5mg, 5mg, 7.5mg & 10mg
- Carvedilol Tablets 3.125 mg, 6.25 mg, 12.5 mg & 25 mg

Canada

- Levetiracetam Tablets 250mg, 500mg & 750 mg

South Africa

- Gabapentin Capsules 100mg, 300mg & 400mg

**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.

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Particulars	Stand alone						Consolidated					
	Three months ended			Nine months ended			Three months ended			Nine months ended		
	31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011	31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Sales (including excise duty) & operating income	122,681	97,973	118,421	326,027	314,579	422,999	130,982	109,734	121,980	350,763	330,095	448,098
Less: Excise Duty	2,531	2,204	2,760	7,094	7,124	9,687	2,531	2,204	2,760	7,094	7,387	9,950
Net Sales	120,150	95,769	115,661	318,933	307,455	413,312	128,451	107,530	119,220	343,669	322,708	438,148
Expenditure												
a. (Increase)/Decrease in Stock	5,205	(1,044)	(8,339)	8,497	(9,513)	(13,637)	3,629	355	(10,687)	6,192	(13,876)	(19,016)
b. Material Consumed	62,391	57,763	66,100	175,009	169,650	232,863	55,742	52,245	63,609	160,350	162,238	224,184
c. Purchase of traded goods	1,149	316	372	1,592	684	853	11,177	7,338	4,161	21,276	10,053	13,760
d. Staff Cost	9,377	9,200	7,691	27,284	21,951	30,360	14,076	13,268	10,804	39,661	31,390	42,855
e. Depreciation/Amortisation	3,601	3,436	3,476	10,456	9,360	12,504	5,521	4,622	4,335	14,660	12,413	17,150
f. Other Expenditure	20,470	18,987	16,659	57,418	47,649	67,153	24,711	22,861	19,385	69,218	58,361	80,389
Total Expenditure	102,193	88,658	85,959	280,256	239,761	330,096	114,856	100,689	91,607	311,357	260,579	359,322
Profit from Operations before Other Income, interest, tax & exceptional income	17,957	7,111	29,702	38,677	67,694	83,216	13,595	6,841	27,613	32,312	62,129	78,826
Other Income	168	172	105	513	496	799	494	597	588	1,383	1,957	2,519
Profit before interest, foreign exchange gain, tax and exceptional item	18,125	7,283	29,807	39,190	68,190	84,015	14,089	7,438	28,201	33,695	64,086	81,345
Interest (net)	2,451	1,798	1,020	5,498	3,500	5,049	2,735	2,070	1,148	6,260	4,365	6,247
Foreign Exchange (Gain)/Loss (net)	14,638	14,938	(278)	29,208	(2,127)	(4,450)	14,450	18,542	(408)	32,674	(3,850)	(4,754)
Profit after interest, but before exceptional item and tax	1,036	(9,453)	29,065	4,484	66,817	83,416	(3,096)	(13,174)	27,463	(5,239)	63,571	79,852
Exceptional item	-	-	2,871	31,986	2,871	80,545	-	-	766	31,986	63,571	79,852
Profit/(Loss) from Ordinary Activities before tax	1,036	(9,453)	26,194	(27,502)	63,946	80,545	(3,096)	(13,174)	26,697	(37,225)	62,005	78,818
Provision for Taxation	(257)	(5,265)	7,809	(14,449)	17,824	21,165	(239)	(5,155)	7,825	(14,070)	18,972	22,512
Profit/(Loss) before Minority Interest	1,293	(4,188)	18,385	(13,053)	46,122	59,380	(2,857)	(8,019)	18,872	(23,155)	43,833	56,306
Minority Interest							(3)	(3)	9	(5)	(12)	(39)
Net Profit/(Loss) for the period	1,293	(4,188)	18,385	(13,053)	46,122	59,380	(2,854)	(8,016)	18,863	(23,150)	43,845	56,345
Paid-up Equity Share Capital (Face value Re. 1 per share)	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
Reserves excluding Revaluation Reserve						254,050						241,572
Basic Earnings per share before & after Extraordinary items (Rs.) (not annualised)	0.44	(1.44)	6.31	(4.48)	16.08	20.63	(0.98)	(2.75)	6.48	(7.95)	15.29	19.57
Diluted Earnings per share before & after Extraordinary items (Rs.) (not annualised)	0.44	(1.44)	5.69	(4.48)	14.46	18.56	(0.98)	(2.75)	5.84	(7.95)	13.75	17.61
Public Shareholding												
- Number of Shares	131,794,307	132,860,775	132,761,795	131,794,307	132,761,795	132,861,495						
- Percentage of Shareholding	45.27	45.64	45.60	45.27	45.60	45.64						
Promoters and promoter group Shareholding												
a) Pledged/Encumbered												
- Number of Shares	32,718,605	22,738,605	29,838,605	32,718,605	29,838,605	30,388,605						
- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	20.54	14.37	18.84	20.54	18.84	19.20						
- Percentage of Shares (as a % of the total share capital of the company)	11.24	7.81	10.25	11.24	10.25	10.44						
b) Non-encumbered												
- Number of Shares	126,608,378	135,521,910	128,520,890	126,608,378	128,520,890	127,871,190						
- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	79.46	85.63	81.16	79.46	81.16	80.80						
- Percentage of Shares (as a % of the total share capital of the company)	43.49	46.55	44.15	43.49	44.15	43.92						

**NOTES:**

- The above unaudited financial results were reviewed by the Audit Committee and have been approved by the Board at its meeting held on February 13, 2012. A Limited Review of the above stand alone financial results has been carried out by the Statutory Auditors.
- 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' and 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: 89, resolved: 89 and lying unresolved at the end of the quarter: Nil.
- Sales for the quarter include exports of Rs 88,511 lakhs (Quarter ended Dec-31,2010 : Rs 74,130 lakhs).
- Sales for the quarter include dossier income in standalone of Rs 2,064 lakhs (Quarter ended Dec-31,2010 : Rs 12,651 lakhs) and in consolidated of Rs 2,276 lakhs (Quarter ended Dec-31,2010 : Rs 12,036 lakhs).
- The outstanding Tranche A and Tranche B Zero Coupon Foreign Currency Convertible Bonds ('FCCB' or 'Bonds') of USD 139.20 Million, issued in May 2006, were repaid in entirety on maturity on May 17, 2011 along with the redemption premium (Yield to Maturity) amounting to Rs. 319.86 crores, inclusive of withholding taxes. The said redemption premium (Yield to Maturity) has been charged to profit and loss account and is disclosed as an exceptional item in the financial results for the nine months. As on date all outstanding FCCBs have been redeemed and extinguished. Previous period exceptional item relates to loss on sale of subsidiaries and joint ventures.
- The Equity Shares of the Company with face value of Rs. 5 per share were sub divided into 5 equity shares of Re.1 each effective February 11, 2011. Consequently, the Basic and Diluted Earning Per Share and shareholding data of the Previous periods have been re-computed and disclosed accordingly.
- During the quarter, the Company has incorporated a wholly owned subsidiary viz. Auro Peptides Limited, India.
- Figures for the previous period/year have been rearranged/regrouped wherever necessary.

By Order of the Board

Place: Hyderabad  
Date : February 13, 2012

www.aurobindo.com

K.Nithyananda Reddy  
Managing Director