Aurobindo records revenues of Rs.23 billions with multifold growth in earnings

Aurobindo Pharma Limited, for the year ended March 31, 2007 has registered impressive financial performance.

Standalone

The total income and net profit stand at Rs.20,228 million (Rs. 14,825 million) and Rs.2,290 million (Rs.694 million) respectively. Profit after tax and total income have grown by 230% and 36.4% respectively.

Consolidated

Company registered a total income of Rs.22,997 million (Rs.17,470 million). The net profit after adjustments stands at Rs.2,010 million (Rs.697 million) and has grown multifold.

EBIDTA

EBIDTA for standalone and consolidated basis for the year ended stands at Rs.3,216 million (Rs.1888 million) and Rs.3515 million (Rs.2,310 million) respectively. EBIDTA has grown by 70.3% and 52% respectively

Q4 FY07

During the quarter, the total income has surged to Rs.5479 million (Rs.4693 million). The PBIDT and PAT stand at Rs.803 million (Rs.778 million), Rs.781million (Rs.375 million). During the Q4, the Company has provided additional depreciation at higher rate on triple shift basis. The depreciation for Q4 stands at Rs.262 million (Rs.133 million). During the quarter, additional ex-gratia adjustments has been made amounting to Rs.36 million

Exports

The exports stand at Rs.11,476 million (Rs.8,589 million) registering a growth of 33.6% and constitute 58% of the stand-alone sales.

Formulations

The formulation business significantly improved and now contributes to 29% of sales, grown multifold, reflecting the rapid momentum in the formulations business in regulated markets such as USA, EU. Now Aurobindo becomes a truly integrated global generic formulations company.

International marketing efforts and record regulatory filings have driven the growth of Aurobindo

International business has risen to 64% of revenues. Aurobindo's international marketing efforts in establishing its business in USA, EU and other key countries have helped achieve the landmark income and profits.

US customers have supported Aurobindo's launches and today Aurobindo's products can be found in all channels of distribution. Aurobindo's formulations are well accepted by the US pharmaceutical wholesalers and distributors and every major wholesaler or distributor is a client of Aurobindo.

In Europe, Milpharm is cruising smoothly. During the year, Aurobindo has acquired Pharmacin International B.V.; in Netherlands a profit making generic formulation company with over 200 approved marketing authorizations. This acquisition helps the company to further consolidate in the

continent. Since the inception of Aurobindo Pharma (Pty) Ltd in South Africa in late 2005, and the subsequent filing of products to the South African Medicines Control Council, the company has been successful in obtaining 11 marketing authorizations in this brief period of 20 months.

The leadership of Aurobindo in chemistry, technology and project execution in generic pharmaceutical industry which it attained over the years was consolidated further with several patents, DMFs / ANDAs and plant approvals by various agencies.

Transformation of the company from an API selling organization in less regulated markets to a vertically integrated pharma company selling formulations all over the globe with emphasis in the markets of US & Europe took place very efficiently. Besides the company has achieved a balanced product mix with more CVS/CNS/ARV formulations being approved by acclaimed authorities like US FDA, UK MHRA etc.

Sales break up (Standalone)	**2007**	**%**	**2006**	**%**
APIs	1406.1	71.0	1201.9	81.6
Formulations	573.6	29.0	270.4	18.4

69 Patents, 43 Drug Master filings, 31 ANDA filings and 13 Approvals in the USA market

During the year, 69 patents were filed for API/formulation processes taking the total cumulative patents filed to 249. Entry into regulated markets often requires innovative processes that are not infringing. Such a robust back up of intellectual property helps Aurobindo Pharma in penetrating to key regulated markets.

During the year, 43 DMFs have been filed, taking the cumulative filings to 110 in the US/EU. This takes the filings in key markets to a cumulative figure of 503. This is a very significant leap and an acknowledged achievement in the pharmaceutical industry.

During the year, 31 ANDAs were filed, taking the cumulative filings to 82. Overall, during the year, 98 filings have been done in key regulated markets including US and Europe taking the total cumulative filings in regulatory markets to 221. Such a significant number of filings in a single year is a rare phenomenon in the pharmaceutical world.

During the year, 13 ANDA approvals have taken place taking the cumulative approvals to 38 in USA..

Aggressive filings for the USA market

	During the year	Cumulative
ANDAs	31	82
DMFs	43	110
Approvals (including Tentative)	13	38

Product approvals and facility approvals

During the year, Aurobindo has filed 15 CTD / DCP EU based dossiers and has received 3 approvals. Cumulatively the number of filings in EU stands at 35 with 5 approvals.

During the year, Aurobindo filed 47 Dossiers in South Africa and the company had a head start with 9 approvals. Cumulatively, the no. of filings stands at 82 with 11 approvals.

Similarly, aggressive filings and approvals are taking place in several key countries around the world.

Most of the targeted infrastructure is approved by US FDA, UK MHRA, Health Canada, MCC (South Africa), Brazil (Anvisa), and other leading regulatory agencies (see Annexure I)

Financial Snapshot

Significant improvement in financial ratios (Standalone)

In Rs. Million

	Standalone	% Growth	Consolidated	% Growth
Total Income	20228	36.4	22997	32
Exports	11476	34		
EBIDTA	3216	70	3515	52
EBIDTA %	15.9		15.3	
PAT	2290	230	2010	189

Ratios	FY 2007 (%)	FY 2006 (%)
EBITDA / Total income	15.9	13.6
PAT / Total income	11.3	4.6

AUROBINDO PHARMA LTD

Aurobindo Pharma Limited, headquartered at Hyderabad, India, manufactures generic pharmaceuticals and active pharmaceutical ingredients.

The company has received approvals for most of the targeted API and formulation facilities from leading regulatory agencies like US FDA, UK MHRA, WHO, Health Canada, MCC South Africa.

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 formulation portfolio is built on six technology platforms such as immediate release generics, SR/CR generics, and Orally disintegrating/Mouth dissolving generics, Combination products, Sterile/Lyophilized generics and Liquids/Dry syrups.

Aurobindo has filed over 110 DMFs and 90 ANDAs for the USA market alone in addition to filings in other countries. The pace of filings is matched by rapid product approvals from various markets. Till date Aurobindo received 45 ANDA approvals (both final and tentative) from US alone. Aurobindo operates in over 100 countries and markets over 180 APIs and 250 formulations.