



## NEWS RELEASE

6<sup>th</sup> August 2011, Hyderabad, India

### Aurobindo Pharma Q1 2011-12 Unaudited Results

- Q1 FY12 Consolidated Operating Income up 16.8% to ₹ 1076.9 Crores
- Operating Profit (EBIDTA) at ₹163.9 Crores
- Profit excluding exceptional item at ₹110.3 Crores
- 6 ANDAs filed in USA in Q1 FY2011-12, cumulative filings 215

Aurobindo Pharma Limited is pleased to announce the unaudited financial results for the first quarter (Q1) FY2011-12.

o Financials Consolidated:

• Total Operating Income	up by	16.8%	to	₹1076.9 Crores	(₹922.3 Crores)
• Operating Profit (EBIDTA)	down by	4.6%	to	₹ 163.9 Crores	(₹171.8 Crores)
• Profit Before Tax (PBT)	up by	6.1%	to	₹ 110.3 Crores	(₹103.9 Crores)
• Profit After Tax (PAT)	up by	46.5%	to	₹ 110.3 Crores	(₹ 75.3 Crores)

(PBT and PAT excludes Fx gains/loss on restatement of FCCBs and exceptional items)

- o Formulation Sales up by 26.2% to ₹622.6 Crores (₹493.5 Crores)
- o Formulations Sales constitute 57.6% (54.5%) of gross sales
- o 6 ANDA filings in USA in Q1 FY 2011-12, cumulative filings 215
- o 84 Dossier filings in Europe in Q1 FY 2010-11, cumulative filings 1075
- o Outstanding Zero Coupon FCCBs of \$139.2mn have been redeemed and extinguished in entirety during the quarter
- o Redemption Premium (Yield to Maturity) including withholding tax amounting to ₹319.9 Crores paid on redemption of FCCBs resulted in reported loss of ₹122.8 Crores.
- o The National Long-term Fitch Rating of the Company has been maintained at 'AA-(ind)' indicating stable outlook of the Company.

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

"We expect to deliver on better operational performance in the coming quarters. We have successfully redeemed and extinguished the entire FCCBs during the quarter along with redemption premium (Yield to Maturity). On the operational side, we have been taking all the steps necessary to address and resolve the regulatory challenges with USFDA around Unit VI Cephalosporin manufacturing facility. We expect our recently commercialized formulations facility Unit VII located in Special Economic Zone (SEZ) in Hyderabad to contribute significantly to our growth during the year"



**Exceptional items:**

During the quarter the company has redeemed and extinguished its entire outstanding Zero Coupon FCCBs of \$139.2mn. The redemption premium (Yield to Maturity) on crystallization thereof was determined in terms of offering circular and paid including withholding tax in May 2011 amounted to ₹319.9 Crores has been shown as an Exceptional item during the quarter. Previous year exceptional item of ₹10.3 Crores relates to loss on sale of subsidiaries and joint ventures.

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

(₹ in Crores)

Particulars	Q1 FY 11-12	Q1 FY 10-11	Change
Domestic	332.8	225.5	47.6%
Export	695.6	630.8	10.3%
<b>Total Sales</b>	<b>1028.4</b>	<b>856.3</b>	<b>20.1%</b>

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

The Total Operating Income consists of the company's business from formulations, dossier income and active ingredients.

(₹ in Crores)

Particulars	Q1 FY 11-12	Q1 FY 10-11	Change
USA	274.0	216.2	26.7%
EU & RoW	137.0	125.4	9.3%
ARV	211.6	151.9	39.3%
<b>Formulations</b>	<b>622.6</b>	<b>493.5</b>	<b>26.2%</b>

<b>Dossier Income</b>	<b>18.9</b>	<b>38.6</b>	<b>(51.0%)</b>
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SSPs	156.7	132.0	18.7%
Cephs	194.3	185.3	4.9%
ARVs & Others	108.0	94.5	14.3%
<b>Active Ingredients</b>	<b>459.0</b>	<b>411.8</b>	<b>11.5%</b>

**Other matters:**

“Restructuring Committee” constituted to explore and evaluate possible growth linked restructuring options continues to review available options. The exercise is expected to complete over the next 2 months post which it will make recommendations to the Board. The Board will appropriately communicate the restructuring strategy to the shareholders.



### **Global Regulatory filings :**

<b>Filings</b>	<b>Q1 FY 2011-12</b>	<b>Cumulative Filings as on 30.06.2011</b>
ANDAs (USA)	6	215
DMFs (USA)	1	155
Formulations Dossiers in other key regulated markets (includes Multiple registration into EU)	91	1361
API DMF/COS filings in other key regulated markets	75	1858
Patents	8	472

As on 30.06.2011, 138 ANDAs have been approved in USA including 29 tentative approvals.

During Q1 2011-12, 6 new ANDA were approved by USFDA (all Final) and in addition 1 earlier tentatively approved ANDAs received final approval:

1. Venlafaxine Hydrochloride Extended-Release Capsules 37.5 mg, 75 mg and 150 mg (CNS) – Final  
*(earlier tentatively approved)*
2. Galantamine Tablets USP 4 mg, 8 mg and 12 mg (Alzheimer) - Final
3. Fosinopril Sodium Tablets USP 10 mg, 20 mg and 40 mg (CVS) - Final
4. Divalproex Sodium Delayed-Release Tablets USP 125 mg, 250 mg and 500 mg (CNS) - Final
5. Piperacillin and Tazobactam for Injection 2.25, 3.375 and 4.5 g (Anti-infective) - Final
6. Alprazolam Extended-Release Tablets 0.5 mg, 1 mg, 2 mg and 3 mg (CNS) - Final
7. Ramipril Capsules 1.25 mg, 2.5 mg, 5 mg and 10 mg (CVS) - Final

### **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, 2011**

(Rs.in lakhs)

Particulars	Stand alone			Consolidated		
	First Quarter Ended	Year Ended	Year Ended	First Quarter Ended	Year Ended	Year Ended
	30.06.2011	30.06.2010	31.03.2011	30.06.2011	30.06.2010	31.03.2011
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
Sales(including excise duty) & operating income	105,373	88,657	422,999	110,046	94,389	448,098
Less: Excise Duty	2,359	1,906	9,687	2,359	2,164	9,950
Net Sales	103,014	86,751	413,312	107,687	92,225	438,148
Expenditure						
a. (Increase)/Decrease in Stock	4,336	863	(13,637)	2,207	26	(19,016)
b. Material Consumed	54,855	46,859	232,863	52,363	43,265	224,184
c. Purchase of traded goods	127	116	853	2,761	2,564	13,760
d. Staff Cost	8,707	6,902	30,360	12,317	9,849	42,855
e. Depreciation/Amortisation	3,419	2,739	12,504	4,517	4,007	17,150
f. Other Expenditure	17,961	14,866	67,153	21,646	19,348	80,389
<b>Total Expenditure</b>	<b>89,405</b>	<b>72,345</b>	<b>330,096</b>	<b>95,811</b>	<b>79,059</b>	<b>359,322</b>
<b>Profit from Operations before Other Income, interest, foreign exchange gain, tax and exceptional item</b>	<b>13,609</b>	<b>14,406</b>	<b>83,216</b>	<b>11,876</b>	<b>13,166</b>	<b>78,826</b>
Other Income	173	130	799	292	311	2,519
<b>Profit before interest, foreign exchange gain, tax and exceptional item</b>	<b>13,782</b>	<b>14,536</b>	<b>84,015</b>	<b>12,168</b>	<b>13,477</b>	<b>81,345</b>
Interest and Finance Charges(net)	1,249	909	5,049	1,456	1,292	6,247
Foreign Exchange (Gain)/Loss (net)	(368)	4,502	(4,450)	(318)	4,177	(4,754)
<b>Profit after interest, but before exceptional item and tax</b>	<b>12,901</b>	<b>9,125</b>	<b>83,416</b>	<b>11,030</b>	<b>8,008</b>	<b>79,852</b>
Exceptional item	31,986	-	2,871	31,986	-	1,034
<b>Profit/(Loss)from Ordinary Activities before tax</b>	<b>(19,085)</b>	<b>9,125</b>	<b>80,545</b>	<b>(20,956)</b>	<b>8,008</b>	<b>78,818</b>
Provision for Taxation	(8,927)	2,791	21,165	(8,676)	2,851	22,512
<b>Profit/(Loss) before Minority Interest</b>	<b>(10,158)</b>	<b>6,334</b>	<b>59,380</b>	<b>(12,280)</b>	<b>5,157</b>	<b>56,306</b>
Minority Interest	-	-	-	-	7	(39)
<b>Net Profit/(Loss) for the period</b>	<b>(10,158)</b>	<b>6,334</b>	<b>59,380</b>	<b>(12,280)</b>	<b>5,150</b>	<b>56,345</b>
Paid-up Equity Share Capital (Face value Re. 1 per share)	2,911	2,823	2,911	2,911	2,823	2,911
Reserves excluding Revaluation Reserve			254,050			241,572
Basic Earnings per share before & after Extraordinary items (Rs.) (not annualised)	(3.49)	2.26	20.63	(4.20)	1.83	19.57
Diluted Earnings per share before & after Extraordinary items (Rs.) (not annualised)	(3.49)	1.96	18.56	(4.20)	1.60	17.61
Public Shareholding						
- Number of Shares	132,861,495	123,761,590	132,861,495			
- Percentage of Shareholding	45.64	43.85	45.64			
Promoters and promoter group Shareholding						
a) Pledged/Encumbered						
- Number of Shares	32,213,605	31,213,605	30,388,605			
- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	20.35	19.69	19.20			
- Percentage of Shares (as a % of the total share capital of the company)	11.07	11.06	10.44			
b) Non-encumbered						
- Number of Shares	126,046,190	127,290,590	127,871,190			
- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	79.65	80.31	80.80			
- Percentage of Shares (as a % of the total share capital of the company)	43.29	45.09	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 August 6, 2011. 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: 152, resolved: 148 and lying unresolved at the end of the quarter: 4.
- Sales for the quarter include exports of Rs. 69564 lakhs (Rs.63078 lakhs).
- Sales include Dossier income in standalone of Rs.2534 lakhs(Rs. 3031 lakhs) and in consolidated of Rs.1895 lakhs (Rs. 3869 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 quarter. Previous year exceptional item relates to loss on sale of subsidiaries and joint ventures. As on date all outstanding FCCBs have been redeemed and extinguished.
- Foreign Exchange (Gain)/Loss during the corresponding quarter of the previous year includes loss of Rs.2376 lakhs due to restatement of FCCBs (net of Deposits)
- The Equity Shares of the Company with face value of Rs. 5 per share were sub divided into 5 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, Helix Healthcare B.V., Netherlands, the Wholly Owned Subsidiary of the Company has entered into a shareholders' agreement with Diod Investments Limited, Cyprus (a Subsidiary of "OJSC" DIOD Russia) for establishing a 50:50 Joint Venture Company.
- During the quarter, Auro Medics Pharma LLC, USA was incorporated as a step-down subsidiary.
- During the quarter, step down subsidiaries viz., Aurex Genics Limited, UK and Aurobindo Pharma (Ireland) Limited, Ireland were dissolved and ceased to be subsidiaries.
- The Scheme of Arrangement (Scheme) under Sections 391 to 393 read with Sections 100 to 103 of the Companies Act, 1956, was filed before the Hon'ble High Court of Andhra Pradesh in June 2009 and was dismissed in December 2009. The Company had preferred an appeal before Division Bench of Hon'ble High Court of Andhra Pradesh against the said Order. In view of the change in circumstances and considerable delay in sanction of the Scheme since approved by the Board, the proposed objectives and rationale for undertaking the Scheme are no longer valid. Hence, the Board has decided to withdraw the appeal subject to the approval of the Hon'ble High Court of Andhra Pradesh. The proposed withdrawal of the Scheme would not have any impact on the business or the financial statements of the Company.
- Figures for the previous period/year have been rearranged/regrouped wherever necessary.

By Order of the Board

Place: Hyderabad  
Date : August 6, 2011

www.aurobindo.com

K.Nithyananda Reddy  
Managing Director