



Record Sales & Profits
Net Sales up 44%, PBT up 67%, PAT up 33%
Quarter I Results, FY 2012-13

Mumbai, July 24, 2012: Pharma Major, Lupin Ltd. reported its performance for the first quarter ended 30th June, 2012. These unaudited results were taken on record by the Board of Directors at a meeting in Mumbai today.

Key financial & performance highlights

- Net sales grew by 44% to Rs. 22,192 m. during Q1 FY 2012-13, up from Rs. 15,432 m. (Q1 FY 2011-12)
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) grew by 63% to Rs. 4,811 m. during Q1 FY 2012-13, up from Rs. 2,955 m. (Q1 FY 2011-12)
- Profit before tax (PBT) grew by 67% to Rs. 4,057 m. during Q1 FY 2012-13, up from Rs. 2,426 m. (Q1 FY 2011-12)
- Net profits grew by 33% to Rs. 2,804 m. during Q1 FY 2012-13, up from Rs. 2,101 m. (Q1 FY 2011-12)

*Commenting on the results, **Dr. Kamal K. Sharma, Managing Director, Lupin Limited**, said "We had a robust quarter. Strong operating performance aided by product launches and exceptionally strong growth across U.S., India, Japan and South Africa have helped us deliver yet another quarter of sustained growth."*

Press Release



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Unaudited consolidated financial results for the quarter ended June, 2012 (YoY comparison)

Figures in Rs. Million

| Particulars | Q1, 2012-13 | % of net sales | Q1, 2011-12 | % of net sales | YoY growth % |
|-------------------------------------------------|-------------|----------------|-------------|----------------|--------------|
| Net sales | 22,192 | 100% | 15,432 | 100.0% | 43.8% |
| Other operating income | 345 | 1.6% | 243 | 1.6% | 42.1% |
| Total revenue | 22,537 | 101.6% | 15675 | 101.6% | 43.8% |
| Raw material consumed | 8,187 | 36.9% | 6,169 | 40.0% | 32.7% |
| Employees cost | 3,014 | 13.6% | 2,193 | 14.2% | 37.5% |
| Manufacturing & other expenses | 6,760 | 30.5% | 4,372 | 28.3% | 54.6% |
| Operating margin | 4,576 | 20.6% | 2,941 | 19.1% | 55.6% |
| Other income | 236 | 1.1% | 14 | 0.1% | 1595.0% |
| EBITDA | 4,812 | 21.7% | 2,955 | 19.2% | 62.8% |
| Depreciation | 654 | 2.9% | 471 | 3.1% | 38.7% |
| EBIT | 4,158 | 18.7% | 2,484 | 16.1% | 67.4% |
| Interest & finance charges | 101 | 0.5% | 58 | 0.4% | 74.4% |
| PBT | 4,057 | 18.3% | 2,426 | 15.7% | 67.2% |
| Tax | 1,207 | 5.4% | 286 | 1.9% | 322.1% |
| PAT | 2,850 | 12.8% | 2,140 | 13.9% | 33.2% |
| Minority interest & share of loss in associates | 46 | 0.2% | 39 | 0.3% | 17.3% |
| Net profit | 2,804 | 12.6% | 2,101 | 13.6% | 33.4% |

Profit & loss highlights

- Material cost declined by 3% to 37% of net sales, at Rs. 8,187 m. during Q1 FY 2012-13 as compared to Rs. 6,169 m. during Q1 FY 2011-12
- Personnel cost decreased by 0.6% to 13.6% of net sales, at Rs. 3,014 m. during Q1 FY 2012-13, as against Rs. 2,193 m. (Q1 FY 2011-12)
- Manufacturing & other expenses increased by 2.2% to 30.5% of net sales at Rs. 6,760 m. during Q1 FY 2012-13 as compared to Rs. 4,372 m. during Q1 FY 2011-12

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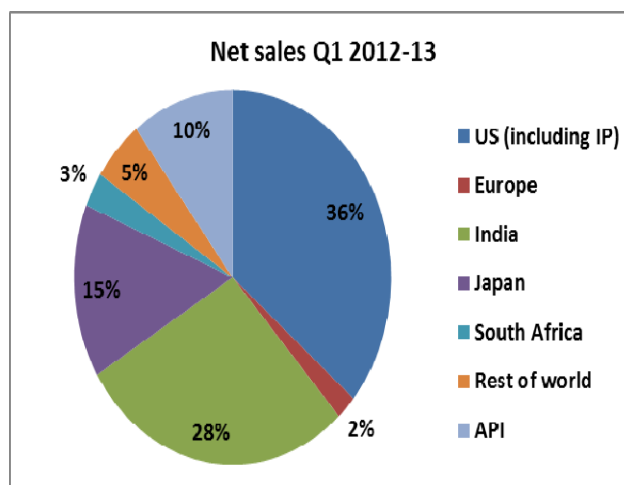
- Revenue expenditure on R&D stood at 8% of net sales at Rs. 1,782 m., as compared to Rs. 1,074 m. during Q1 FY 2011-12

Balance sheet highlights

- Operating working capital increased to Rs. 19,256 m. as on 30th June, 2012 as against Rs. 19,028 m. as on 31st March, 2012.
- The working capital number of days stood at 78 days as on 30th June, 2012 as against 99 days on 31st March, 2012.
- Capital Expenditure stood at Rs. 1,321 m. during the quarter.
- Debt Equity Ratio stood at 0.27 as on 30th June, 2012 as compared to 0.32 on 31st March, 2012.

Business Segments - Revenue Mix

| Particulars | Q1 2012-13 | Q1 2011-12 | YOY growth % |
|------------------------|---------------|---------------|--------------|
| Formulations | 19,875 | 13,330 | 49.1% |
| US (including IP) | 8,024 | 4,931 | 62.7% |
| Europe | 473 | 415 | 13.8% |
| India | 6,212 | 4,969 | 25.0% |
| Japan | 3,329 | 1,666 | 99.8% |
| South Africa | 663 | 587 | 12.9% |
| Rest of world | 1,174 | 762 | 54.2% |
| API | 2,317 | 2,102 | 10.2% |
| Total net sales | 22,192 | 15,432 | 43.8% |



Operational highlights

US & Europe

US & Europe formulation sales contributed 38% to the Company's overall consolidated revenues for Q1 FY 2012-13. Formulation Sales for US & Europe grew by 60% to Rs. 8,413 m. during Q1 FY 2012-13, as against Rs. 5,247 m. Q1 FY 2011-12.

- US formulation sales including IP income grew by 63 % to Rs. 8,024 m. during Q1 FY 2012-13 as compared to Rs. 4,931 m in Q1 FY 2011-12.
- US Revenues increased to USD 150 m. from USD 107 m., recording a growth of 40%.



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- Lupin remains the 5th largest Generic player in the US (by prescriptions- IMS Health). Lupin is now the market leader in 20 products out of the 42 products marketed in the US generics market. The Company is amongst the Top 3 by market share in 36 of these products (March, 2012, IMS Health).
- The Company received final approval from the US FDA and launched its Lamivudine and Zidovudine Tablets, 150 mg/300 mg, the Generic for Combivir® Tablets. Lupin also resumed sales of its Metformin Hydrochloride tablets 500 mg and 100 mg after the US Court of Appeals for the Federal Circuit has granted the Company's request to stay the preliminary injunction that had earlier barred sales of its generic of Shionogi's Fortamet® tablets.
- The European business grew 14% during Q1 FY 2012-13.
- The Company filed 3 ANDAs in the US and 5 MAAs for the European market during the quarter.

India Region Formulations

The Indian market contributed 28% of the Company's overall revenues for the quarter. The Company's India formulations business grew by 25% recording revenues of Rs. 6,212 m. during Q1 FY 2012-13, as compared to Rs. 4,969 m. in Q1 FY 2011-12.

Japan

Lupin's subsidiary, Kyowa Pharmaceuticals grew by 100% clocking net sales of Rs. 3,329 m. during the quarter, as compared to Rs. 1,666 m. in Q1 FY 2011-12. JP now contributes 15% to Lupin's consolidated revenues. Total revenues increased to JPY 4,921 m. from JPY 3,037 m., a growth of 62% in JPY terms.

Kyowa revenues (excluding I'rom) grew by 37% clocking net sales of Rs. 2,278 m. during Q1 FY 2012-13, as compared to Rs. 1,666 m. (Q1 FY 2011-12). In JPY terms, Kyowa revenues (excluding I'rom) increased to JPY 3,368 m from JPY 3,037 m in the previous year.

South Africa

Lupin's South African Business, Pharma Dynamics clocked in revenues of Rs. 663 m. during Q1 FY 2012-13, representing a growth of 13%.

API

API net sales were Rs. 2,317 m. in the quarter as compared to Rs. 2,102 m. during Q1 FY 2011-12 and contributed 10% to Lupin's consolidated revenues.

R&D

Revenue expenditure on R&D amounted to Rs. 1,782 m., 8% to net sales as against Rs.1,074 m., 7% to net sales in Q1 FY 2011-12.

Lupin filed 3 ANDAs during the quarter. Cumulative ANDA filings with the US FDA now stand at 176 with the company having received 65 approvals to date. The Company filed 5 MAAs with European regulatory authorities during the quarter.

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About Lupin Limited

Headquartered in Mumbai, Lupin is an innovation led transnational pharmaceutical company producing and developing a wide range of branded and generic formulations and APIs. The Company is a significant player in the Cardiovascular, Diabetology, Asthma, Pediatric, CNS, GI, Anti-Infective and NSAID space and holds global leadership positions in the Anti-TB and Cephalosporin segment.

Lupin is the 5th largest and fastest growing generics player in the US (5.1% market share by prescriptions, IMS Health) and the 3rd largest Indian pharmaceutical company by sales. The Company is also the fastest growing top 10 generic pharmaceutical players in Japan and South Africa (IMS).

For the financial year ended March 2012, Lupin's Consolidated Total Income and Profit after Tax were Rs. 70,972 million (USD 1.49 billion) and Rs.8,676 million (USD 182 million) respectively. Please visit <http://www.lupinworld.com> for more information.

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