



PI Industries Ltd's Q4 FY2011 net profit rises 92.7%

New Delhi, April 14, 2011: PI Industries Limited (PI), a leading Indian Agri-Input and Custom Synthesis company today announced its financial results for the fourth quarter ended March 31, 2011.

Financial Highlights for the quarter ended 31st March, 2011 (Compared to Q4 FY10)

- Net Revenue at Rs. 2,125.4 million, up by 52%
- EBITDA at Rs. 399.0 million, up by 81.3%. EBITDA margin at 18.8%
- Profit Before Tax at Rs. 302.5 million, up by 111.9%
- Net Profit at Rs. 203.8 million, up by 92.7%. Net margin at 9.6%

Financial Highlights for the year ended 31st March, 2011 (Compared to FY10)

- Net Revenue at Rs. 7,185.7 million, up by 32.7%
- EBITDA at Rs. 1,236.2 million, up by 41.4%. EBITDA margin at 17.2%
- Profit Before Tax at Rs. 898.3 million, up by 60.4%
- Net Profit at Rs. 641.2 million, up by 56.6%. Net margin at 8.9%
- Basic EPS higher at Rs. 57.73 per share from Rs. 37.85 last year.
- Consolidated Net Profit at Rs. 651.0 million, up by 55.4%
- The Board has recommended a 40% dividend.
- Board approved sub division of equity shares of Rs. 10/- each to Rs. 5/- each

Performance highlights for the period ended 31st March, 2011

- Continued earnings momentum in Agri-Input and Custom Synthesis; robust performance of existing products & new launches in Agri-Input and recent production ramp-ups in Custom Synthesis supporting upside
- Agri-Input continue to witness input cost inflation. Sales volumes likely to remain robust



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- Volumes momentum in Custom Synthesis continues building-up
 - Polymer Compounding divested off to Rhodia SA of France. Transfer of facilities, employees and all associated assets completed in April, 2011. Business transfer gain to reflect in Q1FY12 results.

Commenting on the Company's performance Mr. Salil Singhal, Chairman, PI Industries Ltd., said:

"The year gone by has been an eventful one for PI industries. Both our core businesses, Agri-Input as well as Custom Synthesis have performed extremely well on the back of robust agricultural demand and a strong order book position respectively. We are also now in a position for low cost investments in our core businesses after the successful closure of the sale agreement of PI Polymer to Rhodia SA.

I remain confident of maintaining our growth momentum. The government is focused to increase agricultural productivity through various initiatives in order to make India self-sufficient and tame the rising food prices. Given the block-buster products' pipeline, we at PI are well equipped to leverage this opportunity given our demonstrated excellence in this business segment.

The Custom Synthesis business has shown excellent growth with the start of additional newer patented molecules with long-term purchase commitments, and we are fully on track.

The establishment of the "PI-Sony Research Centre" has added another new opportune dimension in the niche segment of organic chemicals for use in electronics industry.

Since inception, PI has stood for operating excellence, putting relationships before business, innovation and most importantly respect for the IPRs. These factors give PI a leading presence in the Agri-Input and custom synthesis space with a unique business model."

Mr. Mayank Singhal, Managing Director & CEO, PI Industries Ltd., added:

"Our Agri Input business has recorded strong growth aided by the spillover of the delayed sowing season from the previous quarter. The core brand portfolio continues to show high growth and we are confident of maintaining the uptrend as we plan to expand our bouquet of offerings by introducing new products in the next financial year. The dynamics are in favor of the Agricultural sector. Given the



higher demand for food and the increasing remunerative prices to the farmers, they are opening up to the increased usage of agrochemicals to protect yields and increase productivity.

Our Custom synthesis business has shown significant volume uptick carrying on the momentum from Q3 FY2011, as we successfully met the targeted planned delivery schedules of customers. Over the last few years, this business has been growing at a rapid pace and we expect to keep up the same, given the high revenue visibility with a healthy order book position.

We have also completed the transfer and sale of our Polymer Compounding business to Rhodia SA allowing us to fully focus on our core businesses of Agri-Input & Custom Synthesis which provide exciting opportunities for ramping up these high-margin, scalable businesses.

We look to capitalize on the remarkable opportunities in our core businesses as well forming path-breaking partnerships like the one with Sony which reiterates our commitment to being a science driven organization. Our internal business processes are also matured and fully geared up to handle high growth challenges. "

Outlook

- Continued revenue growth and margin expansion in Agri-Input driven by:
 - Increased crop acreage, high MSPs of agri produce and of farmers, indications of normal monsoon, etc promising for a good agriculture season in 2011
 - Excellent demand scenario of key brands
 - Robust pipeline of new products under registration and field trials
 - Strong govt. focus and policy initiatives to enhance agriculture productivity
- Custom Synthesis business poised for strong revenue growth and margin expansion momentum driven by:
 - Excellent portfolio of products.
 - Successful commercialization of some of the global blockbusters. Significant growth to accrue; ramp-up already underway for existing molecules
 - Order book position in excess of US \$ 300 million and growing
 - Sustainable growth supported by a robust pipeline of molecules under different stages of development and increased flow of enquiries for new molecules /growing customer base
 - New opportunities in electronic chemicals
 - Capacity enhancement planned in line with contracts on hand



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Press Release

About PI Industries Ltd. (PI)

Incorporated in 1947, PI Industries (BSE: 523642, ISIN ID: INE603J01014) focuses on Agri-Input and Custom Synthesis with strength of over 1,100 employees, PI Industries currently operates three formulation and two manufacturing facilities as well as four multi product plants under its three business units across Jammu and Gujarat. These state-of-art facilities have integrated process development teams with in-house engineering capabilities.

PI Industries is into following business areas:

Agri-Input Business

PI is one of India's leading players in the Agri-Input industry, primarily dealing in agro-chemicals, specialty fertilizers, plant nutrients and seeds. This venture is the flagship business (unit) for which PI enjoys tremendous brand recognition across several industry leading products. The Company has exclusive rights with several global Corporations for distribution in India and is constantly evaluating prospects to further expand its product portfolio. Given the inevitable surge in demand for food grain production in the agriculture sector, the opportunities for Agro-Chem Companies are innumerable. PI Industries is favorably positioned to contribute to the growth in this space by leveraging its long-standing association with business partners and intensive network of distributors across India.

Custom Synthesis Business

The Fine Chemicals business unit of PI focuses on Custom Synthesis which entails dealing in custom synthesis and contract manufacturing of chemicals including techno commercial evaluation of chemical processes, process development, lab & pilot scale up as well as commercial production. The Company has an impressive product portfolio as result of exclusive tie-ups with leading agro-chemical, pharmaceutical and fine chemical companies around the world. PI has made substantial investments in building state of art process research and manufacturing facilities of chemical intermediates and active ingredients with special focus on strong process R&D capabilities. This business unit is expected to be the primary growth driver with strong revenue visibility as India continues to be a preferred destination for outsourcing Custom Synthesis and contract manufacturing related projects. With exceptional growth opportunities in the offing this business segment is poised for great success.

For further information please visit: www.piindustries.com

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