

PRESS RELEASE

Noida, Tuesday October 29, 2013

JUBILANT LIFE SCIENCES

The Board of Jubilant Life Sciences Limited, an integrated pharmaceutical and life science industry player met today to approve financial results for the quarter ended September 30, 2013.

Commenting on the Company's performance, Mr. Shyam S Bhartia, Chairman & Managing Director and Mr. Hari S Bhartia, Co-Chairman & Managing Director, Jubilant Life Sciences said:

“Our performance is shaped by good volumes traction in Q2 FY2014. Growth will accelerate in H2 on the back of product launches under Solid Dosage Formulations, scale up in Speciality Pharmaceuticals and volume uptick visible in Vitamins and Acetyl businesses due to higher capacity utilisation levels. FY2014 will be marked by a strong business performance from all key business verticals and the restructuring initiative aimed at de-leveraging the balance sheet, which will drive a focussed reduction in debt.”

Q2 FY14 Highlights

- Revenue growth was driven by volume growth in both segments
- Consolidated revenue up 17% YoY
 - Pharmaceuticals revenue up by 6% YoY
 - LSI revenue up by 30% YoY
- International revenues at Rs. 1,070 crore, contributing 75% to the overall mix and up 21% YoY
- EBITDA margins at 19.2% and Normalized PAT margins at 4.9%

H1 FY14 Highlights

- Revenue growth on account of volume growth in both segments but prices remained under pressure for Pharmaceuticals business.
- Consolidated revenue up 13% YoY
 - Pharmaceuticals revenue up by 4% YoY
 - LSI revenue up by 24% YoY
- International revenues at Rs. 2,069 Crore, contributing 74% to the overall revenues
- EBITDA margins at 18.5% and Normalized PAT margins at 4.6%



Business Performance Review

Pharmaceuticals Segment Review

In Q2 FY2014, Income from operations of the Pharma business stood at Rs. 691 crore, showing growth of 6% YoY and contributing 48% to the revenue mix. The Pharma business EBITDA was at Rs. 175 crore with EBITDA margins at 25.3%.

For H1 FY2014 the Income from operations stood at Rs. 1,343 crore, growing 4% YoY and contributing 48% to the overall revenue mix. The segment EBITDA stood at Rs. 323 crore with EBITDA margins at 24.1%.

Life Science Ingredients Segment Review

In Q2 FY2014, Income from operations for the Life Science Ingredients segment was at Rs. 744 crore, thus improved by 30% YoY and having 52% of share in total revenues. The segment EBITDA stood at Rs. 125 crore with EBITDA margins at 16.8%.

In H1 FY2014 the Income from operations of the segment was at Rs. 1,451 crore, up 24% YoY and contributing 52% to the revenue mix. The segment EBITDA came in at Rs. 234 crore with EBITDA margins at 16.1%.

Geographical Overview

Products and services of the Company reach out to clients in 99 countries of the world. International revenues contribute 75% of the revenue mix at Rs. 1,070 crore with the share of regulated markets at Rs. 865 crore.

In Q2 FY2014 revenues from North America stood at 9% improved YoY at Rs. 559 crore, contributing 39% in the overall revenues; revenues from Europe and Japan stood at Rs. 306 crore, up 28% with a share of 21% to the revenue mix. Domestic revenues grew 9% YoY at Rs. 366 crore thus giving a 25% share to the revenue mix. Revenues in ROW including China came in at Rs. 205 crore, better by 52%, with a 14% contribution to the revenue mix.

In H1 FY2013 the Revenue from North America was at Rs. 1,079 crore, up 6% with a contribution of 39% to the revenue mix. Revenue from Europe and Japan was at Rs. 579 crore contributing 21% to the revenue mix with a growth of 18% YoY. The Domestic revenue was at Rs. 724 crore up 8% YoY, contributing 26% to the revenue mix. Revenue from ROW including China was at Rs. 411 crore, up 44% and giving 15% contribution to the revenue mix.



Corporate Actions

With the objective of consolidating the Pharmaceuticals business under one entity and raise money to reduce the overall debt of the company, the board has resolved to transfer the following to its wholly-owned subsidiary in Singapore

1. The API and Dosage Form businesses of the Company in India by way of a slump sale on a going concern basis
2. Also, part of the shares held by the Company directly in US and European subsidiaries to enable the Singapore subsidiary to hold 100% of the business in Europe and US

The consideration for above transfer is Rs 1145 cr (net of debt of Rs 583 cr) subject to the approval of the shareholders of the company and such other approvals and permissions as may be deemed necessary. Jubilant Pharma Limited, Singapore has received approval from the Foreign Investment Promotion Board (FIPB) for above transfer. This will enable the Company to consolidate its API, Solid Dosage Forms, Radiopharmaceuticals, Allergenic Extracts, Sterile Injectables and Ointment, Cream and Liquid business (Pharma Business) under the Singapore subsidiary.

Outlook

The revenues and EBIDTA are expected to continue the uptrend and meet the growth targets set for FY2014. This is on account of improved capacity utilisations in Sterile Injctables and OCL, Nutrition Ingredients, Symtet and 3CP and backward integration of Pyridine and expansion to newer markets. We expect the price uptrend in Pyridine and Nutrition Ingredients to continue. We have a strong pipeline in API's and Solid Dosage Formulations. We expect new product launches, expansion in newer geographies and robust order book in Sterile Injectables to improve outlook in H2FY2014, which we expect to be better than H1 FY2014.

About Jubilant

Jubilant Life Sciences Limited is a global Pharmaceutical and Life Sciences Company engaged in manufacture and supply of APIs, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products and Life Science Ingredients. It also provides services in Contract Manufacturing of Sterile Injectables and Ointments, Creams and Liquids and Drug Discovery and Development. The Company's strength lies in its unique offerings of Pharmaceutical and Life Sciences products and services across the value chain. With 10 world-class manufacturing facilities in India, US and Canada and a team of about 6300 multicultural people across the globe, the Company is committed to deliver value to its customers spread across 99 countries. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally. For more info: www.jubl.com



For more information please contact:

For Investors

Ravi Agarwal
Jubilant Life Sciences Limited
Ph: +91-120 436 1002
E-mail: ravi_agarwal@jubl.com

Siddharth Rangnekar
CDR India
Ph: +91 22 6645 1209
E-mail: siddharth@cdr-india.com

Anupam Jain
Jubilant Life Sciences Limited
Ph: +91-120 436 1021
E-mail: anupam_jain@jubl.com

Karl Kolah
CDR India
Ph: +91 22 6645 1220
E-mail: karl@cdr-india.com

For Media

Nidhi Malik
Jubilant Life Sciences Limited
Ph: +91-120 436 1062
E-mail: nidhi_malik@jubl.com

Kanupriya Jain
Imprimis PR
Ph: +91 9811886757
E-mail: kjain@imprimispr.com

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. Jubilant Life Sciences may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the regulatory bodies and its reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.