

## Alembic Pharmaceuticals Limited Investors Update – Q4FY12

### Quarter ended 31<sup>st</sup> March 2012

- For the quarter net sales up 15% at Rs 342.30 crores against Rs. 297.73 crores in corresponding quarter last year
- Domestic formulations up 17% at Rs. 184.47 crores against Rs. 157.41 crores in corresponding quarter last year
- Profit before tax up by 107% at Rs. 26.94 crores against Rs. 13.03 crores in corresponding quarter in last year
- Net Profit after tax up by 98% at Rs. 20.31 crores against Rs. 10.28 crores in corresponding quarter in last year
- 4 ANDA filed during the quarter. 2 ANDA approvals received in current quarter. 3 DMF's filed during the quarter

### Year ended 31<sup>st</sup> March 2012

- Net sales grew by 22% for full year at Rs. 1467.89 crores against Rs. 1206.64 crores - Domestic by 11% and Exports by 41%
- Profit before tax up by 51% at Rs. 160.99 crores against Rs. 106.85 crores in last year
- Profit after tax up by 52% at Rs. 130.14 crores against Rs. 85.39 crores in last year
- EBIDTA margins 15% at Rs. 220.41 crores against 13% at Rs. 160.25 crores in last year
- 45 Cumulative ANDA filings, 19 approvals in place. Cumulative DMF filings at 62.

## Management Discussion – Q4FY12

Alembic Pharmaceuticals Limited reported a 15% increase in revenues to Rs 342.30 crores for the quarter ended 31st March 2012, compared to Rs 297.73 crores in the corresponding quarter last year.

The Company posted an impressive 107% growth in profit before tax at Rs. 26.94 crores for the quarter ended March 2012 against Rs 13.03 crores posted in corresponding quarter last fiscal.

For full year 2011-12, company posted robust 51% growth in profit before tax of Rs. 160.99 crores against Rs. 106.85 crores for previous year.

The net profit grew by 98% at Rs. 20.31 crores for the quarter ended March 2012 against Rs. 10.28 crores in corresponding quarter last fiscal.

The net profit for year 11-12 grew by 52% at Rs. 130.14 crores against Rs. 85.39 crores in corresponding quarter last fiscal.

### ➤ **Domestic Formulations**

The domestic formulation business continues to be a major component of Alembic's business. Alembic has built an important relationship with doctors and is known as the leading company in Macrolides as well as other acute therapies. Alembic has now made a mark in some specialized therapies such as Diabetology, Cardiology, Gynaecology, and Orthopedics as well.

The domestic formulation business posted sales of Rs. 184.47 crores against Rs. 157.41 crores registering 17% growth over the corresponding quarter last year. Full year numbers were also encouraging since company posted 13% growth in sales at Rs. 782.61 crores against Rs. 693.44 crores in previous year.

(ORG – March 12)

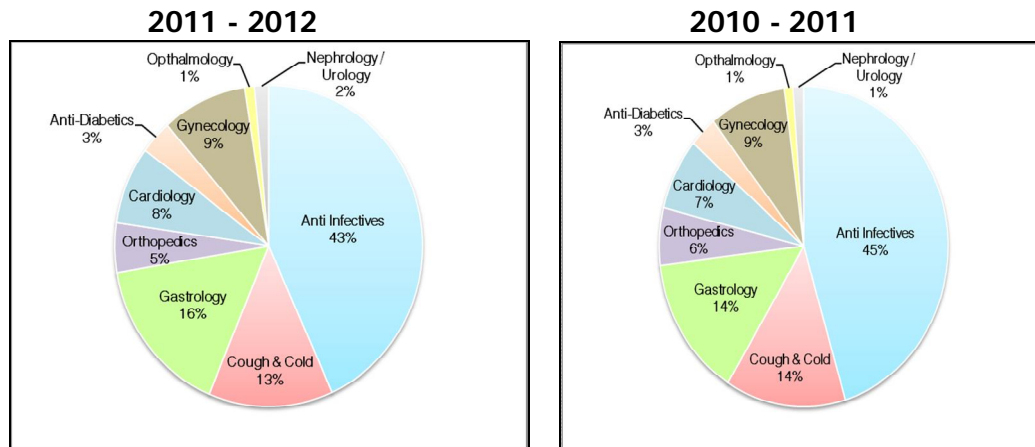
Therapy	MAR MAT 12			MAR MAT 11		
	Growth	Market Share	Alembic Growth	Growth	Market Share	Alembic Growth
Gastro	14	2.24	26	17	2.03	13
Cardio	17	1.09	22	16	1.06	16
Anti Diabetic	27	1.15	23	24	1.19	18
Gynaec	16	1.81	17	16	1.79	6
Ophthal	12	1.13	19	21	1.06	112
Ortho	13	1.13	-2	15	1.29	-1
Cold & Cough	14	5.17	9	8	5.38	9
Anti Infective	9	4.37	7	13	4.45	5
Nephro / Uro	18	2.44	40	18	2.05	62
<b>Overall</b>	<b>15</b>	<b>1.75</b>	<b>13</b>	<b>15</b>	<b>1.78</b>	<b>7</b>

The company continues to make investment in the domestic branded business, particularly with the newer specialty segments.

Alembic has four brands in the list of top 300 brands of the industry:

Brands	Rank	
	March '12 MAT	March '11 MAT
Azithral	24	19
Althrocin	41	35
Roxid	102	78
Wikoryl	125	135

**Therapy wise performance:**



➤ **International Generics ( Regulated Markets)**

International generics clocked sales of Rs. 50.37 crores against Rs. 55.29 crores over corresponding quarter last year. On full year basis sales grew by robust 39% to Rs. 241.80 crores from Rs. 173.77 crores

Alembic's strategy is to partner with International Generic companies and leverage on their marketing and sales capabilities.

Regulatory filings till date total 45 ANDAs with 19 approvals. Company received approvals in current quarter for, Losartan Potassium-Hydrochlorothiazide Tablets and tentative approval for Rivastigmine Tartrate Capsules.

### ANDA Filing summary:

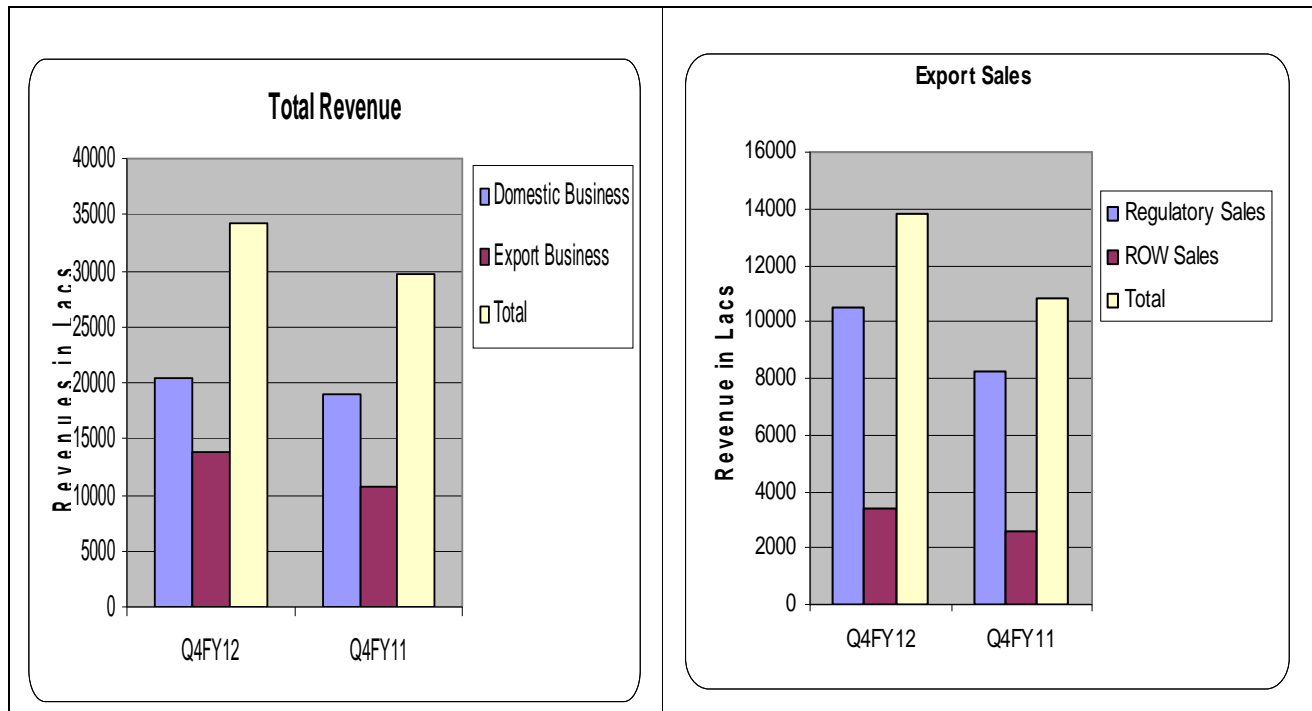
	FY07	FY08	FY09	FY10	FY11	FY12	Total
Total ANDA's filed	04	07	07	08	12	07	<b>45</b>
Total ANDA's Approved	-	-	04	03	08	04	<b>19</b>

### ➤ API Business

For the quarter, Export API recorded sales of Rs. 68.14 crores against Rs. 34.20 crores registering growth of 99% while Domestic API sales recorded sales of Rs. 19.21 crores against Rs. 32.13 crores of PY.

On full year basis, Export API grew by 55% to Rs. 279.22 crores against Rs. 179.90 crores last year. Domestic API recorded sales of Rs. 94.24 crores against Rs. 94.51 crores in previous year.

Cumulative DMF filings at 62.



## Capital Expenditure

The company has set up a state of art 90 bedded bio equivalence centre capable of carrying out 100 pilot / pivotal studies every year.

The Company is in midst of significant expansion of its regulated formulation manufacturing plant which will enhance capacity from existing 2.6 bn tablets / capsules to 5.0 bn per annum.

## Interest

Net Interest costs during the quarter was at Rs. 5.38 crores, while for full year it is Rs. 26.21 crores.

## Financial and Operating Result – FY 11-12 (Rs. Lacs)

Particulars	FY11-12	FY 10-11
<b>Income from Operations</b>	<b>146639</b>	<b>120204</b>
<b>Total Expenditure</b>	<b>124597</b>	<b>104179</b>
- (Increase) / decrease in stock	(6444)	(472)
- Consumption of Raw Material	52824	43494
- Consumption of Traded Goods	24412	16018
- Employee cost	16846	14921
- Research and Development Expense	5858	4714
- Excise Duty Exp	509	664
- Other expenditure	30593	24840
<b>Operating Profit</b>	<b>22041</b>	<b>16025</b>
<b>Operating Margin %</b>	<b>15%</b>	<b>13%</b>
Interest	2621	2389
Depreciation	3365	2959
<b>Profit from Operations</b>	<b>16055</b>	<b>10677</b>
Other Income	44	8
<b>Profit / (Loss) for the period</b>	<b>16099</b>	<b>10,685</b>
Provision from Tax - current	(3123)	(1,864)
Provision from Tax - Deferred / earlier yr	38	(282)
<b>Profit after tax</b>	<b>13014</b>	<b>8539</b>

### Dividend Payout:

The Board has recommended dividend on equity shares at Rs. 1.40 per share i.e. 70% for 11-12 (P.Y. Re. 1 per share i.e. 50%), which translates to dividend payout ratio of 26% (P.Y. 27%)

Summary of total revenue (consolidated) for the quarter is as under:

(Rs. in Lacs)

Particulars			
	Q4FY12	Q4FY11	% Change
<b>Formulation</b>			
Domestic	18447	15741	17%
International Branded	1774	1370	29%
International Generics	5037	5529	(-)9%
<b>API</b>			
Domestic	1921	3213	(-)40%
International	6814	3420	99%
Export Incentives	237	500	(-)53%
<b>Total</b>	<b>34,230</b>	<b>29,773</b>	<b>15%</b>

Summary of total revenue (consolidated) for the full year is as under:

(Rs. in Lacs)

Particulars			
	FY 11-12	FY 10-11	% Change
<b>Formulation</b>			
Domestic	78,261	69,344	13%
International Branded	5,670	5,015	13%
International Generics	24,180	17,377	39%
<b>API</b>			
Domestic	9,424	9,451	- %
International	27,922	17,990	55%
Export Incentives	1,332	1,487	(-)10%
<b>Total</b>	<b>146,789</b>	<b>120,664</b>	<b>22%</b>

The Profit break-up for the quarter:

(Rs. in Lacs)

Particulars	Q4FY12	Q4FY11	% Growth
Operating Income	4125	2723	51%
Profit Before Tax	2694	1303	107%
Net Profit after Tax	2031	1028	98%

The Profit break-up for the full year:

(Rs. in Lacs)

Particulars	FY 11-12	FY 10-11	% Growth
Operating Income	22041	16025	38%
Profit Before Tax	16099	10685	51%
Net Profit after Tax	13014	8539	52%



## About Alembic Pharmaceuticals Limited

Alembic Pharmaceuticals Limited is a leading pharmaceutical company in India. The company is vertically integrated with the ability to develop, manufacture and market pharmaceutical products, pharmaceutical substances and Intermediates. Alembic is the market leader in Macrolides segment of anti-infective drugs in India.

Alembic's manufacturing facilities are located in Vadodara and Baddi in Himachal Pradesh. The Panelav facility houses the API and formulation manufacturing (both US FDA approved) plants. The plant at Baddi, Himachal Pradesh manufactures formulations for the domestic and semi-regulated export market. The company has a state of the art Research Centre at Vadodara.

### **For more information:**

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**Alembic Pharmaceuticals Limited**