

Neuland Laboratories Limited
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August 14, 2015

To
B S E Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai - 400 001

Scrip Code: 524558

To
The National Stock Exchange Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 001

Scrip Code: NEULANLAB
Series: EQ

Dear Sirs,

Sub: Press Release

Please find enclosed a copy of the Press Release issued by the Company on the Un-Audited Financial Results for the quarter ended June 30, 2015. The same is being uploaded on the website of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,
For Neuland Laboratories Limited



Sarada Bhamidipati
Company Secretary

Encl : as below



Neuland Q1FY16 net sales at INR 1,226.3 mn, up by 19%

Highlights of the Quarter

- Scale up of two new APIs - Lurasidone(anti-psychotic) and Rivaroxaban(anti-coagulant)
- Significant progress in one of the CMS products with NDA being filed in the US market

FY15 Review

- Successfully scaled up four new products in the antipsychotic and anticoagulant segment
- USPTO granted a patent for improved process synthesis of Paliperidone Palmitate
- Received the 2015 CMO Leadership Award from Life Science Leader magazine in the quality category.
- Successfully completed USFDA, ANVISA and KFDA (South Korea) audit at Unit I and COFEPRIS(Mexico) audit at Unit I & II
- Unit I & II successfully achieved ISO 9001:2008 and ISO 27001:2005
- Added 46 new customers across all regions

Neuland Business Positioning

- 31+ years of experience
- APIs for Generics, Niche and Specialty and Custom Manufacturing
- 75+ APIs with 400+ regulatory filings
- Presence in over 85 countries
- Over 75% Direct exports

Key Molecules

Ciprofloxacin, Salmeterol, Mirtazapine, Enalapril Maleate, Sotalol Hcl, Levetiracetam, Entacapone, Levofloxacin and several NCE molecules

Regulatory Accreditations

USFDA, EDQM (Europe), EMA (Europe), PMDA (Japan), TGA (Australia), BfArM (Germany), AFSSAPS (France), ANVISA (Brazil), COFEPRIS (Mexico) and KFDA (South Korea)

Hyderabad, India – August 14th, 2015 – Neuland Laboratories Ltd., (NSE: NEULANDLAB; BSE-Scrip Code:524558), a pharmaceutical manufacturer providing active pharmaceutical ingredients (APIs), complex intermediates and custom manufacturing solutions services to customers located in 85 countries, today announced financial results for the first quarter(Q1FY16) ended June, 2015.

Standalone Q1FY16 review (Y-o-Y)

- Total Operating income was Rs 1,226.3 mn for Q1FY16 as compared to Rs 1,026.7 mn in the corresponding period of the previous year reflecting an increase of 19% in rupee terms.
- EBITDA stood at Rs 216.3 mn as compared to Rs 143.4 mn during the corresponding period of previous year, an increase of 51%.
- EBITDA Margin at 17.6% for Q1FY16 as against 14.0% in Q1FY15
- PBT at 9.2%, improved by 457 bps
- Net profit stood at Rs 73.0 mn for Q1FY16 as compared to Rs 30.2 mn in the corresponding period of the previous year, an increase of 141%.
- Basic EPS stood at Rs 8.22 as against Rs. 3.65 in the corresponding quarter of last fiscal

Standalone Q1FY16 review (Q-o-Q)

- Total Operating income was Rs 1,226.3 mn for Q1FY16 as compared to Rs 1,329.7 mn in the Q4FY15
- EBITDA stood at Rs 216.3 mn as compared to Rs 208.1 mn during the preceding quarter(Q4FY15)
- EBITDA Margin at 17.6 % for Q1FY16 as against 15.6% in Q4FY15
- Net profit stood at Rs 73.0 mn for Q1FY16 as compared to Rs 56.9 mn in Q4FY15
- Basic EPS stood at Rs 8.22 as against Rs. 6.40 in Q4FY15

Key Result Highlights(Y-o-Y)

- EBITDA margins have improved by 368 bps
- Net profit margins increased by 301 bps
- Cost of material consumed at 51.6%, improved by 146bps from the Q1FY15
- Interest cost to net sales at 5.3%, down by 20 bps YoY

“We are happy to begin this fiscal on a positive note. We had a successful quarter with regards to operations and we are happy to share that we scaled up two more APIs in antipsychotic and anticoagulant therapies.

We remain committed to our vision of diversifying our product basket and being the supplier of choice for high value added products. “

Sucheth Davuluri,
CEO, Neuland Labs

“Our plans of scaling up 8-10 APIs this fiscal continues to be on track with the launch of two new products in this quarter. I am also glad to share that with we filed a NDA of one of our products in the CMS portfolio thus paving the way to the US markets. We remain excited for ongoing developments in the rest of FY16.”

Dr. D.R. Rao,
Chairman and Managing
Director, Neuland Labs



Income Statement for Q1FY16

Profit and Loss account for the Quarter Ended June 30 th 2015(Q1FY16)						
Particulars (INR Mn)	Q1FY16	Q1FY15	YoY%	Q1FY16	Q4FY15	QoQ%
Income from Operations						
Net Sales/ Income from Operations	1,151.5	998.5		1,151.5	1,235.9	
Other Operating Income	74.8	28.3		74.8	93.8	
Total Income from Operations (Net)	1,226.3	1,026.7	19%	1,226.3	1,329.7	-8%
Expenses						
(a) Cost of Material Consumed	670.0	636.8		670.0	653.8	
(b) Changes in inventories/WIP	(37.5)	(92.2)		(37.5)	67.8	
(c) Employee Benefit Expense	130.9	105.4		130.9	137.6	
(d) Depreciation & Amortization	38.0	39.0		38.0	36.2	
(e) Manufacturing Expenses	144.4	124.2		144.4	126.6	
(f) Other Expenditure	118.3	116.5		118.3	148.8	
Total Expenses	1,064.2	929.7		1,064.2	1,170.8	
EBIT Before Other Income / Exceptional Items	162.2	97.1	67%	162.2	158.9	2%
Other Income	16.2	7.3		16.2	12.9	
EBIT Before Exceptional Items	178.3	104.4	71%	178.3	171.8	4%
Finance Costs	65.4	56.8		65.4	86.0	
PBT Before Exceptional Items	112.9	47.6	137%	112.9	85.8	32%
Exceptional Item	-	-		-	-	
PBT	112.9	47.6	137%	112.9	85.8	32%
Tax Expense	39.9	17.4		39.9	28.9	
PAT	73.0	30.2	141%	73.0	56.9	28%
Paid-up Equity Share Capital	89.5	77.3		89.5	89.5	
Earnings Per Share						
Basic EPS (Not annualized)	8.22	3.65	125%	8.22	6.40	28%
Diluted EPS (Not annualized)	8.22	3.65	125%	8.22	6.40	28%



About Neuland Laboratories Limited

For 31+ years, Neuland Labs has been at the forefront of manufacturing APIs through its cGMP manufacturing facilities, working with customers in 85 countries. Neuland Labs has developed more than 300 processes and 75 APIs, and it has filed more than 48 U.S. drug master files (DMFs) and a total of more than 400 DMFs in the European Union (EU) and other countries. Its manufacturing facilities are inspected and approved by the U.S. FDA and other leading regulatory agencies. Its record of quality manufacturing and reliability is highlighted by cGMP certifications that include the U.S. FDA, TGA (Australia), EDQM (EU), German Health Authority, Anvisa (Brazil), EMA (EU), Cofepris (Mexico), KFDA (Korea), PMDA (Japan), ISO 9001, ISO14001, OHSAS18001 and ISO 27001. For more information, visit www.NeulandLabs.com.

If you have any questions or require further information, please feel free to contact

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