



LUPIN

## LUPIN LIMITED

Registered Office: 159, C.S.T. Road, Kallna, Santacruz (East), Mumbai - 400 098.

Corporate Identity Number: L24100MH1983PLC029442

Tel: (91-22) 6640 2323 Fax: (91-22) 2652 8806 E-mail: info@lupin.com Website: www.lupin.com

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2015

PART I						(₹ In Lakhs)
Particulars	3 Months Ended 30/09/2015 (Unaudited)	3 Months Ended 30/06/2015 (Unaudited)	3 Months Ended 30/09/2014 (Unaudited)	6 Months Ended 30/09/2015 (Unaudited)	6 Months Ended 30/09/2014 (Unaudited)	Accounting Year Ended 31/03/2015 (Audited)
1) Income from Operations						
a) Net sales/income from operations (Net of excise duty)	238,770	254,014	220,748	492,784	516,312	961,154
b) Other operating income	13,841	5,487	4,981	19,328	9,619	14,093
Total Income from Operations (net)	252,611	259,501	225,729	512,112	525,931	975,247
2) Expenses						
a) Cost of materials consumed	61,279	60,314	56,627	121,593	113,376	223,932
b) Purchases of stock-in-trade	29,760	27,420	25,367	57,180	49,990	94,250
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7,045)	(6,950)	(2,810)	(13,995)	(6,000)	(17,080)
d) Employee benefits expense	30,258	28,346	27,156	58,604	51,328	105,255
e) Depreciation and amortisation expense	7,502	7,504	8,581	15,006	17,296	33,679
f) Other expenses	71,228	57,375	57,403	128,557	111,594	231,565
Total expenses	192,982	174,009	174,324	366,945	337,584	671,601
3) Profit from operations before other income, finance costs and exceptional items (1-2)	59,629	85,492	51,405	145,167	188,347	303,646
4) Other income	5,580	7,975	9,054	13,509	11,407	18,063
5) Profit from ordinary activities before finance costs and exceptional items (3+4)	65,209	93,467	60,459	158,676	199,754	321,709
6) Finance costs	167	82	102	249	224	490
7) Profit from ordinary activities after finance costs but before exceptional items (5-6)	65,042	93,385	60,357	158,427	199,530	321,219
8) Exceptional items	-	-	-	-	-	-
9) Profit from ordinary activities before tax (7-8)	65,042	93,385	60,357	158,427	199,530	321,219
10) Tax expense	15,662	23,393	14,395	39,055	51,895	81,484
11) Net Profit from ordinary activities after tax (9-10)	49,380	69,992	45,962	119,372	147,635	239,735
12) Extraordinary items (net of tax expense)	-	-	-	-	-	-
13) Net Profit for the period (11-12)	49,380	69,992	45,962	119,372	147,635	239,735
14) Paid up equity share capital (Face value ₹ 2/- each)	9,004	8,998	8,979	9,004	8,979	6,990
15) Reserves excluding Revaluation Reserves						893,784
16) Earnings Per Share (of ₹ 2/- each) (Not Annualised)						
a) Basic	10.97	15.56	10.25	26.54	32.91	53.41
b) Diluted	10.91	15.47	10.19	26.38	32.74	53.07

See accompanying notes to the financial results.

## PART II : SELECT INFORMATION FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2015

<b>A PARTICULARS OF SHAREHOLDING</b>						
1) Public Shareholding						
- Number of shares	240,577,721	240,279,602	239,324,005	240,577,721	239,324,005	239,886,095
- Percentage of shareholding	53.44	53.41	53.31	53.44	53.31	53.37
2) Promoters and promoter group shareholding						
a) Pledged/Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	209,606,365	209,605,040	209,602,240	209,606,365	209,602,240	209,602,240
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the Company)	46.56	46.59	46.69	46.56	46.69	46.63

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Particulars	3 Months Ended 30/09/2015
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	-
Received during the quarter	34
Disposed off during the quarter	34
Remaining unresolved at the end of the quarter	-

**NOTES:**

- The above Standalone Financial Results were reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors at their meeting held on October 27, 2015. The Statutory Auditors of the Company have carried out limited review of the above standalone results pursuant to clause 41 of the Listing Agreements.
- As approved by the Members of the Company at the 33rd Annual General Meeting held on July 23, 2015, the Company has disbursed on July 27, 2015 a final dividend of ₹ 7.5 per equity share of the face value of ₹ 2/- each aggregating ₹ 33,742 lakhs. The corporate tax on such dividend aggregates ₹ 6,870 lakhs.
- During the quarter, 299,244 (year-to-date 695,751) equity shares of ₹ 2/- each, fully paid-up, were allotted upon exercise of the vested stock options pursuant to the Lupin Employees Stock Option Plans (ESOPs), resulting in an increase in the paid-up share capital by ₹ 6 lakhs (year-to-date ₹ 14 lakhs) and securities premium account by ₹ 1,718 lakhs (year-to-date ₹ 3,847 lakhs). Share application money pending allotment as of September 30, 2015 includes amount received towards 21,073 equity shares of ₹ 2/- each, fully paid-up, which were allotted subsequent to the quarter end, upon exercise of the vested stock options pursuant to the ESOPs.
- Standalone Statement of Assets and Liabilities:

		(₹ in Lakhs)	
Particulars		As at 30/09/2015 (Unaudited)	As at 31/03/2015 (Audited)
<b>A. EQUITY AND LIABILITIES</b>			
1. Shareholders' Funds			
a) Share capital		9,004	8,990
b) Reserves and surplus		1,016,361	893,784
<b>Sub-total - Shareholders' funds</b>		<b>1,025,365</b>	<b>902,774</b>
2. Share Application Money Pending Allotment		112	-
3. Non-Current Liabilities			
a) Long-term borrowings		1,716	1,914
b) Deferred tax liabilities (net)		20,477	18,922
c) Other long-term liabilities		1,024	850
d) Long-term provisions		12,298	10,312
<b>Sub-total - Non-current liabilities</b>		<b>35,515</b>	<b>31,998</b>
4. Current Liabilities			
a) Short-term borrowings		2,311	2,095
b) Trade payables		124,016	104,204
c) Other current liabilities		15,501	10,148
d) Short-term provisions		12,973	49,552
<b>Sub-total - Current liabilities</b>		<b>154,801</b>	<b>165,999</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>1,215,793</b>	<b>1,100,771</b>
<b>B. ASSETS</b>			
1. Non-Current Assets			
a) Fixed assets		272,956	252,556
b) Non-current investments		325,444	179,026
c) Long-term loans and advances		25,054	23,945
d) Other non-current assets		322	32
<b>Sub-total - Non-current assets</b>		<b>623,776</b>	<b>455,559</b>
2. Current Assets			
a) Current Investments		124,329	165,397
b) Inventories		190,584	173,951
c) Trade receivables		205,996	251,521
d) Cash and cash equivalents		5,432	5,930
e) Short-term loans and advances		32,872	29,250
f) Other current assets		32,804	19,163
<b>Sub-total - Current assets</b>		<b>592,017</b>	<b>645,212</b>
<b>TOTAL - ASSETS</b>		<b>1,215,793</b>	<b>1,100,771</b>

- The aggregate amount of revenue expenditure incurred on Research and Development as reflected under the respective heads of account is as under:

	3 Months Ended 30/09/2015	3 Months Ended 30/06/2015	3 Months Ended 30/09/2014	6 Months Ended 30/09/2015	6 Months Ended 30/09/2014	Accounting Year Ended 31/03/2015
₹ in Lakhs	28,180	22,701	21,998	50,881	41,373	84,559

- The Company operates in one reportable business segment i.e. "Pharmaceuticals"
- Figures for the previous periods have been regrouped, wherever necessary, to correspond with the figures of the current period.

By order of the Board  
For Lupin Limited

Dr. Desh Bandhu Gupta  
Chairman  
DIN: 00209378

Place : Mumbai  
Dated : October 27, 2015



# Deloitte Haskins & Sells LLP

Chartered Accountants  
Indiabulls Finance Centre  
Tower 3, 27th - 32nd Floor  
Senapati Bapat Marg  
Elphinstone Road (West)  
Mumbai - 400 013  
Maharashtra, India

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF LUPIN LIMITED

Tel: +91 (022) 6185 4000  
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1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **LUPIN LIMITED** ("the Company") for the Quarter and Six Months Ended September 30, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We have not reviewed the consolidated unaudited financial results and notes thereon and accordingly our report is restricted to the standalone unaudited financial results of the Company.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended September 30, 2015 of the Statement, from the details furnished by the Management.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
K.A. Katki  
Partner

(Membership No. 038568)

MUMBAI, October 27, 2015



LUPIN

## LUPIN LIMITED

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Corporate Identity Number: L24100MH1983PLC029442

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### STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2015

PART I						(₹ in Lakhs)
Particulars	3 Months Ended 30/09/2015 (Unaudited)	3 Months Ended 30/06/2015 (Unaudited)	3 Months Ended 30/09/2014 (Unaudited)	6 Months Ended 30/09/2015 (Unaudited)	6 Months Ended 30/09/2014 (Unaudited)	Accounting Year Ended 31/03/2015 (Audited)
1) Income from operations						
a) Net sales/income from operations (Net of excise duty)	317,829	307,429	311,681	625,258	640,076	1,259,971
b) Other operating income	14,297	7,594	5,659	21,891	11,346	17,030
<b>Total Income from operations (net)</b>	<b>332,126</b>	<b>315,023</b>	<b>317,340</b>	<b>647,149</b>	<b>651,422</b>	<b>1,277,001</b>
2) Expenses						
a) Cost of materials consumed	72,006	68,925	65,021	140,931	126,675	251,942
b) Purchases of stock-in-trade	53,522	49,500	44,047	103,022	87,925	178,331
c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(12,592)	(20,089)	(2,092)	(32,681)	3,112	(14,569)
d) Employee benefits expense	52,418	48,602	43,890	101,020	84,926	174,734
e) Depreciation and amortisation expense	10,683	10,069	10,868	20,752	21,726	43,470
f) Other expenses	99,559	86,422	83,220	184,558	154,055	324,604
<b>Total expenses</b>	<b>275,596</b>	<b>243,429</b>	<b>244,954</b>	<b>517,602</b>	<b>478,419</b>	<b>958,512</b>
3) Profit from operations before other income, finance costs and exceptional items (1-2)	56,530	71,594	72,386	129,547	173,003	318,489
4) Other income	4,150	7,558	11,024	10,285	13,915	23,975
5) Profit from ordinary activities before finance costs and exceptional items (3+4)	60,680	79,152	83,410	139,832	186,918	342,464
6) Finance costs	1,015	241	213	1,256	470	981
7) Profit from ordinary activities after finance costs but before exceptional items (5-6)	59,665	78,911	83,197	138,576	186,448	341,483
8) Exceptional items	-	-	-	-	-	-
9) Profit from ordinary activities before tax (7-8)	59,665	78,911	83,197	138,576	186,448	341,483
10) Tax expense	18,514	26,438	19,256	44,952	59,550	97,040
11) Net Profit from ordinary activities after tax (9-10)	41,151	52,473	63,941	93,624	126,898	244,443
12) Extraordinary items (net of tax expense)	-	-	-	-	-	-
13) Net Profit for the period before minority interest (11-12)	41,151	52,473	63,941	93,624	126,898	244,443
14) Minority interest	267	(29)	937	238	1,420	4,119
15) Net Profit after taxes and minority interest (13-14)	40,884	52,502	63,004	93,386	125,478	240,324
16) Paid up equity share capital (Face value ₹ 2/- each)	9,004	8,998	8,979	9,004	8,979	8,990
17) Reserves excluding Revaluation Reserves						878,416
18) Earnings Per Share (of ₹ 2/- each) (Not Annualised)						
a) Basic	9.09	11.67	14.05	20.76	27.97	53.54
b) Diluted	9.03	11.60	13.97	20.64	27.83	53.20
See accompanying notes to the financial results.						

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**PART II : SELECT INFORMATION FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2015**

Particulars	3 Months Ended 30/09/2015 (Unaudited)	3 Months Ended 30/06/2015 (Unaudited)	3 Months Ended 30/09/2014 (Unaudited)	6 Months Ended 30/09/2015 (Unaudited)	6 Months Ended 30/09/2014 (Unaudited)	Accounting Year Ended 31/03/2015 (Audited)
<b>A. PARTICULARS OF SHAREHOLDING</b>						
1) Public Shareholding						
- Number of shares	240,577,721	240,279,802	239,324,005	240,577,721	239,324,005	239,886,095
- Percentage of shareholding	53.44	53.41	53.31	53.44	53.31	53.37
2) Promoters and promoter group shareholding						
a) Pledged/Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	209,606,365	209,605,040	209,602,240	209,606,365	209,602,240	209,602,240
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the Company)	46.56	46.59	46.69	46.56	46.69	46.63

Particulars	3 Months Ended 30/09/2015
<b>B. INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	-
Received during the quarter	34
Disposed off during the quarter	34
Remaining unresolved at the end of the quarter	-

**NOTES:**

- The above Consolidated Financial Results were reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors at their meeting held on October 27, 2015.
- The Consolidated Financial Results include the financial results of the subsidiaries, Lupin Pharmaceuticals Inc. - U.S.A., Kyowa Pharmaceutical Industry Co., Limited - Japan, Lupin Australia Pty Limited - Australia, Lupin Holdings B.V. - Netherlands, Pharma Dynamics (Proprietary) Limited - South Africa, Hormosan Pharma GmbH - Germany, Multicare Pharmaceuticals Philippines Inc. - Philippines, Lupin Atlantis Holdings SA - Switzerland, Lupin (Europe) Limited - U.K., Lupin Pharma Canada Limited - Canada, Generic Health Pty Limited - Australia, Bellwether Pharma Pty Limited - Australia, Max Pharma Pty Limited - Australia (upto December 17, 2014), Lupin Mexico S.A. de C.V. - Mexico, Lupin Philippines Inc. - Philippines, Lupin Healthcare Limited - India, Generic Health SDN. BHD. - Malaysia, Kyowa CitiCare Co., Limited - Japan, Lupin Middle East FZ-LLC - U.A.E., Lupin Inc. - U.S.A., Lupin GmbH - Switzerland, Lupin Farmaceutica do Brasil LTDA - Brazil, Nanomi B.V. - Netherlands, Laboratorios Grin S.A. de C.V. - Mexico (w.e.f. September 30, 2014), Medquímica Indústria Farmacêutica S.A. - Brazil (w.e.f. June 23, 2015) and joint venture, YL Biologics Limited - Japan (w.e.f. April 23, 2014).
- The Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 (AS - 21) "Consolidated Financial Statements" and Accounting Standard 27 (AS - 27) "Financial Reporting of Interests in Joint Ventures".
- As approved by the Members of the Company at the 33<sup>rd</sup> Annual General Meeting held on July 23, 2015, the Company has disbursed on July 27, 2015 a final dividend of ₹ 7.5 per equity share of the face value of ₹ 2/- each aggregating ₹ 33,742 lakhs. The corporate tax on such dividend aggregates ₹ 6,870 lakhs.
- During the quarter, 299,244 (year-to-date 695,751) equity shares of ₹ 2/- each, fully paid-up, were allotted upon exercise of the vested stock options pursuant to the Lupin Employees Stock Option Plans (ESOPs), resulting in an increase in the paid-up share capital by ₹ 6 lakhs (year-to-date ₹ 14 lakhs) and securities premium account by ₹ 1,718 lakhs (year-to-date ₹ 3,847 lakhs). Share application money pending allotment as of September 30, 2015 includes amount received towards 21,073 equity shares of ₹ 2/- each, fully paid-up, which were allotted subsequent to the quarter end, upon exercise of the vested stock options pursuant to the ESOPs.

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## 6. Consolidated Statement of Assets and Liabilities:

Particulars		(₹ in Lakhs)	
		As at	As at
		30/09/2015 (Unaudited)	31/03/2015 (Audited)
<b>A. EQUITY AND LIABILITIES</b>			
1. Shareholders' Funds			
a) Share capital		9,004	8,990
b) Reserves and surplus		978,639	878,416
<b>Sub-total - Shareholders' funds</b>		<b>987,643</b>	<b>887,406</b>
2. Share Application Money Pending Allotment		112	-
3. Minority interest		2,401	2,410
4. Non-Current Liabilities			
a) Long-term borrowings		7,322	10,183
b) Deferred tax liabilities (net)		21,506	20,241
c) Other long-term liabilities		3,671	4,408
d) Long-term provisions		17,952	16,203
<b>Sub-total - Non-current liabilities</b>		<b>50,451</b>	<b>51,035</b>
5. Current Liabilities			
a) Short-term borrowings		179,225	36,915
b) Trade payables		207,691	195,606
c) Other current liabilities		38,073	82,976
d) Short-term provisions		23,243	57,426
<b>Sub-total - Current liabilities</b>		<b>448,232</b>	<b>372,923</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>1,488,839</b>	<b>1,313,774</b>
<b>B. ASSETS</b>			
1. Non-Current Assets			
a) Fixed assets		389,780	329,605
b) Goodwill on consolidation		197,707	164,811
c) Non-current investments		552	251
d) Deferred tax assets (net)		9,121	8,420
e) Long-term loans and advances		30,024	27,420
f) Other non-current assets		322	32
<b>Sub-total - Non-current assets</b>		<b>627,506</b>	<b>530,539</b>
2. Current Assets			
a) Current investments		124,526	165,589
b) Inventories		290,044	250,356
c) Trade receivables		307,541	265,657
d) Cash and Cash Equivalents		61,029	48,135
e) Short-term loans and advances		45,107	34,206
f) Other current assets		33,086	19,292
<b>Sub-total - Current assets</b>		<b>861,333</b>	<b>783,235</b>
<b>TOTAL - ASSETS</b>		<b>1,488,839</b>	<b>1,313,774</b>

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7. The aggregate amount of revenue expenditure incurred on Research and Development as reflected under the respective heads of account is as under:

	3 Months Ended 30/09/2015	3 Months Ended 30/06/2015	3 Months Ended 30/09/2014	6 Months Ended 30/09/2015	6 Months Ended 30/09/2014	Accounting Year Ended 31/03/2015
₹ in Lakhs	38,782	31,305	28,484	70,087	52,870	109,878

8. The group operates exclusively in the "Pharmaceuticals" business segment and has only one reportable segment. Revenue by geographical segment is as shown below:

	3 Months Ended 30/09/2015	3 Months Ended 30/06/2015	3 Months Ended 30/09/2014	6 Months Ended 30/09/2015	6 Months Ended 30/09/2014	(₹ in Lakhs) Accounting Year Ended 31/03/2015
Revenue within India	106,583	99,356	91,811	205,939	178,322	338,489
Revenue outside India	225,543	215,667	225,529	441,210	473,100	938,512

9. Standalone Results are as under:

	3 Months Ended 30/09/2015 (Unaudited)	3 Months Ended 30/06/2015 (Unaudited)	3 Months Ended 30/09/2014 (Unaudited)	6 Months Ended 30/09/2015 (Unaudited)	6 Months Ended 30/09/2014 (Unaudited)	(₹ in Lakhs) Accounting Year Ended 31/03/2015 (Audited)
Total Income from Operations (net)	252,611	259,501	225,729	512,112	525,931	975,247
Profit Before Tax	65,042	93,385	60,357	158,427	199,530	321,219
Profit After Tax	49,380	69,992	45,962	119,372	147,635	239,735

10. Figures for the previous periods have been regrouped, wherever necessary, to correspond with the figures of the current period.

By order of the Board  
For Lupin Limited

  
Dr. Desh Bandhu Gupta  
Chairman  
DIN: 00209378

Place : Mumbai  
Dated : October 27, 2015

## **Quarter II Results, FY2016**

**Mumbai, October 27, 2015:** Pharma Major Lupin Limited reported its performance for the second quarter ending 30<sup>th</sup> September, 2015. These unaudited results were taken on record by the Board of Directors at a meeting in Mumbai today.

### **Key financial & performance highlights**

- Net Sales were Rs. 31,783 m. during Q2 FY2016, as compared to Rs. 31,168 m. in Q2 FY2015
  - **H1 FY2016:** Net sales were Rs. 62,526 m. as compared to Rs. 64,008 m. in H1 FY2015
- Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was Rs. 7,136 m. during Q2 FY2016 as compared to Rs. 9,428 m., in Q2 FY2015
  - **H1 FY2016:** EBITDA was Rs. 16,058 m. as compared to Rs. 20,864 m. in H1 FY2015
- Profit before tax (PBT) was Rs. 5,967 m. during Q2 FY2016 as compared to Rs. 8,320 m., in Q2 FY2015
  - **H1 FY2016:** PBT was Rs. 13,858 m. as compared to Rs. 18,645 m. in H1 FY2015
- Net profits stood at Rs. 4,088 m. during Q2 FY2016 as compared to Rs. 6,300 m., in Q2 FY2015
  - **H1 FY2016:** Net Profit was Rs. 9,339 m. as compared to Rs. 12,548 m. in H1 FY2015

*Commenting on the results, Mr. Nilesh Gupta, Managing Director, Lupin Limited, said “Slowdown in approvals in the US and a lack of material launches continued to dampen growth. We continue to invest in research and remain upbeat on the pace of approvals and launches to pick up by the fourth quarter.”*

### **Appointments to the Board**

The Board of Directors appointed Mr. Ramesh Swaminathan, Chief Financial Officer, Lupin Limited as an Additional Director and Mr. Jean-Luc Belingard as an Independent Director of the company for a period of five years effective October 27, 2015, subject to shareholders approval.



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## Unaudited consolidated financial results for the quarter ended September 30<sup>th</sup>, 2015 (YoY comparison)

Figures in Rs. m.

Particulars	Q2 FY2016	% of net sales	Q2 FY2015	% of net sales	YoY growth %
Net sales	<b>31,783</b>	<b>100.0%</b>	<b>31,168</b>	<b>100.0%</b>	<b>2.0%</b>
Other operating income	1,430	4.5%	566	1.8%	152.7%
Total revenue	<b>33,213</b>	<b>104.5%</b>	<b>31,734</b>	<b>101.8%</b>	<b>4.7%</b>
Raw material consumed	11,294	35.5%	10,697	34.3%	5.6%
Gross margin (excl. other operating income)	<b>20,489</b>	<b>64.5%</b>	<b>20,471</b>	<b>65.7%</b>	<b>0.1%</b>
Employees cost	5,242	16.5%	4,389	14.1%	19.4%
Manufacturing & other expenses	9,956	31.3%	8,322	26.7%	19.6%
Operating margin	<b>6,721</b>	<b>21.1%</b>	<b>8,326</b>	<b>26.7%</b>	<b>-19.3%</b>
Other income	415	1.3%	1,102	3.5%	-62.4%
EBITDA	<b>7,136</b>	<b>22.5%</b>	<b>9,428</b>	<b>30.2%</b>	<b>-24.3%</b>
Depreciation	1,068	3.4%	1,087	3.5%	-1.7%
EBIT	<b>6,068</b>	<b>19.1%</b>	<b>8,341</b>	<b>26.8%</b>	<b>-27.3%</b>
Interest & finance charges	102	0.3%	21	0.1%	376.5%
PBT	<b>5,966</b>	<b>18.8%</b>	<b>8,320</b>	<b>26.7%</b>	<b>-28.3%</b>
Tax	1,851	5.8%	1,926	6.2%	-3.9%
PAT	<b>4,115</b>	<b>12.9%</b>	<b>6,394</b>	<b>20.5%</b>	<b>-35.6%</b>
Minority interest	27	0.1%	94	0.3%	-71.3%
Net profit	<b>4,088</b>	<b>12.9%</b>	<b>6,300</b>	<b>20.2%</b>	<b>-35.1%</b>

## Profit & loss highlights

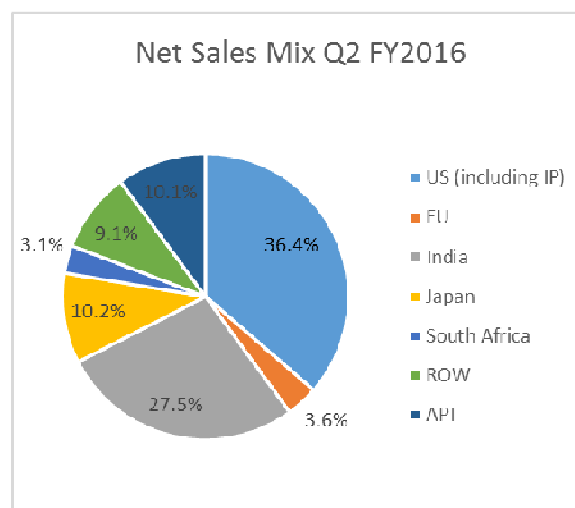
- Material cost increased by 1.2% to 35.5% of net sales, at Rs. 11,294 m. during Q2 FY2016 as compared to Rs. 10,697 m. during Q2 FY2015
- Manufacturing and other expenses increased by 4.6% to 31.3% of net sales at Rs. 9,956 m. during Q2 FY2016 as compared to Rs. 8,322 m. during Q2 FY2015
- Personnel cost increased by 2.4% to 16.5% of net sales, at Rs. 5,242 m. during Q2 FY2016, as compared to Rs. 4,389 m. in Q2 FY2015
- Revenue expenditure on R&D stood at 12.2% of net sales at Rs. 3,878 m. during Q2 FY2016, as compared to Rs. 2,848 m. during Q2 FY2015

## Balance sheet highlights

- Operating working capital increased to Rs. 36,993 m. as on 30<sup>th</sup> September, 2015 as against Rs. 36,265 m. as on 30<sup>th</sup> June, 2015. The working capital number of days stands at 107 days as on 30<sup>th</sup> September, 2015 as against 106 days on 30<sup>th</sup> June, 2015
- Capital Expenditure was Rs. 2,993 m. during the quarter
- Debt – equity ratio was 0.01:1

## Business Segments - Sales Mix

Particulars	Q2 FY2016	Q2 FY2015	YoY Growth %
<b>Formulations</b>	<b>28,564</b>	<b>27,985</b>	<b>2.1%</b>
US (including IP)	11,550	12,716	-9.2%
Europe	1,158	876	32.2%
India	8,738	7,990	9.4%
Japan	3,234	3,459	-6.5%
South Africa	998	1,057	-5.6%
Rest of world	2,886	1,887	52.9%
<b>API</b>	<b>3,219</b>	<b>3,183</b>	<b>1.1%</b>
<b>Total net sales</b>	<b>31,783</b>	<b>31,168</b>	<b>2.0%</b>



### **Operational Highlights**

#### **US and Europe**

US and Europe formulation sales (including IP) stood at Rs. 12,708 m., Q2 FY2016, contributing 40.0% to overall sales.

- US sales stood at USD 174 m. during Q2 FY2016 versus USD 202 m. in Q2 FY2015.
- The Company launched 4 new products in the US market during the quarter. Lupin now has 84 products in the market.
- Lupin is the market leader in 33 products marketed in the US generics market. The Company is amongst the Top 3 by market share in 61 products. (IMS Health, June 2015).

#### **India formulations**

The India formulations business grew by 9.4%, recording sales of Rs. 8,738 m. for Q2 FY2016 as compared to Rs. 7,990 m. for Q2 FY2015. Net sales growth for H1 FY2016 was 12.7%.

#### **Japan**

Lupin's Japanese business (Kyowa + Kyowa CritiCare) recorded net sales of Rs. 3,234 m. during Q2 FY2016 as compared to Rs. 3,459 m. Sales in JPY terms grew 2.5% to JPY 6,077 m. during the quarter from JPY 5,929 m. Sales growth for H1 FY2016 was 4.3% in JPY terms.

Kyowa sales (excluding Kyowa CritiCare) were Rs. 2,523 m. for Q2 FY2016 as compared to Rs. 2,722 m. in Q2 FY2015. In JPY terms, it grew by 1.6% to JPY 4,741 m. from JPY 4,667 m. in Q2 FY2015. Sales growth for H1 FY2016 was 3.5% in JPY terms.

#### **ROW Markets**

ROW markets sales grew by 52.9% to Rs. 2,886 m. during Q2 FY2016 as compared to Rs. 1,887 m. during Q2 FY2015. Sales growth for H1 FY2016 was 48.2%.

#### **South Africa**

Lupin's South African subsidiary, Pharma Dynamics achieved sales of Rs. 998 m. in Q2 FY2016 as compared to Rs. 1,057 m. during Q2 FY2015. In ZAR terms, Q2 FY2016 sales stood at ZAR 199 m., a growth of 6.1%. Sales growth for H1 FY2016 was 4.0% in ZAR terms. The Company remains the fastest growing and the 4<sup>th</sup> largest generic company in the South African market with clear leadership in the cardiovascular space.

#### **API**

API sales grew by 1.1% to Rs. 3,219 m. during Q2 FY2016 as compared to Rs. 3,183 m. during Q2 FY2015. Sales growth for H1 FY2016 was 6.0%.

#### **R&D**

Revenue expenditure on R&D for Q2 FY2016, amounted to Rs. 3,878 m., 12.2% of net sales as against Rs. 2,848 m., 9.1% of net sales during Q2 FY2015. Revenue expenditure for H1 FY2016 was Rs. 7,009 m., 11.2% of net sales as against Rs. 5,287 m., 8.3% of net sales during H1 FY2015.



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Lupin filed 5 ANDAs and received 7 approvals from the US FDA during the quarter. Cumulative ANDA filings with the US FDA stood at 220, as on September 30<sup>th</sup>, 2015 with the company having received 124 approvals to date. The Company has 35 First-to-Files (FTF) products which includes 15 exclusive FTF opportunities.

The Company received 2 MAA approvals during the quarter. Cumulative filings with European authorities now stand at 63 with the company having received 54 approvals to date.

#### **About Lupin Limited**

Headquartered in Mumbai, Lupin is an innovation led transnational pharmaceutical company producing and developing a wide range of branded & generic formulations, biotechnology products and APIs globally. 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 6<sup>th</sup> largest and fastest growing top 10 generics player in the US (5.5% market share by prescriptions, IMS Health) and the 3<sup>rd</sup> largest Indian pharmaceutical company by sales globally. The Company is also the fastest growing top 10 generic pharmaceutical players in Japan (ranked 8<sup>th</sup>) and South Africa (ranked 4<sup>th</sup> – IMS Health). For the financial year ended 31st March 2015, Lupin's Consolidated turnover and Profit after Tax were Rs. 125,997 million (USD 2.06 billion) and Rs. 24,032 million (USD 393 million) respectively.

Please visit <http://www.lupin.com> for more information.

You could also follow us on Twitter – [www.twitter.com/lupinlimited](http://www.twitter.com/lupinlimited)

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