

Laurus Labs Limited
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May 02, 2019

To The Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25 th Floor, Dalal Street Mumbai – 400001 Code: 540222	To The Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 Code: LAURUSLABS
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Dear Sirs,

Sub: Press Release

Please find herewith the Press Release of the results of Q4 and Year ended March 31, 2019.

Please take the information on record.

Thanking you,

Yours sincerely,
For **Laurus Labs Limited**

A handwritten signature in blue ink, appearing to read "G. Venkateswar Reddy".

G. Venkateswar Reddy
Company Secretary



LAURUS LABS REVENUE GREW 13.4% IN Q4 FY19

Q4 FY19 Revenues up 13.4%

Q4 FY19 EBITDA margins 17.9%

Q4 FY19 PAT INR 432 mn

Hyderabad, May 2, 2019: Laurus Labs Ltd. (Laurus BSE: 540222, NSE: LAURUSLABS, ISIN: INE947Q01010), a leading research and development driven pharmaceutical company in India announces its Q4 & FY19 results.

FY19 Laurus reported:

- Total net revenue INR. 22,919 mn
- EBITDA INR 3,712 mn, margins at 16.2 %
- PBT at INR 1,198 mn
- PAT at INR. 938 mn
- EPS (Diluted) for the period at INR. 8.8 per share (annualised)
- The Board of Directors have recommended a dividend of INR 1.5 per share.

Commenting on the results announcement, Dr.Satyanarayana Chava - CEO said;

“We have ended the financial year on a strong footing by growing revenues by 11.5%, with all the major business division recording a healthy growth. We are very excited for the new financial year, as our high growth businesses like Synthesis, Formulations and other APIs are on course to enter their robust growth phase. With the backward integration of our key intermediates in place and with a better product mix we have seen improvement in our gross margins. However, we are witnessing a shift in the ARV treatment.

During the quarter, we have demonstrated our FDF skills by completing our maiden TLD (Tenofovir, Lamivudine & Dolutegravir) shipment ahead of schedule for Global Fund, where we have a strategic partnership for 3.5 years. Also, we commenced commercial supplies of Lamivudine & Dolutegravir APIs. Our Synthesis business has recorded robust growth, and we expect the FDF + Synthesis businesses to drive our growth momentum. We will continue to invest in our R&D pipeline for all our key businesses. We are very happy to announce that the Board has recommended a Final Dividend of INR 1.5/Share of FV INR 10. I remain extremely optimistic on all our businesses with all the growth pivots in place for an exciting FY 20.”

Commenting on the results announcement, V V Ravi Kumar, ED & Chief Financial Officer said;

“Our Total Revenues grew by 11.5% for FY19 & 13.4% for the quarter. With our key business segments supporting growth, we have seen a healthy shift in our product mix which has led to improvement in Gross Margins & EBITDA margins sequentially. For the year FY 19 we have minimized our FOREX losses and ended the Q4 FY19 with no FOREX loss. Considering the challenges faced in FY19, we have undertaken various investments related initiatives which have started yielding results. Robust PAT growth has come on the back of improved top line and higher Operating Leverage.

With all the new units expected to contribute significantly in FY20 I remain confident of improvements in our Return Ratios. With major CAPEX behind us, we are working towards achieving positive FCF in FY 21.”

Business Highlights:

Overall

- Total Income at INR 22,919mn in FY19 (Y-o-Y) grown by 11.5 % and INR 6,352 mn during quarter grown by 13.4% Y-o-Y.
- R & D spent of INR 1,659 mn and 7.4% of sales in FY19.

Generic API

- Filed 238 patent applications and 81 patent granted as on March 31, 2019
- Capacity expansion completed for Lamivudine.
- Unit VI completed USFDA Inspection – EIR Received

Generic FDF

- Received approval for TLD under Global Fund-ERP which enables us to participate in various In-Country Tenders.
- Received TLD Approval from USFDA and expecting approval from WHO soon
- Tenofovir approved by WHO and USFDA and also in several EU countries.
- TLE600 filed in October -18 with USFDA & WHO; TLE400 filed in January -19 with USFDA & WHO
- 4 product validation completed for formulation apart from filling of 19 ANDAs & NDA
- FDF Opex of INR 1,391 mn which includes INR 684 mn related to the R&D in FY19.

Synthesis & Ingredients

- New Business opportunities from Innovator and small Biotech companies will accelerate further growth.
- Initiation of Integrated service offering (Drug Substance and Drug Product)

General

- Laurus Labs bags Express Pharma Business Excellence Award 2019.

-ENDS-

About Laurus Labs Limited

Laurus Labs is a leading research and development driven pharmaceutical company in India. The Company has grown consistently to become one of the leading manufacturers of Active Pharmaceutical Ingredients (APIs) for anti-retroviral (ARV) and Hepatitis C. Laurus also manufactures APIs in Oncology and other therapeutic areas. Its strategic and early investments in R&D and manufacturing infrastructure have enabled it to become one of the leading suppliers of APIs in the ARV therapeutic area. Initiatives are in place to develop Finished Dosages Forms capabilities on the back of existing strengths in APIs. The Company is also driving growth opportunities in the Synthesis and Ingredients businesses.
Corporate Identification No: L24239AP2005PLC047518

For more information about us, please visit <http://www.lauruslabs.com> or Contact particulars:

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DISCLAIMER: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Laurus Labs Limited (Laurus) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.