

Laurus Labs Limited
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August 3, 2018

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,

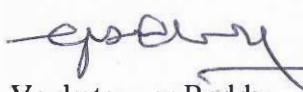
Sub: Press Release

Please find herewith the Press Release of the Results of the Quarter ended June 30, 2018.

Please take the information on record.

Thanking you,

Yours sincerely,
For Laurus Labs Limited


G. Venkateswar Reddy
Company Secretary



LAURUS LABS RECORDED 13% REVENUE GROWTH IN Q1 FY19

Q1 FY19 Revenues up 13%

Q1 FY19 EBITDA margins stood at 15.3%

Q1 FY19 PAT margins stood at 3.1%

Hyderabad, August 03, 2018: Laurus Labs Ltd. (Laurus BSE: 540222, NSE: Lauruslabs, ISIN: INE947Q01010), a leading research and development driven pharmaceutical company in India announces its Q1 FY19 results.

Q1 FY19 Laurus reported:

- Total net revenue stood at INR. 5,390 mn
- EBITDA stood at INR. 825 mn, margins at 15.3%
- PAT at INR. 166 mn, margins at 3.1%
- EPS (Diluted) for the period at INR. 1.6 per share (not annualised)

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

"We have started the new financial year with Revenue growth of 13%, mainly on the back of robust growth from ARV APIs, Oncology and Synthesis business. We continue to see significant growth in all the business segments except Hep-C which will remain muted. Product specific approvals from regulatory authorities for formulation products got delayed for US market. However, we have received Global fund ERP approval (Expert Review Panel) for TLD (Tenofovir Lamivudine and Dolutegravir) enabling us to participate in WHO and In-Country tenders. In addition, we have successfully completed several regulatory audits for formulation plant from various African Countries. The main reason for the lower profitability is due to increase in prices for the materials imported from China apart from lower sales of CMO APIs. We expect CMO APIs segment is expected to generate normal revenue from second quarter onwards. We are also in the process of developing in-house/alternative manufacturing source for the key materials which we are currently sourcing from China".

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

"Total Revenues in Q1 FY19 grew by 13%. The ARV API business continues to show a robust growth on the back of good volume off-take. We have witnessed significant pricing pressure on our key raw materials from China which has led to a gross margin around decline by 3%. Our PBT was lower on account of lower gross margin, rupee depreciation resulting in Forex loss and higher depreciation of assets. We have started taking initiatives to mitigate the Key Raw Material price risk by adding intermediate manufacturing in house, and with a healthy shift in our product mix and improved contributions from Synthesis & FDF businesses we expect our margins to improve."

AUGUST 03, 2018

Press Release



Business Highlights:

Overall

- Total Income stood at INR 5,390 Mn, grew by 12.7 %.
- R & D spent of INR 345 Mn and 6.5 % as percentage of revenue in Q1 FY19.

Generic API

- Successfully completed Russian GMP Inspection for Unit 1 & 3.
- Filed 227 patent applications and 63 patent granted as on June 30, 2018.
- Lamivudine production capacity is operational.

Generic FDF

- 5 product validations completed for formulation apart from filling of 13 ANDAs.
- FDF Opex of INR 274 Mn which includes INR 70 Mn related to the R&D during Q1 FY19.
- Formulations Unit 2, inspected by USFDA with Zero 483 observations and EIR received.
- Formulations Unit 2 successfully completed inspections from various countries like Tanzania, Uganda, Kenya, Zimbabwe & Malawi.
- Received Global fund ERP (Expert Review Panel) approval for TLD (Tenofovir, Lamivudine and Dolutegravir) enabling Laurus to participate in WHO and in Country tenders (ROW).

Synthesis & Ingredients

- Commenced commercial operations from Unit 4 for global partner C2 Pharma.
- Commenced commercial supplies from Unit 5 to Aspen.

General

- Laurus Labs is recognized as one of the Best Work Places in Biotechnology, Pharmaceuticals & Health Care sector for the year 2018.

-ENDS-



AUGUST 03, 2018

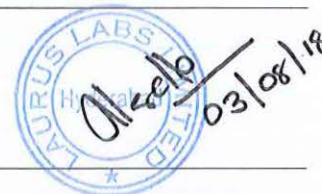
Press Release

About Laurus Labs Limited

Laurus 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.

AUGUST 03, 2018

Press Release