Lupin FY 05 Net Sales up 4% at Rs. 11,611 mn

- **Domestic revenues at Rs. 6,097 mn (Rs. 5,425 mn) – up 12%**
- **API Exports to advanced markets at Rs.1,830 mn (Rs. 1,556 mn) – up 18%**
- **14 ANDAs and 15 DMFs filed with USFDA**
- **Four COS and two EDMF filed for Europe**
- **R&D spend increases to 6.9% of net sales**
- **Developing and Licensing deal signed with Cornerstone BioPharma, Inc for NDDS system for anti-infective product**

BSE: 500257	NSE: LUPIN	REUTERS: LUPN.BO	BLOOMBERG: LPC IN

Mumbai, 20 May 2005: Lupin Limited net sales (net of excise duty and trade discounts) for the year ended March 31, 2005 increased by ***4***% to Rs.***11,611*** mn from Rs. ***11,193*** mn, a year ago. Higher marketing and sales promotion expenses, including for the US branded business, higher research and development expenses, lower margins of certain Pen G based products and the disruption caused by the uncertainty over implementation of VAT resulted in Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) dropping to Rs. ***1,458*** mn (Rs. ***2,802*** mn).

Net Profit was at Rs. ***844*** mn as against Rs. ***987*** mn (after extraordinary items) in the previous year.

The company continued its thrust on research and development with expenditure increasing to 6.9% of net sales. The company filed 14 ANDAs, 15 DMFs, 4 COS and 2 EDMFs during the year. Two molecules also entered clinical trials besides the two already undergoing trials. The company also made substantial progress in the EU, Japan, Australia and CIS markets with marketing arrangements and filings for regulatory approvals in multiple countries.

The consolidated net sales for the year ended March 31, 2005 were at Rs. ***12,611*** mn against Rs.***12,152*** mn. Net profit (after minority interest) was at Rs.***918*** mn, which also includes contribution by its US subsidiary, as against Rs.***868*** mn in the previous year. Branded revenues from the US market contributed by Suprax saw a significant increase in the last quarter (revenues - USD ***3.1*** mn).

Commenting on the performance Dr. Kamal Sharma, Managing Director said "FY 2004-05 was a year of investment for Lupin. We invested both in setting up a marketing network in the US and in boosting our R&D capabilities and are now poised to reap the benefits of these initiatives in the years to come. This is evident from the first major development of FY 2005-06 which saw Lupin signing a development and

licensing agreement with Cornerstone BioPharma Inc. for clinical development of a novel drug delivery system (NDDS) for an anti-infective product."

HIGHLIGHTS

APIs and finished products to advanced markets

- Total revenues from the advanced markets of North America and Europe, Active Pharmaceutical Ingredients (API) and finished dosages taken together, were at Rs.***2,020 m***n (Rs. ***2,289*** mn).
- Revenues from exports of APIs to the advanced markets of North America and Europe were up ***18*** % at Rs.***1,830*** mn (Rs.***1,556*** mn).
- After a sluggish start, Suprax has shown an increase in prescriptions written for the brand, currently at 30% to Wyeth Rx (before it was taken off the market).

APIs to developing markets

- Revenues from APIs to developing markets (including India) were at Rs.***4,630*** mn (Rs. ***4,421*** mn).
- Of this, export revenues were at Rs.***3,161*** **m**n (Rs. ***3,089*** mn). The year saw a decline in revenues on account of reduction in prices of Pen G based products.
- API revenues from the domestic market were at Rs.***1,470*** mn (Rs.***1,333*** mn), a growth of 10%.

Finished products to developing markets

- Revenues from finished products to the developing market including India increased by ***11***% to Rs.***4,889*** mn (Rs.***4,394*** mn).
- Despite reduced off-takes by the trade on account of uncertainty over the implementation of VAT in the fourth quarter, domestic finished dosage sales increased by 14% at Rs. ***4,556*** mn (Rs.***4,005*** mn).
- Exports to developing markets were at Rs. ***333*** mn (Rs.***390*** mn).
- A testimony to Lupin's strong equity with chest physicians, the company has achieved a handsome market share in the anti-asthma segment within a short period since its launch.

Research And Development

- 14 ANDAs filed during the year; cumulative 19 to date of which five have been approved
- 15 DMFs filed with the US FDA. Cumulative 30 filed till date.
- Four COS and two EDMFs filed. Cumulative 75+.
- Four molecules are in clinical development.