

Press Release

Strides Arcolab announces Q3'13 Results

Bangalore, November 14, 2013 Strides Arcolab (BSE: 532531, NSE: STAR) today announced its financial results for the Quarter ended September 30, 2013.

Highlights

Source: Management Accounts

Global Pharma

- Consolidated Pharma Revenues for YTD Sep'13 at Rs.709 Crores with an EBITDA of Rs.141 Crores, impacted by an Exchange Loss of Rs.21 Crores (EBITDA Margin of 20%)
- Adjusted for Exchange Loss, YTD Sep'13 EBITDA at Rs.162 Crores, EBITDA Margin of 23%
- Pharma business Revenues at 71% of Guidance and EBITDA adjusted for Exchange Loss at 81% of Guidance
- The company reaffirms the guidance for the year on Revenues of Rs.1000 Crores with an EBITDA of Rs.200 Crores
- Q3'13 Consolidated Pharma Revenues at Rs.246 Crores with an EBITDA of Rs.39 Crores, impacted by an Exchange Loss of Rs.7 Crores
- Adjusted for Exchange Loss, Q3'13 EBITDA at Rs.46 Crs, EBITDA Margin of 19%
- Q3'13 Consolidated Pharma EBITDA grew by 82% (Rs.39 Crores in Q3 2013 against Rs.22 Crores in Q3 2012)

Biotech

- Biotech business rebranded as Stelis Biopharma
- Stelis Biopharma signed a Research Collaboration Agreement with Bio-Scaffold International Pte Ltd to develop scaffolds loaded with BMP and stem cells for various medical applications
- Product development progressing as per schedule for commercialization in early 2015

Pharma Regulatory Update

- 46 filings as on date with USFDA with 18 pending approvals
- Received US FDA approval for Italian semi solids and Ointment facility (Beltapharm)
- Received ANDA approval from USFDA for Tenofovir Disoproxil Fumarate and Emtricitabine Tablets

“In spite of a subdued quarter and delay in product approvals for the US Market, the company is confident of meeting its guidance for the year” said Arun Kumar, Vice Chairman and Group CEO, Strides Arcolab Limited.

Standalone Financials

	(Rupees in Crores)		
	YTD Sep '13	YTD Sep '12	Growth %
Revenues	601	545	10%
EBITDA	136	97	40%
PBT	36	(18)	100+%
PAT	36	(18)	100+%
EPS	Rs.6.09	(Rs.3.06)	100+%

	(Rupees in Crores)		
	Q3 '13	Q3 '12	Growth %
Revenues	225	198	13%
EBITDA	51	39	32%
PBT	5	30	-82%
PAT	2	30	-93%
EPS	Rs.0.38	Rs.5.13	-93%

Source: unaudited standalone financials

Note: Management has opted to report standalone financials, which captures the Pharma business. Management opted out of reporting consolidated financials as the Agila business is in transition consequent to the sale of Agila business to Mylan Inc., as announced in February 2013.

Agila Update

- The company had received a warning letter from USFDA for its injectable facility in Bangalore (Sterile formulation facility). The Company took various voluntary remedial actions to address the concerns raised by the USFDA and has responded suitably within the stipulated timelines.
- The transaction with Mylan announced in February 2013 is expected to close in Q4 '13.



About Strides Arcolab

Strides Arcolab, listed on the Bombay Stock Exchange Limited (532531) and National Stock Exchange of India Limited (STAR), is a global pharmaceutical company headquartered in Bangalore, India, that develops and manufactures a wide range of IP-led niche pharmaceutical products with an emphasis on sterile injectables.

The company has 14 manufacturing facilities across 6 countries with presence in more than 75 countries in developed and emerging markets. Manufacturing is ably supported by a 350-scientist strong global R&D Centre located in Bangalore.

Additional information is available at the Company's website at www.stridesarco.com.

For further information, please contact:

<p><u>Strides</u></p> <p>Badree Komandur, CFO +91 80 6784 0747</p> <p><u>Investors:</u></p> <p>Mr. Kannan N: +91 98450 54745 Mr. Vikesh Kumar +91 80 6784 0827</p>	<p><u>PR Consultancy</u></p> <p>Weber Shandwick</p> <p>Kaveri Mandanna: +91 90089 59697 KMandanna@webershandwick.com</p> <p>Mahesh Nair: +91 98803 76648 MNair@webershandwick.com</p>
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