Press Release

Global Pharma business meets FY 2013-14 Guidance,
Revenues at INR 1,375 Crores with an EBITDA of INR 261 Crores*
EBITDA Margin at 19% against 11% in 2012
Board Recommends Dividend of Rs.5 per share (50%)

***Adjusted for Exchange Loss, FY 2013-14 EBITDA at INR 289 Crs, EBITDA Margin at 21%**

Bangalore, May 23, 2014 Strides Arcolab (BSE: 532531, NSE: STAR) today announced its financial results for the Quarter ending March 31, 2014 and Financial Year ending March 31, 2014.

Note: Financial year changed from Jan-Dec to April-March. Consequently Financial Year 2013-14 is for 15 months ending March 2014. Hence, numbers for the two periods are not comparable.

Highlights

Global Pharma

- Meets Revenue Guidance of INR 1,280 Crs & EBITDA guidance of INR 260 Crs
- Global Pharma Revenues for FY 2013-14 at INR 1,375 Crores with an EBITDA of INR 261 Crores, impacted by an Exchange Loss of INR 27 Crores (EBITDA Margin of 19%)
- Adjusted for Exchange Loss, FY 2013-14 EBITDA at INR 289 Crores, EBITDA Margin of 21%

- Q5'14 Consolidated Pharma Revenues at Rs.340 Crores with an EBITDA of Rs.59 Crores
- Adjusted for Exchange Loss, Q5'14 EBITDA at Rs.64 Crores, EBITDA Margin of 19%
- Revenues driven by a strong quarter for Institutional business

- Continued US FDA approval status for Oral Dosage Facility, Bangalore
- 26 USFDA filings with 17 pending approvals. 19 USFDA PEPFAR filings with 16 tentative approvals

** Global Pharma Revenues and EBITDA exclude INR 27 Crores of Interest & Investment Income earned by the group during FY 2013-14*

Business Highlights

- Regulated Markets' Revenues grew from INR 356 Crores in 2012 to INR 506 Crores in FY 2013-14 in spite of delayed approvals in the US market
- Emerging Markets' Revenues grew from INR 218 Crores in 2012 to INR 335 Crores in FY 2013-14 driven by strong expansion in the African business with addition of 5 new countries and over 100 new field staff. Total Africa business spans 27 countries with 350 Employees
- Institutional Business' Revenues grew from INR 352 Crores in 2012 to INR 534 Crores in FY 2013-14. During the year the company also launched its Anti-Malarial product in the Institutional business

Biotech

- Stelis Biopharma the wholly owned division of Strides commenced R&D activities in its new centre in Bangalore
- Commencement of construction activities at its greenfield site in Malaysia is deferred to Q3'2015 due to delays in local approvals
- EBITDA negative of INR 41 Mn for FY 2013-14

Guidance

- The company has decided to defer guidance due to
    - Consequent to the recent successful facility approval by USFDA, the company expects important product approvals which could result in significant upsides in the US market
    - The Anti-Malarial business is undergoing a change in procurement mechanism and could have significant impacts on the future of this business
- The company will revisit its guidance policy at the end of H1 of the financial year

Commenting on the results, Arun Kumar, Founder and Group CEO, stated "Post the divestment of Agila, I am pleased with the improved quality of our continuing pharmaceutical business and improvements in our EBITDA margins and cash flows. We are committed to build a sustainable and scalable business in niche products for the regulated markets and a powerful emerging market platform in the near term"

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.

The Company has 5 manufacturing facilities presence in more than 75 countries in developed and emerging markets.

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

For further information, please contact:

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