

**PRESS RELEASE**

**Noida, Friday, Feb 1, 2019**

## **JUBILANT LIFE SCIENCES – Q3 & 9M'FY19 RESULTS**

- **JUBILANT REPORTS RECORD PERFORMANCE IN Q3'FY19**
- **Revenue up 15% YoY to Rs. 2,377 Crore; EBITDA up 24% YoY to Rs 522 Crore**
- **PAT at Rs. 261 Crore up 23% YoY with EPS of Rs. 16.7 per share**

The Board of Jubilant Life Sciences Limited, an integrated global pharmaceutical and life sciences company met today to approve financial results for the quarter ended December 31, 2018.

**Commenting on the Company's performance, Mr. Shyam S Bhartia, Chairman and Mr. Hari S Bhartia, Co-Chairman & Managing Director, Jubilant Life Sciences said:**

*"The continued record performance in revenues and profits is driven by robust results in all key businesses in the Pharmaceuticals segment, especially in our CDMO and US Generic businesses. We expect to continue healthy performance going forward in the Pharmaceuticals segment and steady performance in Life Science Ingredients segment and generate adequate cash to invest to support our growth and reduce the debt for a strong balance sheet."*

### **Q3'FY19 Highlights**

#### **Consolidated**

- Consolidated revenue at Rs. 2,377 Crore, up 15% YoY
- EBITDA up 24% YoY to Rs. 522 Crore, with EBITDA margin of 22%
- Finance costs at Rs 68 Crore as compared with Rs 77 Crore last year. Finance costs include borrowing costs of Rs. 53 Crore and non-cash Stock Settlement charge of Rs. 15 Crore
- PAT at Rs. 261 Crore up 23% YoY with Net margin at 11.0% and EPS of Rs. 16.7 for Re. 1 FV
- Capital Expenditure of Rs. 134 Crore
- Net debt reduction of Rs 46 Crore during the quarter

### **Segment Wise Analysis**

#### **A. Pharmaceuticals Segment**

- Pharmaceuticals revenue at Rs. 1,418 Crore, up 29% YoY, contributing 60% to the company's revenues
- Segment EBITDA at Rs 393 Crore, up 63% YoY
- EBITDA margin stood at 27.7%, up from 22% last year
- R&D spent during the quarter of Rs. 64 Crore – 4.5% to segment sales. R&D debited to P&L is Rs. 52 Crore – 3.7% to segment sales



## B. Life Science Ingredients Segment

- LSI revenue of Rs. 899 Crore, down 3% YoY contributing 38% of the company's revenues
- LSI segment's EBITDA at Rs. 126 Crore vs. Rs 206 Crore last year
- EBITDA margin was recorded at 14% in Q3'FY19 vs 22.3% in Q3 last year

## C. Others Segment

- Revenues at Rs. 60 Crore, growing 23% YoY and contributing 3% to company's total revenues
- Segment's EBITDA at Rs. (0.2) Crore as compared to Rs. (4) Crore in Q3'FY18

## 9M'FY19 Highlights

### Consolidated

- Consolidated revenue at Rs. 6,725 Crore, up 28% YoY
- EBITDA up 32% YoY to Rs. 1,423 Crore with EBITDA margin of 21.2%
- Finance costs at Rs. 204 Crore, lower by 4% YoY. Finance costs include borrowing costs of Rs. 158 Crore and non-cash Stock Settlement charge of Rs. 46 Crore
- PAT at Rs. 674 Crore up 38% YoY, with Net Margins at 10% and EPS of Rs. 43.2 for Re. 1 FV
- **Capital Expenditure** of Rs. 402 Crore
- **Gross Debt** at Rs. 3,800 crore and **Net debt** at Rs. 3,282 Crore including mandatory convertible loan of US\$56.4 Mn with the conversion option at IPO of Jubilant Pharma
  - Net debt at Rs. 3,118 Crore on a constant currency basis, with debt reduction of Rs. 113 Crore during 9M'FY19
  - **Average blended interest rate** for 9M'FY19 at 6.18% pa – Re loans @ 8.43%, \$ loans @ 4.85%

## Segment Wise Analysis

### A. Pharmaceuticals Segment

- Pharmaceuticals segment's revenue up 42% YoY in 9M' FY19 to Rs. 3,925 Crore contributing 58% to the company's revenue as compared to 52% in 9M'FY18
- EBITDA of Rs. 1,099 Crore, up 57% YoY with margins of 28%
- R&D of Rs. 177 Crore – 4.5% to segment sales. R&D debited to P&L is Rs. 138 Crore – 3.5% to segment sales

### B. Life Science Ingredients Segment

- LSI revenue at Rs. 2,633 Crore, up 12% YoY, contributing 39% to the company's revenues
- Segment's EBITDA was recorded at Rs 344 Crore as compared to Rs 445 Crore last year
- EBITDA margin stood at 13.1%

### C. Others Segment

- Revenues at Rs. 168 Crore, up 17% and contributing 2% to total revenues
- EBITDA was at Rs. 7 Crore as compared to Rs. (14) Crore

### Outlook

We maintain guidance of better performance in H2'FY19 as compared to H1'FY19 in both Pharmaceuticals and LSI segments driven by growth in existing products and capacity expansions for new product launches. The company has in place strategic levers for growth in revenues and profitability over the medium term. We continue to work towards strengthening of the balance sheet by reducing debt and thereby improving financial ratios.

Particulars	Q3 FY 18	Q3 FY19	YoY Growth	9M FY18	9M FY 19	YoY Growth
	(Rs Crs)		(%)	(Rs Crs)		(%)
<b>Total Revenue from Operations (Net of Excise)</b>	<b>2068</b>	<b>2377</b>	<b>15%</b>	<b>5266</b>	<b>6725</b>	<b>28%</b>
<b>Pharmaceuticals</b>	<b>1096</b>	<b>1418</b>	<b>29%</b>	<b>2762</b>	<b>3925</b>	<b>42%</b>
Specialty Pharmaceuticals	612	757	24%	1352	2134	58%
CDMO	298	377	27%	838	1026	22%
Generics	187	284	52%	573	765	34%
<b>Life Science Ingredients</b>	<b>922</b>	<b>899</b>	<b>(3%)</b>	<b>2361</b>	<b>2633</b>	<b>12%</b>
<b>Others (incl. Drug Disc. and India Branded Pharma)</b>	<b>49</b>	<b>60</b>	<b>23%</b>	<b>143</b>	<b>168</b>	<b>17%</b>
<b>Total Expenditure</b>	<b>1651</b>	<b>1884</b>	<b>14%</b>	<b>4245</b>	<b>5344</b>	<b>26%</b>
Other Income	3	29	801%	17	42	147%
<b>Segment EBITDA</b>	<b>443</b>	<b>519</b>	<b>17%</b>	<b>1131</b>	<b>1450</b>	<b>28%</b>
<b>Pharmaceuticals</b>	<b>241</b>	<b>393</b>	<b>63%</b>	<b>700</b>	<b>1099</b>	<b>57%</b>
Specialty Pharmaceuticals	177	213	20%	535	619	16%
CDMO	65	124	92%	179	333	86%
Generics	(1)	56	-	(13)	147	-
<b>Life Science Ingredients</b>	<b>206</b>	<b>126</b>	<b>(39%)</b>	<b>445</b>	<b>344</b>	<b>(23%)</b>
<b>Others (incl. Drug Disc. and India Branded Pharma)</b>	<b>(4)</b>	<b>(0)</b>	<b>-</b>	<b>(14)</b>	<b>7</b>	<b>-</b>
Corporate (Expenses)/Income	(23)	4	-	(54)	(27)	-
<b>EBITDA</b>	<b>420</b>	<b>522</b>	<b>24%</b>	<b>1078</b>	<b>1423</b>	<b>32%</b>
Depreciation and Amortization	82	98	20%	233	276	18%
Finance Cost	77	68	(11%)	212	204	(4%)
<b>Profit before Tax</b>	<b>261</b>	<b>356</b>	<b>36%</b>	<b>633</b>	<b>944</b>	<b>49%</b>
Tax Expenses (Net)	48	88	82%	151	266	77%
Minority Interest	0	7	-	(6)	4	-
<b>Net Profit After Tax and Minority Interest</b>	<b>213</b>	<b>261</b>	<b>23%</b>	<b>488</b>	<b>674</b>	<b>38%</b>
<b>Earnings Per Share - Face Value Re. 1 (Rs.)</b>	<b>13.6</b>	<b>16.7</b>	<b>23%</b>	<b>31.3</b>	<b>43.2</b>	<b>38%</b>
<b>Segment EBITDA Margins</b>	<b>21.4%</b>	<b>21.8%</b>	<b>39</b>	<b>21.5%</b>	<b>21.6%</b>	<b>8</b>
Pharmaceuticals	22.0%	27.7%	574	25.4%	28.0%	264
Life Science Ingredients	22.3%	14.0%	(831)	18.9%	13.1%	(577)
Others (incl. Drug Disc. and India Branded Pharma)	-7.5%	-0.3%	726	-9.8%	4.1%	1,393
<b>EBITDA Margin</b>	<b>20.3%</b>	<b>22.0%</b>	<b>166</b>	<b>20.5%</b>	<b>21.2%</b>	<b>70</b>
<b>Net Margins</b>	<b>10.3%</b>	<b>11.0%</b>	<b>69</b>	<b>9.3%</b>	<b>10.0%</b>	<b>75</b>

Note: Other Income in Q3'FY19 includes forex gain of Rs 25 Crore on account of loan restatement



### **Earnings Call details**

The company will host earnings call at 5.00 PM IST on Feb 1, 2019, to discuss the performance and answer questions from participants.

Participants can dial-in on the numbers below

Primary Number: + 91 22 6280 1141 / + 91 22 7115 8042

Local Access Number: +91-7045671221 (Available all over India)

Toll Free Numbers:

USA: 1 866 746 2133

UK: 0 808 101 1573

Singapore: 800 101 2045

Hong Kong: 800 964 448

### **About Jubilant Life Sciences Limited**

Jubilant Life Sciences Limited is an integrated global pharmaceutical and life sciences company engaged in Pharmaceuticals, Life Science Ingredients and Other businesses including Drug Discovery Solutions and India Branded Pharmaceuticals. The Pharmaceuticals segment, through its wholly owned subsidiary Jubilant Pharma Limited, is engaged in manufacturing and supply of APIs, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products and Contract Manufacturing of Sterile Injectibles and Non-sterile products through 6 USFDA approved manufacturing facilities in the US, Canada and India and a network of over 50 radio-pharmacies in the US. The Life Science Ingredients segment, is engaged in Specialty Intermediates, Nutritional Products and Life Science Chemicals through 5 manufacturing facilities in India. The Drug Discovery Solutions business, provides proprietary in-house innovation & collaborative research and partnership for out-licensing through 2 world class research centers in India. Jubilant Life Sciences Limited has a team of around 7,700 multicultural people across the globe and is committed to deliver value to its customers across over 100 countries. The Company is well recognized as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally. For more info: [www.jubl.com](http://www.jubl.com).

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