



Press Release

Lupin Q3 FY 08-09 – Strong Growth & Consistent Performance

Consolidated Sales up 32% to Rs. 9719 Mn, Net Profit - Rs 1165 Mn

Key Highlights

- Gross Sales up 32% to Rs. 9719 Mn
- EBITDA margin at 18% Rs. 1761 Mn, up 19%*
- Net Profit at Rs. 1165 Mn, an increase of 16%*
- Business Mix:

Formulations: Rs. 8227 Mn (85%)

International Markets: Rs. 6505 Mn (67%)

APIs: Rs. 1492 Mn (15%)

Domestic Market: Rs. 3214 Mn (33%)

BSE: 500257	NSE: LUPIN	REUTERS: LUPIN.BO	BLOOMBERG: LPC IN
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*Note – * normalized by excluding IP income in Q3 FY0708*

Figures in brackets indicate figures for the previous year

Mumbai, January 29, 2009: Pharma Major, Lupin Limited, today reported revenues of Rs. 9719 mn for the quarter ended December 2008, a rise of 32 % from revenues of Rs. 7381 mn in the corresponding period last year.

International market revenues at Rs. 6505 mn, recorded a rise of 48%. Of these, Formulation Business in Advanced Markets constituted 77% at Rs. 4990 mn.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) were Rs. 1761 mn (Rs. 1477 mn*) a rise of 19%. After Interest and Finance charges of Rs. 146 mn (Rs. 101 mn) and Depreciation of Rs. 219 mn (Rs.175 mn), Profit before Tax grew by 16% to Rs. 1396 mn (Rs. 1202 mn*). Provision for taxation including Fringe Benefit Tax was Rs. 219 mn (Rs. 201 mn*)

Net profit for the quarter was at Rs. 1165 mn. Increase in Net Profit for quarter over the corresponding quarter in the previous year (adjusted for IP income) works out to 16%.

For like representation IP income of Rs 1127 mn for the corresponding quarter of the previous year has been excluded to make the quarters comparable on an operational basis.

Commenting on the Company's business results, Dr. Kamal Sharma, Managing Director, Lupin, said,

"The past ten quarters have been noteworthy. We have continued to outpace and outperform across business segments and markets consistently having steadily consolidated our footprint globally. Recent launches, product approvals and patent settlements, substantial growth in filings, and more importantly - growth in market shares - are an affirmation of the success of our "Strategic Approach" & the effectiveness of our "Go to market" programs. Our strengths in Research & Development and the quality of our Intellectual property is a testimony to Lupin's vision & commitment to developing and delivering quality & cost-effective drugs for everybody."

Operational Summary

- Growth in overall Sales in the U.S - Continued Market Leadership in 7 of the 20 products in the market.
- Litigation Settlement with Schering-Plough Corporation for Desloratadine®
- Hormosan AOK Tender win
- Substantial Growth in Filings with two potential First to Files.
- Domestic Formulations Business at Rs. 2791 mn - outpaces and outperforms the market with a growth of 27% on net sales basis. (Industry growth as per IMS MAT Nov 08 - 10.3%)

Advanced markets

The Company's Advanced markets formulation business in USA and Europe clocked in sales of Rs 3405 mn during the Q3, 2008-09, (Q3 2007-08: Rs 2297 mn) reporting a growth of 48%

USA

LPI has garnered a steady growth in prescriptions for generics as well as branded formulations during the quarter. The company achieved market leadership in 7 of the 20 products in the US markets (IMS Sept 08).

Lupin also settled all ongoing Hatch-Waxman litigation relating to Desloratadine tablets, the generic version of Schering-Plough's "Clarinx"® tablets during the quarter. As per the terms of the settlement, Lupin Ltd. will be licensed under the relevant Desloratadine patents, and free to commercially launch its generic Desloratadine product, on July 1, 2012, or earlier in certain circumstances.

Schering-Plough's Clarinex® tablets had U.S. sales of \$329 million for the year 2007-MAT June 2008, according to IMS Health.

Europe

Lupin further consolidated its market position in Europe by completing its acquisition of Hormosan Pharma GmbH (Hormosan), a German generics company specialized in the supply of pharmaceutical products for the Central Nervous System (CNS).

Lupin also reported its first strategic win in the German market through Hormosan in the very first three months post-acquisition - having received information on the results of the Allgemeine Ortskrankenkassen (AOK) Tender, pursuant to § 130a SGB V. Hormosan has been offered 1 products in all 5 regions of Germany covering all AOK-insured persons. The AOK tender process is currently under judicial review.

Hormosan has a strong brand identity in the German generics market through its strong patient compliance message, essential for patients within the CNS sector.

Emerging Markets:

The **Formulations** revenues from emerging markets including India reported a growth of 24% recording sales of Rs 3236 Mn during Q3, 2008-09 (Rs 2605 Mn, 2007-08)

API revenues from emerging markets (including India) were at Rs 1328 Mn. The Company's CRAMS business through the new entity Novodigm is progressing well, reporting sales of Rs 125 mn for the third quarter. .

Domestic Market: India:

Company's domestic formulations business in the third quarter registered gross Sales of Rs. 2791, registering a growth of 27% at the net sales level. For better representation, the sales arising from deemed exports of Rs. 104 mn (Rs.93 mn), and formerly recorded under domestic sales have not been classified along with the domestic formulations business. This growth was driven by the good performance in the CVS, Diabetes, CNS, Asthma and Gastro Segments. The divisions catering to branded segments continued to outpace the industry growing over 29%. Lupin has maintained its leadership in Anti-TB segment and has secured a double digit market share in the anti-asthma market riding high on the strengths of its offerings in this segment.

Other World Markets

The RoW Markets reported sales of Rs 445 Mn for the third quarter recording a growth of 40%.

Japan

Kyowa, the Company's subsidiary in Japan posted robust sales at Rs 1319 mn registering a growth of 21% over the corresponding period of previous year. The recently launched Amlodipine "Amel" continues to maintain majority market share and Risperidone "Amel", which was launched last year, continued market leadership in unit terms.

South Africa

Lupin also completed and consolidate its acquisition of a majority stake in Pharma Dynamics (PD) in South Africa. Pharma Dynamics is the fastest growing generic companies in South Africa (over 33% growth for Quarter 3 - 08-09) with a clear leadership in the cardiovascular segment.

PD ranks at number 6 amongst generic companies and is currently growing at 33% per annum as per IMS. The South African Generics Market is currently valued at close to 800 Million USD and growing rapidly.

Research & Development

Progress on Approvals & Filings

Lupin also filed Seven ANDAs filed in the quarter, taking the cumulative ANDA filings total to 76. The company has received 32 approvals to date including Levetiracetam, which has already been launched. Four (4) DMF filings have been made in the quarter, taking the total to 79. The company also filed four (4) MAAs with the European regulatory authorities.

Two (2) Potential first to files were filed in the quarter. Furthermore, litigation was initiated against Lupin on filing the generic versions of Fortamet ER (Metformin extended release tablets) and Antara (Fenofibrate tablets) during the quarter. The company believes that it is the first to file on both. The total tally of first to files stands at eight (8).

About Lupin Limited

Headquartered in Mumbai, India, **Lupin Limited** is an innovation led transnational pharmaceutical company producing a wide range of quality, affordable generic and branded formulations and APIs for the developed and developing markets of the world. The Company has secured global leadership position in Anti-TB and Cephalosporins and has a significant presence in the areas of Cardiovasculars (prils and statins), Diabetology, Asthma and NSAIDs. The Company's R&D endeavors have resulted in significant progress in its NCE program. The Company's foray into Advanced Drug Delivery Systems has resulted in the development of platform technologies that are being used to develop value-added generic pharmaceuticals.

Currently positioned amongst the top six pharmaceutical companies of India, the Company is committed to achieve sustainable earnings and growth for all its stakeholders.

For the financial year ended March 2008, the Lupin's Revenues and Profit after Tax were Rs.27,730 million (US\$ 694 million) and Rs.4,083 million (US\$ 102 million) respectively.

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