



Press Release
Outpacing Markets Globally

Lupin FY 2009-10 Consolidated Net Profits up 36% to Rs 6816 mn
Q4 2009-10 Consolidated Net Profits up 40% at Rs. 2206 mn

BSE : 500257	NSE: Lupin	REUTERS: LUPN.BO	BLOOMBERG: LPC IN
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Mumbai, May 05, 2010: Leading transnational pharmaceutical major, Lupin Limited, reported strong performance for the fourth quarter and financial year ended March 31st, 2010. These audited results were taken on record by the Board of Directors at a meeting held in Mumbai today.

Key Highlights - Consolidated FY 09-10

- Net sales grew at 26% to Rs. 47,405 mn (FY 2009-10) from Rs. 37,759 mn (FY 2008-09).
- Net profits grew at 36% to Rs. 6,816 mn (FY 2009-10) compared to Rs 5,015 mn (FY 2008-09).
- EBITDA margin increased to 21.1% from 19.7% in FY 2008-09.
- International business increased by 29.4% to Rs. 31,966 mn (FY 2009-10) from Rs. 24,701mn in FY 08-09.
- Advanced markets sales (US, Europe, Japan) increased 34% over last year and stood at 49% of the Gross Sales for the year.
- Advanced Markets Formulation sales to US and EU grew by 39% to Rs 17,893 mn (FY 2009-10) from Rs 12,916 mn (FY 2008-09).
- Lupin ranked the 8th largest Generic player in the U.S. in terms of prescriptions (IMS Health).
- Lupin also remains the fastest growing Top 10 generic player in the U.S. for the second year running, growing at 51.1 % (IMS Health).
- 12 out of 25 generic products marketed in the U.S. rank No 1 by market share.
- 22 out of 25 generic products in the U.S. rank in the Top 3 by Market share.
- Domestic Formulations Business grew at 18% to Rs. 13,008 mn.
- Lupin's Japanese subsidiary, Kyowa contributed to 11% of total company revenues , Rs. 5,341 mn registering a growth of 21%.
- Lupin's South African subsidiary, Pharma Dynamics grew 57% to Rs. 1,328 Mn.

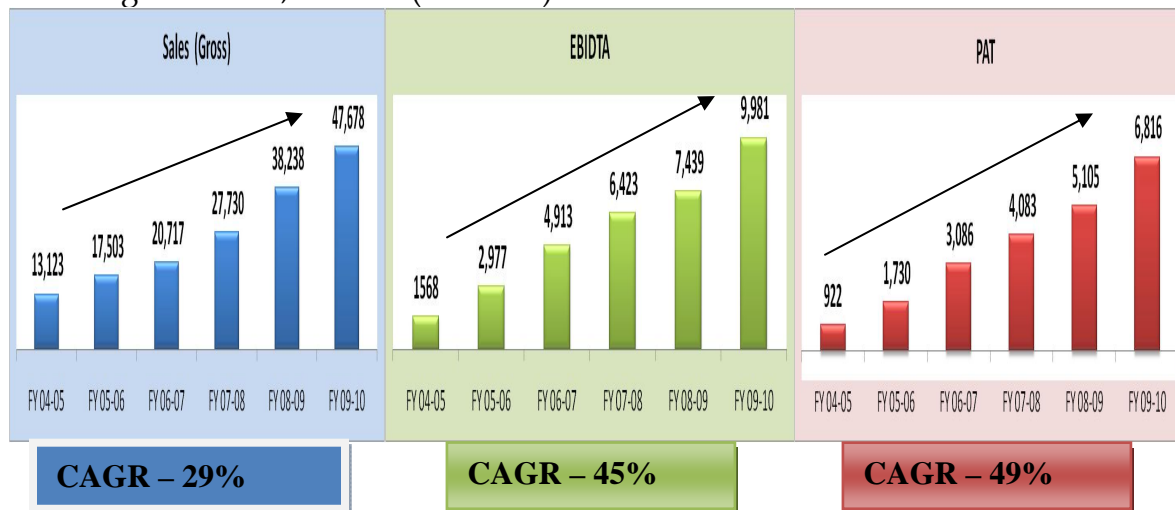
- Multicare Pharmaceuticals registered a sales growth of 25.6%. It is now the 10th largest and the 2nd fastest growing top 10 generic player in the Philippines.
- Record Filings - 37 ANDA's and 19 DMF's with the U.S. FDA, 14MAA's were filed with European Authorities during FY 2009-10
- Successfully cleared Warning Letter on Mandideep in 7.5 months
- Successful licensing of Rifaximin, drug delivery system to Salix of U.S.
- Dividend Announcement of 135%
- The board also approved the split of shares from a face value of Rs. 10 per share to a face value of Rs. 2 per share subject to shareholder approval.

Balance Sheet Highlights

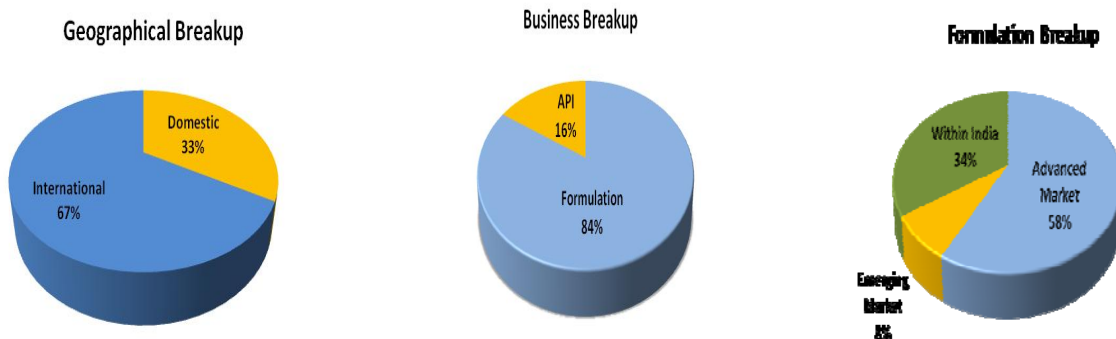
- Net Operating Working capital increased only by 4.3% from 11,388 Mn (FY 2008-09) to Rs. 11,907 Mn as on 31st March 10, despite a 26% increase in net sales reflecting further optimization on the working capital front.
- Capital Expenditure during the Year - Rs. 4,433 Mn.
- Debt Equity Ratio improved to 0.35 as on 31st March 2010 from 0.62 as on 31st March 2009.
- All outstanding FCCBs were converted during the year.

Profit & Loss Highlights

- Material cost reduced by 1% of Net Sales to Rs. 19,694 Mn. during the FY 2009-10 as against Rs. 16,043 Mn. (FY 2008-09).
- Personnel cost remained constant at 12% of Net Sales, at Rs. 5,872 Mn. during the FY 2009-10 as against Rs. 4,549 Mn.(Excl VRS Cost) (FY 2008-09).
- Selling, General and Administrative costs increased marginally to 28% of Net Sales at Rs. 13,303 Mn. from 27% (FY 2008-09).
- Revenue Expenditure on R&D amounts to Rs. 3,570 Mn., 7.5% to Net sales as against Rs. 2,318 Mn. (FY 08-09).



(All Figures are in Rs. Mn)



Key Highlights for the Quarter Q4 FY 08-09

- Net sales growth for Q4 FY 2009-10 was 23% at Rs. 12,848 mn.
- Advanced markets sales (U.S., EU & Japan) grew 33% to Rs 7,134 mn over Q4 FY 2008-09.
- Net profit for Q4 FY 2009-10 grew at 40.2% and stood at Rs. 2,206 mn compared to Rs 1,574 mn in Q4 FY 08-09.

Commenting on the performance, Dr. Kamal K Sharma, Managing Director, Lupin Limited, said,

“In keeping with the momentum generated by 16 quarters of consistent performance we continue to outpace markets globally. Engineered by design and as expected, Lupin has had a very strong year where we have continued to outperform across business segments and markets; with robust Growth in Advanced Markets, solid domestic growth and increased presence in emerging markets.

Recent launches, product approvals and patent settlements, substantial growth in filings, the creation of one of the largest high-quality generic pipelines globally and our continued investments in building up a scalable brands and specialties business are keystones of the success of our Differentiated Business Approach, all built on the back of flawless execution.

I am pleased to say that Lupin today has the unique distinction of being the fastest growing top 10 Generics player in the U.S., Japan, South Africa and the Philippines even as we continue to expand and garner larger market shares in these markets.

Keeping in view the interest of the retail investors and to facilitate greater retail participation, I am also very happy to announce that the board has approved a share split from Rs. 10 per share to Rs. 2 per share.

Financials:

Advanced markets - U.S. & Europe

Lupin continued its growth momentum in the U.S. and Europe with it contributing a healthy 38% of total revenues at Rs. 17,893 mn. (Formulations).

USA:

The company's U.S. business reported stellar performance recording sales of Rs. 16,497 mn reflecting a growth of 39% as compared to Rs. 11,846 mn in FY 2008-09. Lupin's Generic and Brand business recorded exponential growth during the financial year.

More importantly, FY 2009-10 saw Lupin expanding its brands portfolio with the acquisition of AllerNaze, an Intra-Nasal Steroid and Antara, an anti-cholesterol drug. The brand business contributed 37% of the overall US revenues with a turnover of USD 127 mn, growing by 72% during FY 09-10 as compared to USD 74 mn (FY 08-09).

The company further expanded and consolidated on its generic product portfolio in the U.S. Lupin today, is the 8th largest Generic player in the U.S. in terms of prescriptions. Lupin also remains the fastest growing Top 10 generic player in the U.S. for the second year running, growing at 51.1 % (IMS Health). 12 out of 25 generic products in the U.S. rank No 1 by market share and 22 out of these 25 products in the U.S. rank in the Top 3 by Market share

During the year, the company demonstrated its capabilities on the Intellectual Property management front by successfully settling all ongoing litigation with Novartis on Lotrel (Benazepril/Amlodipine) capsules. The company launched the product in February, 2010. Lupin Ltd. also successfully litigated and settled Hatch-Waxman litigation relating to Memantine tablets, Lupin's generic version of Forest Laboratories Inc.'s Alzheimer disease treatment "Namenda®" Tablets.

AAMLA

Japan:

Kyowa, the Company's subsidiary in Japan posted robust net sales at Rs 5,341 mn contributing 11% of Lupin's Revenues having grown at 21 % Year on Year.

Our products like Amlodipine and Risperidone, Kyowa continues to maintain majority market share and exhibit market leadership in unit terms.

South Africa:

Lupin clocked in revenues of Rs 1,328 mn from Pharma Dynamics (PD) in South Africa. Pharma Dynamics is one of the fastest growing generic companies in South Africa growing at 57 % in FY 2009-10 with a clear leadership in the cardiovascular segment. Pharma Dynamics is ranked Number 6 amongst generic companies in South Africa.

Philippines:

In March 2009, the Company acquired a majority stake in Multicare Pharmaceuticals Philippines, Inc. (MC) in Philippines. MC recorded sales of Rs. 328 Mn during FY 2009-10. MC is a premium branded generics company with a strong position in women's health and child care segment. Multicare Pharmaceuticals registered a sales growth of 25.6% as compared to industry growth rate of 2.57% during FY 2009-10. Today it is the 10th largest generic company in the Philippines and the fastest growing company in the top 10 for FY 2009-10 (IMS Feb, 10).

Australian and New Zealand:

The Company continued its focus on this important market taking cumulative MAA filings to 27 of which 22 stand approved.

Emerging Markets

India: Domestic Formulations forms a very important part of Lupin's overall growth. In the current financial year, it contributed to 28% of the gross sales at Rs 13,008 mn as against Rs. 11,011 mn registering a growth of 18.1% over the previous year.

This growth was driven by strong performance and increasing market share in the CVS, Diabetes, CNS, Asthma and Gastro therapy Segments. The India Region formulations brand business continues to outpace the industry growing over 21.6% during FY 2009-10 (Net of Excise).

Research and Development

Research & Development has always been a strategic and key focus area for Lupin and the year 2009-10 was no exception with 7.5% of the net sales invested in expenditure on R&D and related spends.

The year 2009-10 was a landmark year with Lupin filing 37 Abbreviated New Drug Applications (ANDAs) with the U.S. FDA, 19 DMF's, and 14 MAA's with the European Authorities. The cumulative ANDA filings are at 127 with 41 approvals granted to date by the U.S. FDA.

The year also saw Lupin license U.S. rights for its proprietary bioadhesive drug delivery technology for Rifaximin to Salix Pharmaceuticals. Under this agreement, Lupin and Salix will collaborate in the development and commercialization of an extended release product incorporating Rifaximin and utilizing Lupin's proprietary bioadhesive technology.

Quality & Compliance

In the year, Lupin received official communication from the U.S. FDA on the satisfactory resolution of the Warning Letter issued earlier to its Mandideep site. The company had received a Warning letter for its Mandideep site in May 2009. In the ensuing seven months, the company made significant enhancements and took appropriate corrective actions. The facility was re-inspected in November 2009 and the company was able to satisfactorily address all of the concerns related to the Warning Letter and the site compliance status was found to be acceptable.

The FDA also inspected two new sites of the Company at Aurangabad (Liquids) & Indore (Oral Solids and Oral Contraceptives) during FY 2009-10. Both Aurangabad and Indore were found acceptable by the U.S. FDA and these inspections bring the company a step closer to launching Liquids and Oral Contraceptives in the U.S..

Earlier in the year, the UK MHRA and the Australian TGA had also conducted a joint inspection of the Mandideep facility and had found it acceptable.

Dividend

In view of excellent performance, the Board of Directors recommended a dividend of 135 % i.e Rs. 13.50 per equity share of the face value of Rs. 10 each.

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 today has significant presence in Cardiovasculars (prils and statins), Diabetology, Asthma, Pediatrics, CNS, GI, Anti-Infectives and NSAIDs not to mention global leadership positions in the Anti-TB and Cephalosporins. 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.

Today, Lupin is the 8th largest and the fastest growing top 10 Generic business in the US, growing by 51.1 %. The company is also the fastest growing, top 5 pharmaceutical players in India (ORG IMS - March 2009) and the fastest growing, top 10 Generic players in Japan, South Africa and the Philippines. (IMS)

For the Financial Year 2009-10, Lupin's Consolidated Revenues and Profit after Tax were Rs. 47,405 million (USD 1.1 Billion) and Rs. 6,186 million (USD 138 mn) respectively.

For further information contact:

Shamsher Gorawara
Head - Corporate Communications
Lupin Limited
Mobile: +91 9820338555
shamshergorawara@lupinpharma.com

OR

Sonia Mansata
Text 100
sonia.mansata@text100.co.in
Mobile: +91 9820112481