

# Q1 FY2011 Results

Analyst Presentation  
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These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

These risks and uncertainties include, but are not limited to Piramal Healthcare Limited's ability to successfully implement its strategy, the Company's growth and expansion plans, obtain regulatory approvals, provisioning policies, technological changes, investment and business income, cash flow projections, exposure to market risks as well as other risks.

Piramal Healthcare Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

# Financial highlights Q1 FY2011

# Profit & Loss Account – Consolidated

## Q1 FY2011

Rs. million

| Period ended - Consolidated             | Period Ended |           |          |
|---|--------------|-----------|----------|
|   | 30-Jun-10    | 30-Jun-09 | % Growth |
| Net Sales                               | 8,393.1      | 8,168.7   | 2.7%     |
| Other operating income                  | 31.0         | 46.7      | -33.7%   |
| Total operating income                  | 8,424.1      | 8,215.4   | 2.5%     |
| OPBIDTA                                 | 1,378.7      | 1,601.8   | -13.9%   |
| OPM %                                   | 16.4%        | 19.5%     | -        |
| Non-operating other income              | 0.1          | 0.4       | -        |
| EBIDTA                                  | 1,378.8      | 1,602.2   | -13.9%   |
| Interest (Net)                          | 145.4        | 254.0     | -42.8%   |
| Depreciation                            | 380.5        | 384.9     | -1.1%    |
| Operating Profit before tax             | 852.8        | 962.9     | -11.4%   |
| Profit before tax (before exceptional ) | 852.9        | 963.3     | -11.5%   |
| Exceptional items                       | 19.3         | 0.0       | -        |
| Income tax                              | 26.6         | 112.6     | -76.4%   |
| Minority interest                       | (0.4)        | (0.3)     | -        |
| Profit after tax                        | 807.4        | 851.0     | -5.1%    |
| EPS (Rs.)                               | 3.9          | 4.1       | -5.2%    |
| EPS before exceptional items            | 4.0          | 4.1       | -2.9%    |

# Profit & Loss Account Ratios – Consolidated Q1 FY2011



| No. | Particulars                                     | Q1 Ended  | Q1 Ended  | Year Ended |
|-----|---|-----------|-----------|------------|
|     |   | 30-Jun-10 | 30-Jun-09 | 31-Mar-10  |
| 1   | Net Operating Income                            | 100.0     | 100.0     | 100.0      |
| 2   | Total Expenditure                               | 83.6      | 80.5      | 79.8       |
|     | Material cost                                   | 38.9      | 37.9      | 38.1       |
|     | Staff cost                                      | 18.7      | 16.6      | 15.9       |
|     | Marketing & Selling expenses                    | 13.6      | 13.2      | 13.0       |
|     | Process Development and Research                | 2.0       | 2.1       | 1.9        |
|     | Net Forex Expenditure                           | (1.1)     | (0.5)     | (0.4)      |
|     | Other expenditure (Net)                         | 11.6      | 11.3      | 11.3       |
| 3   | OPBIDT  | 16.4      | 19.5      | 20.2       |
| 4   | Interest (Net)                                  | 1.7       | 3.1       | 2.5        |
| 5   | Depreciation                                    | 4.5       | 4.7       | 3.9        |
| 6   | Operating Profit before Tax & Exceptional Items | 10.1      | 11.7      | 13.8       |
| 7   | Profit before Tax and after Exceptional Items   | 9.9       | 11.7      | 13.6       |
| 8   | PAT   | 9.6       | 10.4      | 13.1       |

Note: Material cost includes cost of all material. Staff cost includes cost of all staff including factory and marketing staff. Marketing & selling expenses include promotional expenses but exclude marketing/selling staff cost.

# Balance Sheet – Consolidated

## Q1 FY2011

Rs. million

| Period ended- Consolidated   | As of           | As of           |
|------------------------------|-----------------|-----------------|
|                              | 30-Jun-10       | 31-Mar-10       |
| Equity capital               | 418.0           | 418.0           |
| Reserves & Surplus           | 17,032.7        | 16,430.9        |
| Networth                     | 17,450.7        | 16,848.9        |
| Deferred tax liability (Net) | 613.3           | 567.8           |
| Loan funds                   | 13,188.6        | 12,949.6        |
| <b>Total</b>                 | <b>31,252.6</b> | <b>30,366.3</b> |
| Net fixed assets             | 21,673.0        | 21,130.1        |
| Investments                  | 325.5           | 325.5           |
| Net current assets           | 9,254.1         | 8,910.7         |
| Inventories                  | 5,128.7         | 4,694.5         |
| Sundry debtors               | 4,136.9         | 4,529.5         |
| Other current assets         | 6,925.9         | 6,997.1         |
| Current liabilities          | 6,937.4         | 7,310.4         |
| <b>Total</b>                 | <b>31,252.6</b> | <b>30,366.3</b> |

# Balance Sheet – Ratios – Q1 FY2011

Rs. million

| No. | Period ended- Consolidated       | As of     | As of     |
|-----|----------------------------------|-----------|-----------|
|     |                                  | 31-Mar-10 | 31-Mar-09 |
| 1   | Debt/equity ratio                | 0.8       | 0.8       |
|     | Networth                         | 17,450.7  | 16,848.9  |
|     | Total debt                       | 13,188.6  | 12,949.6  |
| 2   | Book value (Rs./share)           | 83.5      | 80.6      |
| 3   | Net Sales/Net fixed assets ratio | 1.6       | 1.7       |
| 4   | Current assets ratios:           |           |           |
| i   | Net current assets               | 99        | 87        |
| ii  | Inventories                      | 55        | 46        |
| iii | Receivables                      | 44        | 44        |
| 5   | ROCE %                           | 13.1%     | 21.2%     |
| 6   | RONW %                           | 18.5%     | 28.6%     |

Note: Current asset ratios are Days of Gross Sales which now includes other operating income also. Previous year numbers accordingly have been restated

# Operational highlights Q1 FY2011



# Business Mix – Consolidated Q1 FY2011

Rs. million

| No.          | Net Sales break-up        | % Sales       | Quarter I ended |                |             | Year ended      |
|--------------|---------------------------|---------------|-----------------|----------------|-------------|-----------------|
|              |                           |               | 30-Jun-10       | 30-Jun-09      | % Growth    | 31-Mar-10       |
| 1            | Healthcare Solutions      | 54.8%         | 4,613.1         | 4,397.0        | 4.9%        | 20,002.3        |
| 2            | Pharma Solutions          | 20.7%         | 1,747.8         | 2,104.1        | -16.9%      | 9,809.2         |
|              | From Assets in India      | 7.8%          | 660.0           | 807.4          | -18.3%      | 4,718.1         |
|              | From Assets Outside India | 12.9%         | 1,087.9         | 1,296.7        | -16.1%      | 5,091.1         |
| 3            | Piramal Critical Care     | 12.8%         | 1,082.1         | 728.8          | 48.5%       | 3,276.7         |
| 4            | Diagnostics               | 6.4%          | 536.0           | 484.6          | 10.6%       | 2,064.3         |
| 5            | Others                    | 5.3%          | 445.1           | 500.9          | -11.1%      | 1,558.1         |
| <b>Total</b> |                           | <b>100.0%</b> | <b>8,424.1</b>  | <b>8,215.4</b> | <b>2.5%</b> | <b>36,710.5</b> |

Note: 1. API's CMO is regrouped to Pharma Solutions from Others

2. Others include Vitamins and Diagnostic Devices and Other Operating Income.

Thank you