

Jubilant Life Sciences records 22% growth in 9M FY2013

29 January 2013 | News | By BioSpectrum Bureau

Jubilant Life Sciences records 22% growth in 9M FY2013



Jubilant Life Sciences, a global Pharmaceutical and Life Sciences company engaged in manufacture and supply of APIs, Generics, Specialty Pharmaceuticals and Life Science Ingredients registered 22 percent growth for the ninth months ended December 2012 with income from operations was at Rs 3,769 crore. This was led by volume increase of 18 percent. The Profit before exceptional items, tax and minority interest in the period was Rs 455 crore, up 34 percent Year on Year (YoY). The Reported Profit after tax was at Rs 184 crore after adjusting exceptional items of Rs 132 crore. The Normalised PAT stood at Rs 316 crore, up 13 percent from same period last year.

Commenting on the company's performance, Mr Shyam S Bhartia, Chairman and Managing Director and Mr Hari S Bhartia, Co-Chairman and Managing Director, Jubilant Life Sciences said, "During the nine months period, the company delivered a strong revenue growth of 22 percent with 26 percent EBITDA growth, driven by pharma segment top line growth of 26 percent and business EBITDA growth of 46 percent. Our strategy of enhancing presence in identified international markets is delivering results with 28 percent growth and high 73 percent contribution to revenue mix. We believe this momentum is sustainable due to strong product pipeline and order book position along with leveraging benefits from vertical integration."

Pharmaceuticals segment review

The Pharmaceutical segment comprises of APIs, Generics, Specialty Pharma, CMO, DDDS and Healthcare. In nine months FY2013, the Income from operations of the segment stood at Rs 1,956 crore, up 26 percent YoY and contributing 52 percent to the revenue mix. The segment EBITDA was 46 percent higher at Rs 575 crore, up from Rs 394 crore last year. The corresponding EBITDA margins stood at 29.4 percent compared to 25.3 percent in the previous period.

Strong volume growth in Generics and Specialty Pharma continued to drive performance for the segment. While APIs witnessed flattish YoY growth in Q3'FY13, CMO services witnessed some deferment of sales which are expected to be realised in the current quarter.

Life Science Ingredients segment review

The Ingredients segment comprises of Proprietary Products and Exclusive Synthesis, Nutrition Ingredients and Life Science Chemicals.

9M FY2013, the Income from operations was at Rs 1,813 crore, up 17 percent YoY with a 48 percent share to the overall revenues. The segment EBITDA was at Rs 286 crore with EBITDA margin 15.8 percent compared to Rs 298 crore in the corresponding period in previous year.

The incremental Pyridine and Beta Picoline capacities have served to consolidate the company's global leadership position in the segment, driving excellent volume growth in the PPES segment. Owing to the integrated nature of the operation, the SEZ facility is expect to support growth both in the captive business of downstream products and in terms of external demand. Nutrition Ingredients prices were low but stable during the quarter. Some early signs of consolidation are expected to bring improvement in pricing and consequently higher margins in the coming year, especially with our low cost manufacturing base and vertical integration benefits. Life Science Chemical business witnessed good volume growth with improved margins due to lower input material costs.

Geographical overview

With focus on strategic geographic expansion in key markets across business lines, the company's products and services have reach across 90 countries in the world.

In 9M FY2013, the revenues from North America were at Rs 1,554 crore, up 29 percent YoY, contributing 41 percent to the revenue mix; revenues from Europe and Japan were at Rs 757 crore, thus higher by 31 percent and contributing 20 percent to the revenue mix. Revenues from ROW were at Rs 443 crore, up 19 percent accounting for 12 percent of the revenue mix. The domestic revenues stood at Rs 1,015 crore, thereby growing 8 percent YoY and contributing 27 percent to the revenue mix.

The company maintains its stance on revenue growth of over 20 percent and EBITDA margins around 21 percent for the year. Jubilant's performance has been driven by higher volumes and stable pricing across the strong product portfolio in the Pharmaceuticals business. In Life Science Ingredients, higher capacity utilisation levels together with greater vertical integration are expected to drive growth and profitability.