

Lupin Q2 revenue surges by 10%

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Lupin announces 10 per cent rise in consolidated revenue at Rs.4,359.7 crore



LUPIN

Pharma major Lupin Limited reported its financial performance for the quarter and six months ended September 30, 2019. These results were taken on record by the Board of Directors at a meeting held in Mumbai.

Lupin announces 10 per cent rise in consolidated revenue at Rs.4,359.7 crore for the quarter ended September 30, 2019 as against Rs.3,951 crore for the corresponding quarter of last year

Lupin's September 2019 quarter (second quarter, or Q2) numbers were boosted by Rs 144 crore of income earned from licensing out a new chemical entity, but one-offs (Rs 546.5 crore) related to US lawsuits and losses on divestment in Japan pulled down the overall performance.

As a result, while profit before tax and exceptional items was up 3.6 per cent year-on-year (YoY), Lupin posted a net loss of Rs 127 crore in Q2 versus a net profit of Rs 266 crore in the year-ago period.

Among geographies, North America seems to be stabilising, with sales up 6.1 per cent YoY. Though the same is down sequentially, it is mainly due to the end of the exclusivity period for sales of angina treatment generics of Ranexa.

Domestic sales, contributing 31 per cent to overall revenue (equal to US market's contribution), clocked 11.5 per cent growth and emerging markets grew 8.3 per cent, providing impetus to overall sales.

During the quarter, the divestment of Kyowa CritiCare Co Ltd (KCC) was completed. This was a strategic move to streamline our Japanese operations due to limited synergy potential of KCC business with the Company's operations. The resultant loss on divestment was Rs 167.3 crore.

Commenting on the results, Mr. Nilesh Gupta, Managing Director, Lupin Limited said, "The reported performance for the quarter was bolstered by the NCE licensing income but impacted by one-off items, adjusted for which, the operational performance was as expected. The US business has now stabilized and will grow based on ramp up of our in-line products and levothyroxine and the launch of our injectables portfolio. Markets like India continue to deliver solid growth. The next financial year is now looking very strong with important growth drivers like India, the in-line generic business in the US coupled with important launches like generic Albuterol in US and Fostair and Etanercept in Europe. Regulatory compliance remains a top organizational priority and we are making steady progress"