

Q1 FY2011 Results

Analyst Presentation
Date : 10th Aug 2010

Disclaimer



Except for the historical information contained herein, statements in this presentation and any subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "on-course", "should", "potential", "pipeline", "guidance", "will pursue" "trend line" and similar expressions or variations of such expressions may constitute "forward-looking statements".

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
Total	31,252.6	30,366.3
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
Total	31,252.6	30,366.3

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
Total		100.0%	8,424.1	8,215.4	2.5%	36,710.5

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