



JUST THE RIGHT CHEMISTRY

Result Update Presentation

November 2014



Safe Harbor

HIKAL

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Company Overview

HIKAL

Leading Sustainable Technology driven company serving the Crop Protection & Pharmaceutical Industries

- ✓ Amongst the few Global Company to offer customized, cost effective and sustainable solutions from *R&D to Commercial Manufacturing*
- ✓ One of very few global and only Indian Company to provide APIs for both *Pharmaceuticals and Agrochemicals - Hybrid Model*
- ✓ Preferred Supplier to Large Global Customers across the *Regulated Markets*
- ✓ *First Responsible Care* custom manufacturing Life Science Company in India
- ✓ First Indian Company to be *Certified by Rx - 360*, a global pharmaceutical supply chain consortium for upholding world class quality standards



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Hybrid Business Model

HIKAL

Leverage Strong Relationships across segments to create Business Opportunities



Pharmaceuticals

- ▶ Contract & Custom Manufacturing
- ▶ Generics
- ▶ Human Health & Animal Health
- ▶ Strong Relationships with Innovators, Mid size Pharma, Biotech & Generic Companies



Crop Protection

- ▶ Custom Synthesis and Contract Manufacturing of Agrochemicals, Intermediates and Specialty Chemicals
- ▶ Preferred Supplier to Top Crop Protection Companies



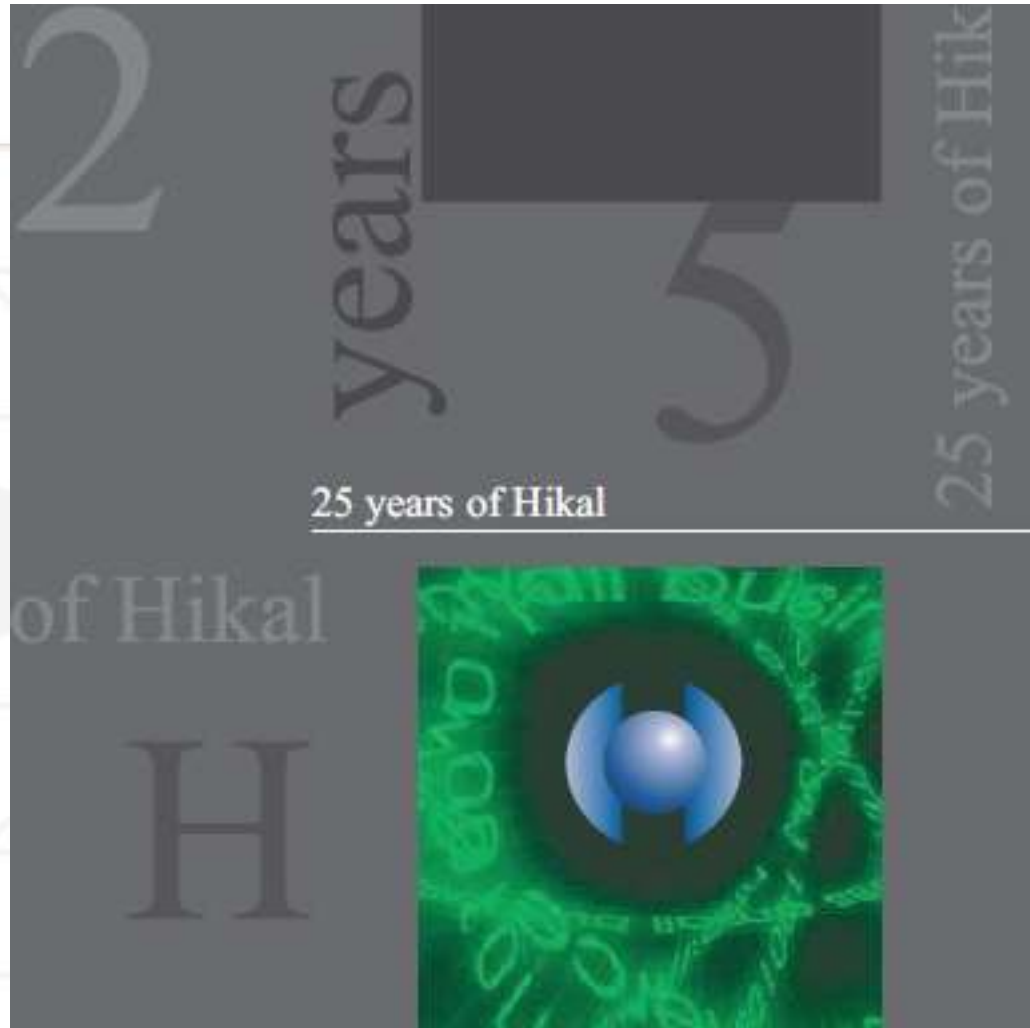
Research & Development

- ▶ Offers Right Combination of Capabilities, Quality combined with significant Cost Arbitrage
- ▶ Full development & Scale up Service to Innovator Companies , Generic & Biotech Companies



Celebrating 25 Years

HIKAL



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Key Highlights

HIKAL

- ▶ **Highest ever Quarterly revenue recorded**
- ▶ **Credit Rating Improved**
 - Long Term Credit Rating upgraded from BBB- to BBB
 - Short Term Credit Rating has moved up from A3 to A2
- ▶ **Successful completion of EDQM (European Directorate for Quality & Medicines) Audit at Bangalore Site**
- ▶ **Key highlights on Q2 FY15 Operational Performance**
 - **Net sales up by 20% to Rs. 2,429 mn** as compared to Rs. 2,028 mn in the corresponding period of the previous year
 - **EBIDTA was reduced by 8% to Rs. 536 mn** as compared to Rs. 585 mn in the corresponding period of the previous year
 - **Net Profit was up by 8% at Rs. 153 mn** as compared to Rs. 141 mn in the corresponding period of the previous year



Financial Performance

HIKAL



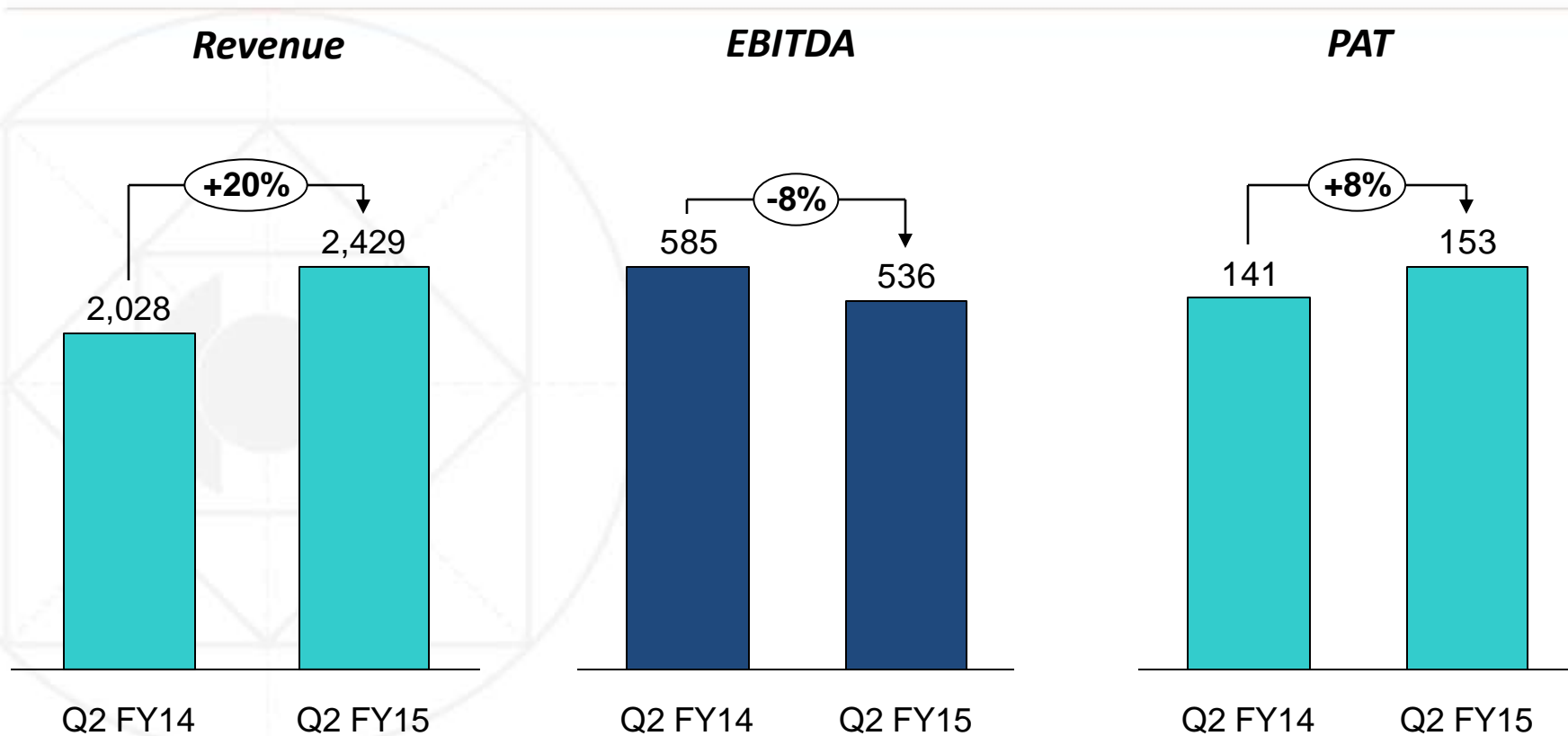
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Quarterly Performance

HIKAL

Highest ever Quarterly revenue recorded



Rs. mn

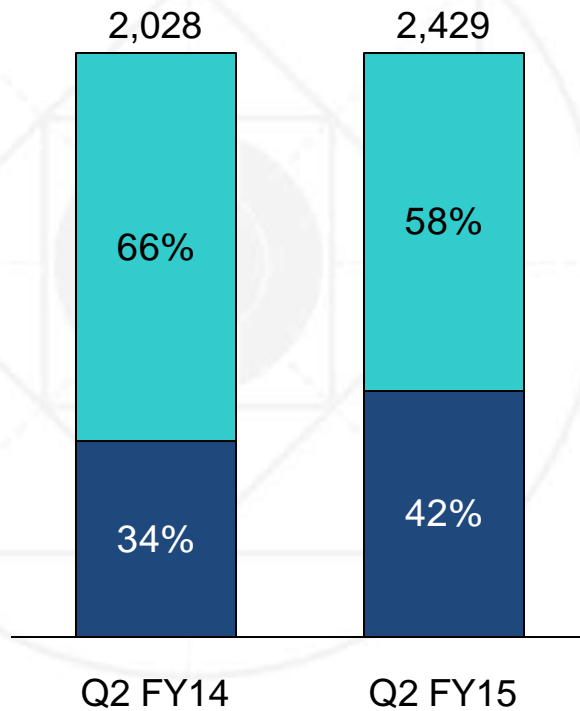




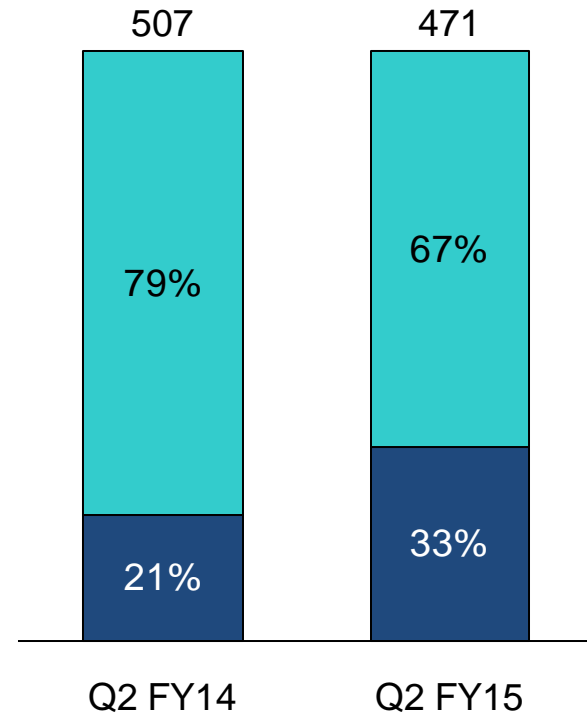
Segment Contribution

HIKAL

Revenue



EBIT



Rs. mn

■ Pharmaceuticals ■ Crop Protection

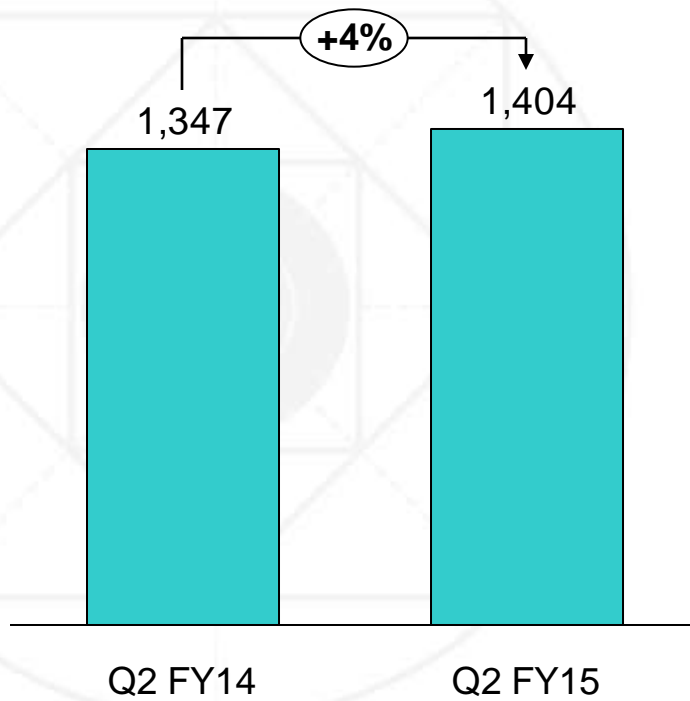




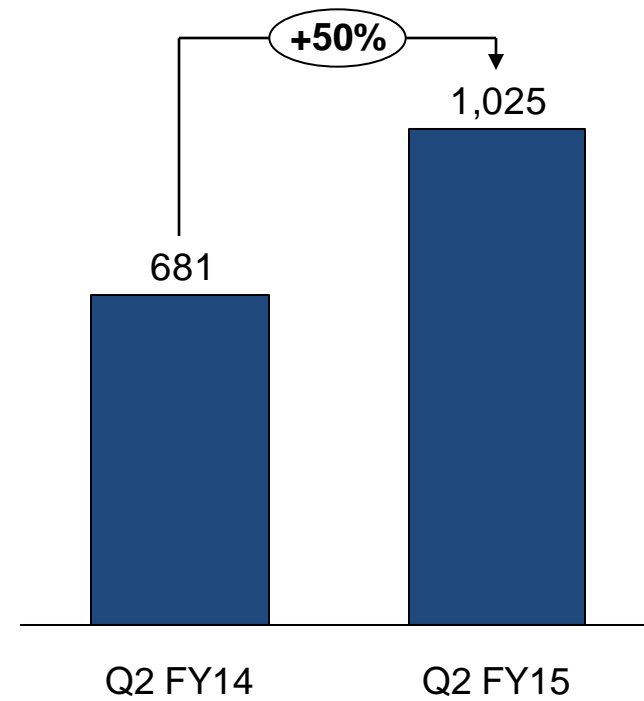
Segment Revenue

HIKAL

Pharmaceuticals



Crop Protection



Rs. mn



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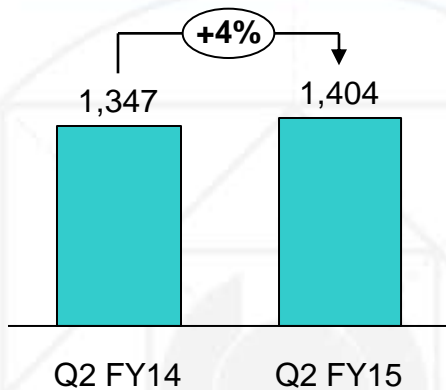


Segment Performance

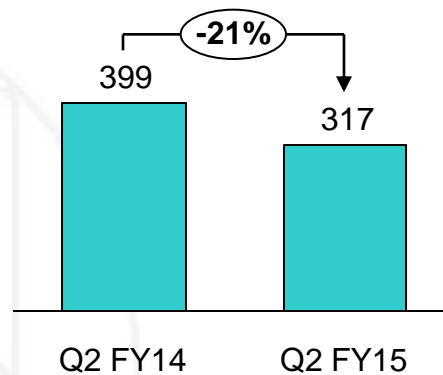
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Pharmaceuticals

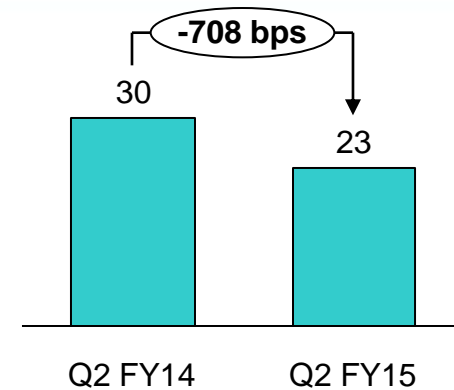
Revenue (Rs. Mn)



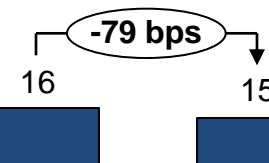
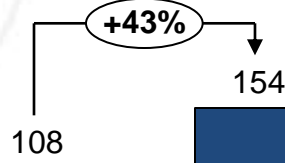
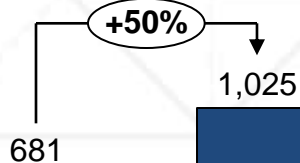
EBIT (Rs. Mn)



EBIT Margin (%)



Crop Protection



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Standalone Quarterly Profit & Loss

HIKAL

Rs. Million	Q2FY2015	Q2FY2014	Y-o-Y
Net Sales	2,429	2,028	20%
Expenditure	1,893	1,443	
EBITDA	536	585	-8%
<i>Margin</i>	22.06%	28.8%	
Other Income	4	7	
Depreciation	151	138	
Finance Costs	180	241	
Exchange Loss	0	18	
PBT	209	195	8%
Tax	57	53	
Net Profit	153	141	8%
<i>Margin</i>	6.28%	7.0%	



Standalone Half Yearly Profit & Loss

HIKAL

Rs. Million	H1FY2015	H1FY2014	Y-o-Y
Net Sales	4,333	3,853	12%
Expenditure	3,434	2,822	
EBITDA	899	1,031	-13%
<i>Margin</i>	20.74%	26.8%	
Other Income	12	338*	
Depreciation	299	272	
Finance Costs	321	414	
Exchange Loss	0	20	
PBT	290	663	-56%
Tax	81	155	
Net Profit	210	507	-59%
<i>Margin</i>	4.84%	13.2%	

* Includes Rs 257 mn net of tax received from disposal of shares of Hikal Employee Welfare Trust A&B



Standalone Balance Sheet

HIKAL

Rs. mn	Sept-14	Mar-14	Rs. mn	Sept-14	Mar-14
Shareholder's Fund	5,238	5,059	Non-Current assets	7,798	7,762
Share Capital	164	164	Fixed Assets	7,031	7,053
Reserves & Surplus	5,073	4,895	Long-Term Loans & Advances	737	677
			Non-Current Investments	31	31
			Deferred Tax Assets	0	0
Non-Current liabilities	2,571	2,982			
Long Term Borrowings	2,133	2,548	Current assets	5,237	4,946
Deferred Tax Liabilities	314	325	Inventories	3,089	3,113
Long Term Provisions	124	109	Trade Receivables	1,206	887
Current Liabilities	5,227	4,666	Cash and Bank Balances	131	277
Short Term Borrowings	2,300	2,156	Short-Term Loans and Advances	752	657
Trade Payables	1,485	1,311	Other Current Assets	59	11
Other Current Liabilities	1,442	1,200			
Total Liabilities	13,035	12,708	Total Assets	13,035	12,708



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