



Hikal declares dividend of 50% for 2014'15 vs 45%

Mumbai, May 5, 2015: Hikal Ltd, a preferred long-term partner for leading global life sciences companies, announced its financial results for the financial year ended 31st March 2015.

Performance highlights for the quarter ended 31st March 2015

- **Net sales down 6% to Rs. 214 crores** as compared to Rs. 228 crores in the corresponding period of the previous year.
- **EBITDA up by 12% to Rs. 45 crores** as compared to Rs. 40 crores in the corresponding period of the previous year.
- **Pharmaceutical sales up by 28% to Rs. 139 crores** as compared to Rs. 109 crores in the corresponding period of the previous year.
- **Crop protection sales down by 37% to Rs. 75 crores** as compared to Rs. 119 crores in the corresponding period of the previous year.
- **Net Profit was up by 231% at Rs. 10 crores** as compared to Rs. 3 crores in the corresponding period of the previous year.

Performance highlights for the financial year ended 31st March 2015

- **Net sales up by 5% to Rs. 872 crores** as compared to Rs. 829 crores in the corresponding period of the previous year.
- **Pharmaceutical sales up by 13% to Rs. 538 crores** as compared to Rs. 475 crores in the corresponding period of the previous year.
- **Crop protection sales down by 5% to Rs. 334 crores** as compared to Rs. 354 crores in the corresponding period of the previous year.
- **EBITDA down by 3% to Rs. 183 crores** as compared to Rs. 187 crores in the corresponding period of the previous year.
- **Adjusted Net Profit was at Rs. 41 crores** as compared to Rs. 42 crores adjusted for an exceptional income of Rs. 22 crores (net of taxes) from the sale of shares pertaining to the ESOP trust.

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Commenting on the results, Jai Hiremath, Chairman & Managing Director, Hikal Ltd. said, “We are pleased to announce that the Board have declared 25% as an interim dividend and recommended a Final Dividend of 25% subject to shareholders approval which would make the total dividend for the year, 50% as against 45% in the previous year.

Our revenues for the quarter were lower by Rs. 14 cr. to Rs. 214 cr. However, our EBITDA margins and profits have improved by 12% and 231% respectively. We had a good quarter in our pharmaceutical division where revenues were up by 28% on the increased offtake of products by our customers. The revenues in our crop protection division were lower by 37% due to the destocking of inventory by our customers.

For the year, 2014'15 our revenues were up by 5% to Rs. 872 cr as compared to last year. Our Pharmaceutical division performed well this year which is visible from the 13% increase in revenues. We expect the same trend to continue in the next year for the pharma division. Our Crop protection revenues were affected due to destocking of inventory by our customers. The crop protection market is going through a downturn which has affected our global customer base. We expect things to improve in the 2nd half of the coming year.

Our EBITDA was lower by 3% due to a decrease in the selling prices of our products on higher volumes and the lower sales in our Crop Protection business. We have reduced our overall finance cost by 12% versus last year due to a positive re-rating by our credit agency to BBB from BBB- the year before. Our Net Profit for the year was Rs. 41 cr as compared to Rs. 42 cr in the previous year.

We have made some positive changes to our organization in terms of human capital and operational efficiencies. We expect growth and profitability to increase in the years ahead.”

About Hikal:

Hikal is a reliable long-term partner to companies in the Pharmaceuticals, Crop Protection, and Specialty Chemicals industry. The company is in the business of supplying research services, active ingredients and intermediates, manufactured using stringent global quality standards, for its global customers. Hikal's advanced manufacturing facilities have been inspected and approved by leading multinational companies in the Crop protection and Pharmaceutical sectors. The Crop protection facilities are located at Taloja and Mahad (Maharashtra). Hikal's R&D facilities are located at Pune. The Pharmaceutical manufacturing facilities are situated in Jigani (Bangalore) and Panoli (Gujarat).

Safe harbor Statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

Hikal Ltd. – **Anish Swadi** +91-22-3097 3100, Email – anish_swadi@hikal.com
Strategic Growth Advisors Pvt. Ltd. -**Payal Dave**+91 22 6114 6679 – dpayal@sgapl.net

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Admin Office: Great Eastern Chambers, CBD Belapur, Navi Mumbai – 400614 Tel : (91-22) 30973100 Fax : (91-22) 27574227 E-mail: info@hikal.com

Regd Office: 717/718, 7th Floor, Maker Chambers V, Nariman Point, Mumbai – 400021 Tel : (91-22) 66301801 Fax : (91-22) 22833913