

Neuland revenue drops 2.5% to \$19.56 mn

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Hyderabad: Neuland Laboratories, a pharmaceutical manufacturer providing active pharmaceutical ingredients (APIs), complex intermediates and contract manufacturing services to customers located in 85 countries, announced financial results for the third quarter of fiscal year (FY) 2013, ended December 31, 2012.

Revenues for the third quarter of FY 2013 were \$19.56 million (Rs 1.074 billion), as compared to revenues in the third quarter of FY 2012 of \$22.32 million (Rs 1.102 billion), a decrease of 2.5 percent. Neuland reported EBITDA of \$2.27 million (Rs 152.25 million) in the third quarter of FY 2013, compared to EBITDA of \$1.74 million (Rs 94.50 million) in the comparable period in FY 2012, an increase of 30.4 percent.

The company reported after-tax profits in the third quarter of FY 2013 of \$0.56 million (Rs 32.73 million), compared to a loss of \$0.62 million (negative Rs 34.00 million) in the third quarter of FY 2012.

"In the third quarter of FY 2013, we reported our fifth consecutive quarter of profitability," said Dr D R Rao , chairman and managing director of Neuland Labs . "During the quarter we also completed a reorganization of Neuland's corporate structure designed to help the company focus on its growth businesses and strengthen its balance sheet. We expect the corporate reorganization and accompanying infusion of new capital will support our efforts to accelerate the growth of our high potential contract manufacturing business, which leverages our core competencies in quality manufacturing, regulatory excellence and superior customer service."

"The increases in profitability reported in the third quarter primarily reflect our continuing success in implementing process improvements to strengthen margins in our current API business, as well as changes in the product mix favoring higher margin products," noted Mr Sucheth R Davuluri, chief executive officer of Neuland Labs . "In addition to supporting these positive trends, we also intend to continue to invest in marketing and business development activities focused on growing our contract manufacturing business, which we view as central to achieving robust profitable growth going forward."