BioSpectrum the business of Bio & Health Sciences ASIA EDITION

USFDA issues haunts Jubilants's Q1 growth

August 7, 2014 | Company results | By BioSpectrum Bureau



India: The board of Jubilant Life Sciences, an integrated pharmaceutical and lifesciences company met on August 06, 2014 to approve financial results for the quarter ended June 30, 2014.

Commenting on the company's performance, Mr Shyam S Bhartia, chairman and managing director and Mr Hari S Bhartia, co-chairman and managing director, Jubilant Life Sciences said, "Performance of the quarter was affected due to extended plant shut-down in CMO business to address USFDA issues. These operations have now normalized, and along with new product introductions and strategic initiatives, should deliver strong performance in our Pharmaceutical operations. In Lifescience ingredients, we witnessed growth across all businesses aided by price and volume gains. We are confident that we have laid the foundation for a strong performance in the remaining quarters of the year."

Q1 FY2015 Highlights

Ã?Â· Consolidated revenue at Rs 1,473 Crore, grew 8 percent YoY

Ã?Â· International revenues at Rs 1,051crore, contributed 71 percent to the overall mix

Ã?Â· EBITDA margins at 10.2 percent and Reported PAT at 5 Crore

Corporate Actions
Jubilant LS has completed the consolidation of all its pharmaceutical business under Jubilant Pharma, Singapore with effect from 1st July, 2014. This has been financed by a US$ 147.5m funding from IFC, which includes US$87.5m long term loan, US $60m of zero coupon optionally convertible loan and a further loan of US $52.5m to be syndicated by IFC.
Pharmaceuticals Segment Review.

In Q1 FY 2015, Income from operations of the Pharmaceuticals segment stood at Rs 604crore, contributing 41% to the revenue mix. The segment EBITDA stood at Rs 36crore with EBITDA margins of 5.9%.
Life Science Ingredients Segment Review

In Q1 FY2015, Income from operations for the Life Science Ingredients segment stood at Rs 869crore, growing 23 percent YoY and contributing 59 percent to total revenues. The segment EBITDA was at Rs 133 crore with EBITDA margins at 15.3 percent.

Geographical Overview
International revenues contributed 71% to the revenue mix at Rs 1,051 crore, with regulated markets contributing 56 percent to the revenue mix in Q1 FY2015. Revenues from North America stood at Rs 490 crore, contributing 33 percent to the overall revenues and revenues from Europe and Japan stood at Rs 330 crore, thus contributing 22 percent to the revenue mix. Domestic revenues were up 18 percent YoY at Rs 422 crore, contributing 29 percent to the revenue mix. Revenues in ROW including China stood at Rs 230 crore, up 12 percent YoY and contributing 16 percent to the revenue mix.

Outlook
The company expects strong growth momentum in coming quarters, led by its Pharmaceuticals segment. This growth in pharmaceuticals will be driven by new products and new markets, expanding volumes in CMO operations and revenue increase in Radiopharmaceuticals. Life Science Ingredients should continue its robust performance on account of higher capacity utilization, better pricing of key products and expansion into new mark.