



J. B. Chemicals & Pharmaceuticals Limited

JBCPL announces impressive Q 2 results

HIGHLIGHTS FOR QUARTER

- **Net Sales up by 29.48% to Rs. 210.12 Crores**
 - **PBIDT up by 37.36% to Rs. 54.85 Crores**
 - **PBT up by 47.63% to Rs.45.81 Crores**
 - **PAT up by 37.88% to Rs. 38.47 Crores**
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BSE Scrip Code: 506943

NSE Symbol: JBCHEPHARM

Mumbai, October 20, 2008: J.B. Chemicals & Pharmaceuticals Ltd. (JBCPL) today announced its unaudited financial results for the second quarter/half year ended on September 30, 2008.

The Company achieved Net Sales of Rs. 210.12 crores for the second quarter ended on September 30, 2008, as compared with Rs. 162.27 crores for the like period last year, registering an increase of 29.48%. Profit before Interest, Depreciation and Tax (PBIDT) has increased by 37.36% to Rs. 54.85 crores (Rs. 39.93 crores). Outgo on account of Interest has reduced by 12.79% to Rs. 3.74 crores (Rs. 4.30 crores). The Depreciation charge is Rs. 5.30 crores (Rs.4.60 crores). The Operating profit has increased by 95.41% to Rs.51.18 crores (Rs. 26.19 crores). The Profit before Tax (PBT) has moved up by 47.63% to Rs. 45.81 crores (Rs. 31.03 crores). The provision for taxation (Current) and Fringe Benefit Tax is Rs.7.19 crores (Rs. 3.68 crores) and Deferred tax liability is Rs. 0.15 crores as against reversal of Deferred Tax liability of Rs.0.55 crores in the same period in the last year. The Profit after Tax (PAT) has increased to Rs. 38.47 crores (Rs. 27.90 crores) registering an impressive growth of 37.88%. The Basic & Diluted Earnings per Share (FV Rs. 2) for the second quarter ended on September 30, 2008 is Rs. 4.56 (Rs. 3.31).

For half year ended on September 30, 2008 (H1), Net Sales stood at Rs. 348.02 crores, up 30.03% from Rs. 267.64 crores for the like period last year and PAT is Rs. 52.11 crores, up 68.20% from Rs. 30.98 crores. With this, earning per share (both basic & diluted) for first 6 months stands at Rs. 6.18 (Rs. 3.67) per share of face value of Rs. 2 against EPS of Rs. 6.13 for the entire previous financial year ended on March 31, 2008.

The exports of the company have grown at an impressive rate of 45.58% to Rs. 14726.60 lakhs in this quarter as compared to same period last year, with 78% exports coming from core market of Russia, Ukraine & CIS, thanks to investments made by the company in recent past in ramping up its marketing capabilities.

The company's impressive financial performance during the quarter was led mainly by higher exports, aggressive marketing and promotional efforts in the export markets, coupled with series of initiatives taken to reduce inventory and receivables resulting in lower interest expense, better product mix and improvement in overall efficiency. Further, the company continues to take forward cover to de-risk export receivable from foreign exchange fluctuations.

In order to improve existing sales and exploit the growing market of Romania and neighbouring countries, the company has, during the quarter under review, set up a wholly owned subsidiary company in Romania, where the company's 'Doktor Mbm' range of products have been well accepted.

All the above efforts have enabled the company to achieve higher growth rates, both in terms of sales and profits in this quarter than in Q2 of FY 07-08.

The current international scenario poses new challenges for business but we have taken necessary steps including control over receivables, inventory and expenses, while continuing aggressive efforts on sales front, in the best interest of the company. We are hopeful to keep pace with the momentum and face the international challenges successfully.

The company expects to maintain its business momentum both in sales and profits in FY 08-09 barring unforeseen circumstances as the investments/initiatives undertaken during the last two years have started contributing positively to the company's growth translating into improved business performance.

About JBCPL:

JBCPL, one of India's leading pharmaceutical companies, manufactures & markets a diverse range of pharmaceutical formulations, herbal remedies and API's. JBCPL exports to many countries worldwide with a strong presence in Russia, Ukraine and the other CIS countries. The Company continues to invest in growing its share in the regulated markets in USA, Europe and Australia. JBCPL has a strong R & D set-up for development of NDDS formulations, filing of DMF's and ANDA's. Its State-of-the-Art Manufacturing facilities are approved by renowned international regulatory authorities.

For more information on JBCPL visit our website at www.jbcpl.com. For more details, you may contact:

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Forward Looking Statements:

This Press Release may contain Forward Looking Statements regarding future events and future performance of J.B. Chemicals & Pharmaceuticals Ltd. that involve risks and uncertainties that could cause actual results to differ materially from those that may be indicated by such statements.