Contacts:
Neuland Laboratories Ltd.
NS Viswanathan
Vice President- Finance
+91 40 30211600
nsviswanathan@neulandlabs.com

US Media
BLL Partners/Brandwidth Solutions
Barbara Lindheim
+1 212 584-2276
blindheim@bllbiopartners.com

NEULAND LABS REPORTS THIRD QUARTER FISCAL YEAR 2013 FINANCIAL RESULTS

--Reports Increased Profits Year-Over-Year; EBITDA Rises by More than 30%--

Hyderabad, India – FEBRUARY 13, 2013 – Neuland Laboratories Ltd., (NSE:NEULANDLAB; BOM:524558) a pharmaceutical manufacturer providing active pharmaceutical ingredients (APIs), complex intermediates and contract manufacturing services to customers located in 85 countries, today 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 (1.074 billion INR*), compared to revenues in the third quarter of FY 2012 of $22.32 million (1.102 billion INR), a decrease of 2.5%. Neuland reported EBITDA of $2.27 million (152.25 million INR) in the third quarter of FY 2013, compared to EBITDA of $1.74 million (94.50 million INR) in the comparable period in FY 2012, an increase of 30.4%.

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

For a complete set of Neuland’s FY 2013 and FY 2012 financial data, visit http://neulandlabs.com/about/financials.html.

Neuland Laboratories is listed on India’s National Stock Exchange under the symbol NEULANDLAB and on the Bombay Stock Exchange under code 524558 and the symbol Neuland.EO.

* = Indian rupees

About Neuland Labs
For over 25 years Neuland Labs has been at the forefront of manufacturing APIs through its cGMP manufacturing facilities, working with customers in 85 countries. Neuland Labs has developed more than 300 processes and 60 APIs, and it has filed more than 40 US drug master files (DMFs), 10 EU CEPs and a total of more than 400 DMFs worldwide. Its manufacturing facilities are inspected and approved by the US FDA and other leading regulatory agencies. Its record of quality manufacturing and reliability is highlighted by cGMP certifications that include the FDA, TGA, EDQM, German Health Authority, ISO 14001, ISO 27001 and OHSAS 18001. For more information, visit www.NeulandLabs.com.

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