



J. B. Chemicals & Pharmaceuticals Limited

Press Release

BSE Scrip Code: 506943

NSE Symbol: JBCHEPHARM

Mumbai, October 19, 2011:

J.B. Chemicals: Financial Results for Q2 2011-12

Financial Performance:

During the quarter, the sales at Rs. 160.77 were lower due to sale of Russia-CIS OTC products business, which stood transferred to Cilag GmbH International, Switzerland w.e.f. 14-07-2011. Thus, the financial results for the quarter/half year ended September 2011 are strictly not comparable with the results of the respective corresponding period. The domestic formulations business and rest of the world exports registered moderate growth during the quarter. In domestic formulations business, however, the focus brands and new products have registered impressive growth.

The profit after interest but before exchange fluctuation translation loss at Rs.51.18 crores for the quarter was higher over the same quarter last year, but the provision of Rs. 19.12 crores made consequent to depreciation of Rupee against USD during the quarter affected the profit before exceptional item. Consequent to profit on sale of Russia-CIS OTC business and worldwide sale of three OTC trademarks, the total profit from the operations and one time profit from business/brands sale after tax stood at Rs. 619.95 crores. The book value of shares as of September 2011 has accordingly increased to Rs. 113 per share.

Business Initiatives:

The company is in the process of chalking out new business plans for additional growth in domestic formulations business. These plans may be implemented during the course of the current financial year. Further, the company plans about 4 more new product launches in this business in second half of this year to leverage the strong brand equity. The recently launched Femident Division (catering to gynecology and dental segments) in domestic formulations business has shown good promise and the company plans to consolidate the growth by increasing the field force and the product basket.

The rest of the world exports continue to grow satisfactorily. The company is working on several partnership models for growing its business in US.

Further, the company is also in the process of restructuring the prescription products business in Russia-CIS to make the business more profitable.

In order to support the new growth initiatives, the company will need to make investments. The company will use available cash surplus to fund these investments. This could have a short term impact on the profits, however, ensuring a stronger future.

The company is fully seized of the challenges ahead for new value creation. The company is confident of achieving desired growth through new business initiatives, efficiency across the organization and stringent cost control.

Special Interim Dividend:

The special interim dividend of Rs. 40 per share of Rs. 2 declared by the board of directors on August 19, 2011 has been paid / dispatched on September 9, 2011.

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, CIS countries and South Africa. The Company continues to invest in growing its share in the regulated markets in USA, Europe, Australia and Brazil. 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.