

DIVI'S LABORATORIES LIMITED

Hyderabad

PRESS RELEASE

Divi's Laboratories earns a total income of Rs.68 Crores in Q1 of FY06

Divi's Laboratories has earned a total Income of Rs. 68 Crores during the 1st quarter ended 30th June, 2005 as against Rs.66 Crores during the corresponding previous quarter of last year. It earned a PAT of Rs.12.76 Crores for the current quarter as against Rs.14.34 Crores during the Q1 of last year.

The company envisages increased demand for existing products as also new products to be custom manufactured requiring expansion. The Board has approved building a new capacity in Unit-2 at Visakhapatnam which is estimated at Rs.80 Crores. This Project would be taken up as an EOU and will be implemented over the next 12-15 months. For a part of the increased demand, the company has entered into firm commitments and the rest is in anticipation of increased business.

The company is already implementing another project under EOU for a speciality ingredient at Visakhapatnam at a cost of Rs.30 Crores.