

DIVI'S LABORATORIES LIMITED

Hyderabad

Press Release

Divi's Laboratories achieves Income of Rs.105 crores in Q3

Divi's Laboratories has clocked a total Income of Rs. 105 crores during the 3rd quarter ended 31st Dec., 2004. Income in the corresponding quarter of the previous year was Rs.85 crores. For the current quarter, the Company earned a Profit before Tax of Rs.25 crores as against Rs.30 crores during the corresponding previous quarter. Profit after Tax for the Quarter is at Rs.15 crores as against Rs.20 crores. For the 9 months of the current year, the company earned a total income of Rs.249 crores and a Profit after tax of Rs.43 crores. Figures for the previous period were Rs.215 crores and Rs.51 crores respectively. Income-tax for the current 9-month period accounted for Rs.23 crores as against Rs.17 crores previously.

Some of the Custom Synthesis projects are going through a longer development phase resulting in delayed sales. The company had also to absorb the incidence of higher prices of raw materials and of higher taxation consequent to withdrawal of exemption on export profits. There is also some impact on account of strengthening of rupee. For the full year 2004-05, the company revises its guidance of Income to Rs.375 crores. The company has filed Drug Master Files with US-FDA for 2 more products during the current quarter.