



PI FY2012 revenue grew by 36%; PAT above Rs. 1 billion

Board recommends 100% Dividend for the year

New Delhi, May 30, 2012: PI Industries Limited (PI), a leading Indian Agri-Input and Custom Synthesis company yesterday announced its financial results for the fourth quarter and year ended March 31, 2012.

Financial Highlights for the year ended 31st March, 2012

(Compared to FY11; which includes results of Polymer Compounding business)

Net Revenue

Net Revenue stood at Rs. 8,771 million, up 22% YoY (~36% YoY growth without Polymer Compounding revenue); following 22% growth in domestic Agri-Input sales and 61% growth in Custom Synthesis exports. PI continues to show top-quartile growth owing to its portfolio of novel products and ramp-up in exports.

EBITDA

EBITDA stood at Rs. 1,455 million, up by 28% YoY. Margins increased ~75 bps.

Pre-tax Earnings

Profit Before Tax was at Rs. 1,394 million, giving an increase of 55%. It includes:

- A pre-tax gain of ~Rs. 303 million given the sale of the Polymer Compounding to Rhodia.
- Exchange Fluctuation loss of Rs. 44.8 million (last year gain of Rs. 73.5 million)

Post-tax Earnings

- Including the exceptional gains the Net Profit stood at ~Rs. 1 billion; a growth of 57%.
- The Basic EPS increased to Rs. 40.27 per share from Rs. 28.76 per share last year.
- Consolidated Net Profit at Rs. 1,036 million, up by 59%

Dividend

The Board has recommended a final dividend of Rs. 3.00 per share (60%) to the equity shareholders of the Company. With this, the total dividend for the year (including interim dividend of Rs. 2.00 per share paid earlier in the year) is Rs. 5.00 per share (100%)



Financial Highlights for the quarter ended 31st March, 2012 (Compared to Q4 FY11)

Net Revenue

Net Revenue grew to Rs. 2,353 million, up 11% YoY (~23% growth without discontinued Polymer Compounding revenue). Domestic Agri-Input revenues remained flat due to adverse agro-climatic conditions, low pest infestation, demand constraints owing to a fall in agri produce prices, etc. However, Custom Synthesis exports continued the growth momentum and recorded ~55% growth YoY due to demand surge in already commercialized products.

EBITDA

EBITDA stood at Rs. 373 million as compared to Rs. 368 million.

Post-tax Earnings

The Net Profit stood at Rs. 218 million with a Basic EPS of Rs. 8.72 per share.

Commenting on the performance Mr. Mayank Singhal, Managing Director & CEO, PI Industries Ltd., said;

“We have benefitted from our unique business model. Our emphasis on tie-ups with innovator companies for in-licensing of novel products is continuing. On the other hand our strategy of working exclusively with innovators on molecules that are still in the early stages of commercialization is delivering results. Our deep understanding of complex chemistry and multi-step reactions has resulted in a close association with select innovators for work on next generation products.

Nominee Gold, our rice herbicide has done exceptionally well and we believe that we have certain products in our pipeline with similar potential going forward. Strategically, our attempt is to target products that are relatively new as this helps achieving better margins and create a niche market.

Our strength also lies in our reach and the brand value that our products command. In an environment where improving food availability will remain a challenge, the demand for crop protection products is bound to increase as a consequence.

We are very comforted by the existing order book position, which is growing and by the excellent confidence that we enjoy from our customers, the farmers, channel partners and global innovators at large.”



Outlook

- Demand for both the existing portfolio of products as well as newly launched products remains strong. Additionally the following factors will help the Company to meet with its aggressive growth plans:
 - Strong budgetary / policy support to agriculture by the central government will translate into focus on higher agricultural productivity.
 - The Commission for Agricultural Pricing and Costs has prescribed hike in MSPs between 16-53% across 14 crops to be planted in the Kharif season. These MSPs will ensure assured earnings for the farmers enabling them to invest in right inputs for higher output.
 - While the upside of the two recently launched molecules shall come about in the present year, addition of few more new products to the portfolio will serve as growth driver.
 - Our focus on innovative products for agri input and custom synthesis remains central to our growth plan.
- The Company has a strong order book position for custom synthesis exports. In addition the Company continues to work on pipeline of new products at different stages at R&D. The outlook remains robust owing to:
 - Growing portfolio of patented molecules
 - Demand for higher than committed volumes by custom synthesis customers due to increasing registrations in different countries.
 - Continuous build up of pipeline at R&D stage
 - Facility at Jambusar SEZ to get operational during the year.



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Press Release

About PI Industries Ltd. (PI)

Incorporated in 1947, PI Industries (BSE: 523642, ISIN ID: INE603J01022) focuses on Agri-Input and Custom Synthesis with strength of over 1,100 employees, PI Industries currently operates three formulation and two manufacturing facilities as well as four multi product plants under its three business units across Jammu and Gujarat. These state-of-art facilities have integrated process development teams with in-house engineering capabilities.

PI Industries is into following business areas:

Agri-Input Business

PI is one of India's leading players in the Agri-Input industry, primarily dealing in agro-chemicals, specialty fertilizers, plant nutrients and seeds. This venture is the flagship business (unit) for which PI enjoys tremendous brand recognition across several industry leading products. The Company has exclusive rights with several global Corporations for distribution in India and is constantly evaluating prospects to further expand its product portfolio. Given the inevitable surge in demand for food grain production in the agriculture sector, the opportunities for Agro-Chem Companies are innumerable. PI Industries is favorably positioned to contribute to the growth in this space by leveraging its long-standing association with business partners and intensive network of distributors across India.

Custom Synthesis Business

The Fine Chemicals business unit of PI focuses on Custom Synthesis which entails dealing in custom synthesis and contract manufacturing of chemicals including techno commercial evaluation of chemical processes, process development, lab & pilot scale up as well as commercial production. The Company has an impressive product portfolio as result of exclusive tie-ups with leading agro-chemical, pharmaceutical and fine chemical companies around the world. PI has made substantial investments in building state of art process research and manufacturing facilities of chemical intermediates and active ingredients with special focus on strong process R&D capabilities. This business unit is expected to be the primary growth driver with strong revenue visibility as India continues to be a preferred destination for outsourcing Custom Synthesis and contract manufacturing related projects. With exceptional growth opportunities in the offing this business segment is poised for great success.

For further information please visit: www.piindustries.com

For further information, please contact:

Mayur Maniyar/Siddharth Rangnekar

Citigate Dewe Rogerson

Tel: +9122 6645 1220

Tel: +9122 6645 1209

Email: mayur@cdr-india.com

siddharth@cdr-india.com

Rajnish Sarna

PI Industries Limited

Tel: +91 124 6790000

Fax: +91 124 4081247

Email: r.sarna@piind.com

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