

Q1 FY09 IFRS Financial Snapshot

All figures in millions, except EPS

All dollar figures based on convenience translation rate of 1USD = Rs 42.93

Dr. Reddy's Laboratories Limited and Subsidiaries

Unaudited Condensed Consolidated Interim Income Statement

Particulars	Index	Q1 FY09			Q1 FY08			Growth %
		(\$)	(Rs.)	%	(\$)	(Rs.)	%	
Revenue	A	350	15,038	100	279	11,983	100	25
Cost of revenues	B	176	7,543	50	138	5,914	49	28
Gross profit	C = A-B	175	7,494	50	141	6,069	51	23
Operating Expenses								
Selling, general & administrative expenses	D	110	4,709	31	75	3,235	27	46
Research and development expenses, net	E	24	1,050	7	19	806	7	30
Amortization Expenses	F	9	377	3	8	347	3	9
Other operating expenses	G	0	1	0	0	2	0	(77)
Other operating income ^(a)	H	(6)	(274)	(2)	(2)	(85)	(1)	223
Total Operating Expenses	I = D+E+F+G+H	137	5,862	39	100	4,305	36	36
Results from operating activities	J = C-I	38	1,633	11	41	1,764	15	(7)
Finance Costs, net								
Finance income ^(b)	K	(7)	(320)	(2)	(13)	(577)	(5)	(45)
Finance expenses	L	6	243	2	10	418	3	(42)
Net finance costs	M = K+L	(2)	(77)	(1)	(4)	(158)	(1)	(51)
Share of profit of equity accounted investees	N	0	0	0	(0)	(4)	(0)	-
Profit before income tax	O = J-M+N	40	1,710	11	45	1,918	16	(11)
Income tax expense	P	(5)	(233)	(2)	(7)	(322)	(3)	(28)
Profit for the year	Q = O-P	34	1,477	10	37	1,597	13	(7)
Attributable to :								
Equity holders of the company	R	34	1,477	10	37	1,600	13	(8)
Minority interest	S	-	-	0	(0)	(3)	(0)	-
Profit for the year	T = R+S	34	1,477	10	37	1,597	13	(7)
Weighted average no. of shares o/s	U		168.9			168.7		
Diluted EPS	V = R/U	0.2	8.7		0.2	9.5		
Exchange rate			42.93			42.93		

Notes:

- (a) Includes negative goodwill of Rs. 157 million in Q1 FY09 on account of Dow acquisition.
- (b) Includes forex gain of Rs. 176 million in Q1 FY09 as against forex gain of Rs. 299 million in Q2 FY08.

Disclaimer

This note includes forward-looking statements, as defined in the U.S. Private Securities Litigation Reform Act of 1995. We have based these forward-looking statements on our current expectations and projections about future events. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such factors include, but are not limited to, changes in local and global economic conditions, our ability to successfully implement our strategy, the market acceptance of and demand for our products, our growth and expansion, technological change and our exposure to market risks. By their nature, these expectations and projections are only estimates and could be materially different from actual results in the future.

For further queries, please contact the IR desk at:

Nikhil Shah

Mail: nikhilshah@drreddys.com

Ph: +91-40-66511532

Milan Kalawadia (North America)

Mail: mkalawadia@drreddys.com

Ph: +1 9082034931

Raghavender R

Mail: raghavenderr@drreddys.com

Ph: +91-40-66511529