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NEULAND LABS STRENGTHENS COMMITMENT TO JAPANESE MARKET WITH NEW MANUFACTURING COLLABORATION WITH MITSUBISHI HEALTHCARE UNIT API CORPORATION

--APIC Investment in Neuland's Facilities Will Allow Neuland to Produce Competitively-Priced Pharmaceutical Products for APIC--

Hyderabad, India – March 12, 2013 – Neuland Laboratories Ltd., (NSE:NEULANLAB; BOM:524558) a pharmaceutical manufacturer providing [active pharmaceutical ingredients](#) (APIs), complex intermediates and [contract manufacturing](#) services to customers located in 85 countries, today announced a manufacturing collaboration with Tokyo-based API Corporation (APIC), a healthcare unit of Mitsubishi Chemical Holdings Group that produces APIs, intermediates and investigational new drugs, along with fine chemicals and reagents.

Under the terms of the agreement, API Corporation is making an investment in Neuland's facilities that will provide APIC with dedicated capacity for meeting the needs of its customers. The facilities will be operated by Neuland employees and the two companies will share oversight and management responsibilities.

"We are impressed with Neuland's long history of quality production and regulatory excellence. In addition, their business model of being solely focused on API and intermediates manufacture makes them an ideal partner for APIC," said Taiichi Emura, President of APIC.

"This agreement between Neuland and APIC is an outstanding example of a win-win collaboration between companies that share many values and are complementary in terms of capabilities and markets served," said Dr. D.R. Rao, Chairman and Managing Director of Neuland Labs Ltd. "We have recently been strengthening our presence in the Japanese market, while APIC was seeking an Indian partner to better serve customers. This alliance will allow us to raise our profile in Japan while enabling our partner APIC to grow their business in a cost-effective way."

Neuland also intends to continue to independently expand its already-sizeable business in Japan, building on its significant customer base for both generic API manufacturing and contract manufacturing of APIs and intermediates.

Dr. Rao added, "Our work with APIC has already been valuable in increasing our understanding of the unique requirements of the Japanese market. We are confident that we have adequate production capacity to serve both existing and new customers and believe that this collaboration will further enhance our ability to serve all of our customers around the globe."

Neuland Laboratories is listed on India's National Stock Exchange under the symbol NEULANLAB and on the Bombay Stock Exchange under code 524558 and the symbol Neuland.EO.

About Neuland Labs

For over 25 years Neuland Labs has been at the forefront of manufacturing APIs through its cGMP manufacturing facilities, working with customers in 85 countries. Neuland Labs has developed more than 300 processes and 60 APIs, and it has filed more than 40 US drug master files (DMFs), 10 EU CEPs and

a total of more than 400 DMFs worldwide. Its manufacturing facilities are inspected and approved by the US FDA and other leading regulatory agencies. Its record of quality manufacturing and reliability is highlighted by cGMP certifications that include the FDA, TGA, EDQM, German Health Authority, ISO 14001, ISO 27001 and OHSAS 18001. For more information, visit www.NeulandLabs.com.

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