Sun Pharmaceutical Industries Ltd.,
SUN HOUSE, CTS No. 201 B/1,
Western Express Highway, Goregaon (E),
Mumbai 400063, India
Tel.: (91-22) 4324 4324 Fax.: (91-22) 4324 4343
CIN: L24230GJ1993PLC019050
www.sunpharma.com

14 February 2017.

National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051.

BSE Limited,
Market Operations Dept.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Dear Sirs,

Sub: Press Release

Please find enclosed herewith our Press Release relating to Third quarter & Nine month FY17 financials, which we shall be releasing after sending this letter to you. This is for your information and record.

Thanking you,

Yours faithfully,
For Sun Pharmaceutical Industries Ltd

A. I. Bhuta

Ashok I. Bhuta
Compliance Officer

Encl: as above

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FOR IMMEDIATE RELEASE

Sun Pharma reports Q3FY17 results

Gross Sales at Rs. 7,683 crores
Net Profit at Rs. 1,472 crores

Mumbai, February 14, 2017: Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported financials for the third quarter & nine months ending December 31, 2016.

Highlights of Q3FY17 consolidated financials**

- Sales / Income from operations at Rs. 7,683 crores, a growth of 8% over same quarter last year.
- India sales at Rs. 1,969 crores, up by 5% over Q3 last year.
- US finished dosage sales at US$ 507 million up by 4% over Q3 last year. US sales include the benefit of the authorized generic sales of Olmesartan and its combinations.
- Emerging Markets sales at US$ 172 million up by 14% over Q3 last year.
- Rest of World sales at US$ 113 million, growth of 33% over Q3 last year.
- R&D investments at Rs. 613 crores (8% of sales) compared to Rs. 583 crores (8.2% of sales) for Q3FY16.
- EBITDA at Rs. 2,224 crores, resulting EBITDA margin of 29%.
- Net profit was at Rs. 1,472 crores down 5% over Q3 last year, resulting Net profit margin of 19%.

Highlights of 9m FY17 consolidated financials**

- Sales / Income from operations at Rs. 23,439 crores, a growth of 14% over same period last year.
- India sales at Rs. 5,833 crores, up by 8% over 9 months last year.
- US finished dosage sales at US$ 1,670 million up by 13% over 9 months last year. US sales include the benefit of the 180-day exclusivity for Imatinib which commenced from 01-Feb-2016 and authorized generic sales of Olmesartan and its combinations.
- Emerging Markets sales at US$ 494 million up by 17% over 9 months last year.
- Rest of World sales at US$ 276 million, up by 10% over same period last year.
- EBITDA at Rs. 7,575 crores, resulting EBITDA margin of 32%.
- Net profit for the 9m FY17 was at Rs. 5,741 crores, resulting Net profit margin of 24%. Net profit grew by 83% over 9 months last year. Net profit for 9m FY16 was adversely impacted by one-time items as well as exceptional charges of Rs. 685 crores.

These results were taken on record by the Board of Directors at a meeting held in Mumbai today.

Dilip Shanghvi, Managing Director of the Company said, "While we continue to focus on growing our existing business, we are happy to invest our strong cash flows in enhancing our specialty pipeline, though currently without commensurate revenue streams. During the quarter, we commercialized BromSite, our first specialty ophthalmology product in the US. Post the close of the quarter, Ocular Technologies, a company which we had recently acquired, announced positive results for Seciera Phase-3 trials demonstrating a rapid onset of action at 12 weeks of treatment for dry eye disease. We also made an announcement for acquiring Odomzo, a branded oncology product indicated for the treatment of adult patients with locally advanced basal cell carcinoma, a type of skin cancer. Odomzo is approved in 30 markets including the US, Europe and Australia."

*** The Company has adopted Indian Accounting Standards (Ind AS) from 01-April-2016 and hence the financials have been prepared according to Ind AS. To facilitate a like-to-like comparison, the financials for the previous quarter ended December 2015 (i.e. Q3FY16) and 9m FY16 have been restated as per Ind AS. As per requirements of Ind AS, sales are now reported on gross basis and hence margins are also calculated on gross sales.*

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India Business – Market Leadership

Sale of branded formulations in India for Q3FY17 was Rs. 1,969 crores, up 5% and accounting for 26% of total sales. For the 9 months, sales were at Rs. 5,833 crores, higher by 8% over same period last year. Sun Pharma is ranked No. 1 and holds approximately 8.7% market share in the over Rs. 100,000 crore pharmaceutical market as per December-2016 AIOCD-AWACS report.

As per latest SMSRC report, Sun Pharma is ranked no. 1 based on share of prescriptions with 12 classes of doctors. For Q3FY17, the company launched 6 new products in the Indian market.

US Formulations

Sales in the US were US$ 507 million for the quarter, a growth of 4% over same period last year and accounted for 45% of total sales. Sales for the quarter include the benefit of authorized generic sales of Olmesartan and its combinations. For 9 months sales were US$ 1,670 million recording a growth of 13%. Sales for the 9 months were boosted primarily due to the benefit of the 180-day exclusivity for Imatinib which commenced from 01-Feb-2016 and the authorized generic sales of Olmesartan and its combinations.

At the same time, Taro posted Q3 FY17 sales of US$ 220 million, down 15% over Q3 last year. For the 9 months, sales were flat at US$ 683 million. Taro's net profit for Q3 was US$ 140 million, down by 26% over Q3 last year. Net profit for 9m FY16 was at US$ 373 million, a decline of 12% over 9 months last year.

Emerging Markets

Our sales in emerging markets were at US$ 172 million for Q3; a growth of 14% compared to the same quarter last year and accounted for 15% of total sales. For the 9 months, sales were US$ 494 million, up by 17% over 9 months last year. The growth is broad-based amongst emerging markets.

Rest of World Markets

Formulation sales in Rest of World (ROW) markets excluding US and Emerging Markets were US$ 113 million in Q3FY17, a growth of 33% from the corresponding quarter last year, partly driven by consolidation of Japanese revenues. For the 9 months, sales were US$ 276 million, up by 10% over 9 months last year. ROW markets accounted for approximately 10% of revenues for Q3FY17.

Active Pharmaceutical Ingredients (API): Strategic strength

Our API business imparts benefits of vertical integration for our formulations business. We continue to increase the API supply for captive consumption for key products. For Q3FY17, external sales of API were at Rs. 366 crores, down by 17% over Q3 last year. For the 9 months, API sales were up by 17% to Rs. 1,202 crores, partly driven by the consolidation of the Australian Opiates business.

Research – Investing for future

Consolidated R&D expense for Q3FY17 was Rs. 613 crores, or 8% of sales compared to Rs. 583 crores or 8.2% of sales for Q3 last year. For 9 months, R&D expenses were Rs. 1,714 crores or 7.3% of sales. This R&D expenditure includes investments on account of funding the clinical development of our specialty pipeline.

We have a comprehensive product offering in the US market consisting of approved ANDAs for 424 products while filings for 149 ANDAs await US FDA approval, including 14 tentative approvals. For the quarter, 8 ANDAs were filed and 1 approval was received. Additionally, the pipeline includes 36 approved NDAs while 4 NDAs await US FDA approval, of which 2 NDAs were filed in 9m FY17.

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Statements in this "Document" describing the Company's objectives, projections, estimates, expectations, plans or predictions or industry conditions or events may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied.

Earnings Call (06.30 pm IST, February 14, 2017)

The Company will host an earnings call at 06.30 pm IST on February 14, 2017, where senior management will discuss the Company's performance and answer questions from participants. This call will be accessible through an audio dial-in and a web-cast.

Audio conference	Participants can dial-in on the numbers below Primary number: +91 22 3960 0899
	Playback of call: +91 22 3065 2322 & +91 22 6181 3322, Conference ID: 61080
Web-cast	*More details will be provided through our website, www.sunpharma.com*

To participate in the audio call, please dial the numbers provided above five to ten minutes ahead of the scheduled start time. The operator will provide instructions on asking questions before the call.
The transcript of the event will be available at www.sunpharma.com. The playback will be available for a few days.

About Sun Pharmaceutical Industries Ltd. (CIN - L24230GJ1993PLC019050):

Sun Pharma is the world's fifth largest specialty generic pharmaceutical company and India's top pharmaceutical company. A vertically integrated business, economies of scale and an extremely skilled team enable us to deliver quality products in a timely manner at affordable prices. It provides high-quality, affordable medicines trusted by customers and patients in over 150 countries across the world. Sun Pharma's global presence is supported by 49 manufacturing facilities spread across 6 continents, R&D centres across the globe and a multi-cultural workforce comprising over 50 nationalities. The consolidated revenues for 12 months ending March 2016 are approximately US$ 4.3 billion, of which US contributes US$ 2.1 billion. In India, the company enjoys leadership across 12 different classes of doctors with 31 brands featuring amongst top 300 pharmaceutical brands in India. Its footprint across emerging markets covers over 100 markets and 6 markets in Western Europe. Its Global Consumer Healthcare business is ranked amongst Top 10 across 4 global markets. Its API business footprint is strengthened through 14 world class API manufacturing facilities across the globe. Sun Pharma fosters excellence through innovation supported by strong R&D capabilities comprising about 2,000 scientists and R&D investments of over 8% of annual revenues. For further information please visit www.sunpharma.com & follow us on Twitter @SunPharma_Live

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