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FOR IMMEDIATE RELEASE

Sun Pharma reports a strong quarter

Mumbai, August 12, 2014: Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported financials for first quarter ending June 30th, 2014.

Highlights of Q1 FY15 consolidated financials

- Net sales / Income from operations at Rs. 3,927 crores, a growth of 13% over same quarter last year.
- Branded generic sales in India at Rs. 992 crores, up by 17% over Q1 last year.
- US finished dosage sales at US$ 389 million grew by 7% (in US$ terms) over Q1 last year.
- International formulation sales outside US at US$ 82 million, grew by 2% (in US$ terms) over Q1 last year.
- Overall international revenues accounted for more than 75% of total revenues for the quarter.
- EBITDA at Rs. 1,724 crores grew by 13%; resulting EBITDA margin of 44%, same as Q1 last year.
- Adjusted Net profit at Rs 1,391 crores witnessed a growth of 12% over Q1 last year; resulting margin of 35%.
- Reported Net profit at Rs. 1,391 crores, compared to Net loss of Rs. 1,276 in Q1 last year. The loss in Q1 last year was on account of a provision of Rs. 2,517 crores towards settlement for patent infringement litigation related to generic versions of 'Protonix'.

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, "Our Q1 performance was in-line with our expectations. While we are intensively planning for the integration with Ranbaxy, we remain focused on strengthening our existing businesses and developing a differentiated and specialty driven product basket. We also continue to review opportunities to expand and strengthen our global footprint."

India Branded Generics – Chronic Therapy Leadership

Sale of branded prescription formulations in India was Rs. 992 crores, up by 17% from Q1 last year. As per AIOCD-AWACS report, the average industry growth was approximately 8% for Q1FY15. Seven products were launched in the Indian market during the quarter.

Sun Pharma is ranked 2nd and holds 5.4% market share in the Rs. 77,000 crore pharmaceutical market as per June-2014 AIOCD-AWACS report. It continues to be ranked no. 1 based on share of prescriptions with 7 classes of specialists: psychiatrists, neurologists, cardiologists, ophthalmologists, orthopedicians, nephrologists, and gastroenterologists.

US Formulations: Taro price protection charges moderates overall growth

Sales in the US were US$ 389 million for the quarter, up by 7%, accounting for 58% of total sales.

Taro recently posted Q1 sales of US$ 130 million, down 15% from the corresponding quarter last year. Taro's net profit for Q1 was US$ 46 million, a decline of 22% over Q1 last year. The decline in sales and profits is mainly due to the price protection charge taken by Taro during the quarter.

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International ex-US formulation sales

Formulation sales in international markets excluding US accounted for US$ 82 million in Q1FY15, registering a growth of 2% (in US$ terms). Excluding ex-US Taro sales, underlying sales growth in US$ terms for Sun Pharma business in these markets was 4% for Q1FY15.

Active Pharmaceutical Ingredients (API): Strategic strength

External sales of API reached Rs. 174 crores in Q1FY15, a decline of 10% over Q1 last year. On the other hand, we increased the API supply for captive consumption significantly for key products which enabled us to enjoy the benefits of strategic vertical integration. A cumulative of 259 DMF / CEP applications have been made, with 176 approved so far.

Research – Investing for future

Consolidated R&D expense for Q1FY15 was Rs. 257 crores, or 6.6% of sales.

We now have a comprehensive product offering in the US market with approved ANDAs for 350 products while filings for 140 products await US FDA approval, including 12 tentative approvals. In the first quarter, ANDAs for 14 products were filed and 6 approvals were received.

The total number of patent applications submitted now stands at 575 with 349 patents granted so far.

Ranbaxy Acquisition – Status Update

In April-2014, Sun Pharma had proposed the acquisition of Ranbaxy Laboratories Ltd in an all-stock deal valued at an Enterprise Value of about US$ 4 billion. This acquisition requires approvals from multiple regulatory agencies and the respective shareholders of both the companies. Till date, clearances have been obtained from the stock exchanges in India and from anti-competition authorities in all applicable markets excluding India and the US.

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Earnings Call (10.00 am IST, August 13, 2014)

The Company will host an earnings call at 10.00 am IST on August 13, 2014, 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 Secondary number: +91 22 6746 8324 *Playback of call: +91 22 3065 2322 Conference ID: 786742*
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.

Established in 1983, listed since 1994 and headquartered in India, Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) is an international specialty pharmaceutical company with over 75% sales from global markets. It manufactures and markets a large basket of pharmaceutical formulations as branded generics as well as generics in US, India and several other markets across the world. For the year ending March 2014, overall revenues were at US$2.7 billion, of which US contributed US$1.6 billion. In India, the company is a leader in niche therapy areas of psychiatry, neurology, cardiology, nephrology, gastroenterology, orthopedics, and ophthalmology. The company has strong skills in product development, process chemistry, and manufacturing of complex dosage forms. More information about the company can be found at www.sunpharma.com.

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