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For Immediate Release

Sun Pharma to acquire Ranbaxy in a US$ 4 billion landmark transaction

- *To create world's 5th largest specialty generic pharma company*
- *No. 1 pharma company in India with leadership position in 13 specialty segments*
- *No. 1 Indian pharma company in the US*
- *US$ 250 million of revenue and operating synergies by 3rd year post close*
- *Daiichi Sankyo to become the second largest shareholder in Sun Pharma*

Mumbai and Gurgaon, India: April 6, 2014 – Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) and Ranbaxy Laboratories Ltd (Reuters: RANB.BO, Bloomberg: RBXY IN, NSE: RANBAXY, BSE: 500359) today announced that they have entered into definitive agreements pursuant to which Sun Pharma will acquire 100% of Ranbaxy in an all-stock transaction. Under these agreements, Ranbaxy shareholders will receive 0.8 share of Sun Pharma for each share of Ranbaxy. This exchange ratio represents an implied value of ₹457 for each Ranbaxy share, a premium of 18% to Ranbaxy's 30-day volume-weighted average share price and a premium of 24.3% to Ranbaxy's 60-day volume-weighted average share price, in each case, as of the close of business on April 4, 2014.

The combination of Sun Pharma and Ranbaxy creates the fifth-largest specialty generics company in the world and the largest pharmaceutical company in India. The combined entity will have operations in 65 countries, 47 manufacturing facilities across 5 continents, and a significant platform of specialty and generic products marketed globally, including 629 ANDAs. On a pro forma basis, the combined entity's revenues are estimated at US$ 4.2 billion with EBITDA of US$ 1.2 billion for the twelve month period ended December 31, 2013. The transaction value implies a revenue multiple of 2.2 based on 12 months ended December 31, 2013.

Dilip Shanghvi, Managing Director of Sun Pharma said, *"Ranbaxy has a significant presence in the Indian pharma market and in the US where it offers a broad portfolio of ANDAs and first-to-file opportunities. In high-growth emerging markets, it provides a strong platform which is highly complementary to Sun Pharma's strengths. We see tremendous growth opportunities and are excited with the prospects to create lasting value for both our shareholders through a successful combination of our franchises."*

"We believe this transaction brings significant value to all Ranbaxy shareholders. Sun Pharma has a proven track record of creating significant long-term shareholder value and successfully integrating acquisitions into its growing portfolio of assets. We are confident that Sun Pharma is the ideal partner to help us realize our full potential and are excited to participate in future value creation opportunities," **stated Arun Sahwney, Managing Director and Chief Executive Officer of Ranbaxy.**

The proposed transaction has been unanimously approved by the Boards of Directors of Sun Pharma, Ranbaxy, and Ranbaxy's controlling shareholder, Daiichi Sankyo. Ranbaxy's board and Sun Pharma's board have recommended approval of the transaction to their respective shareholders.

Diversified Specialty and Generic Portfolios

The combination will create a large specialty pharmaceutical company with strong capabilities in developing complex products and exploiting first to file opportunities. A combined Sun Pharma and Ranbaxy will have a diverse, highly complementary portfolio of specialty and generic products targeting a spectrum of chronic and acute treatments. The combined business will have a strong portfolio of specialty and generic products marketed globally, including 445 ANDAs. Additionally, the combination will create one of the leading dermatology platforms in the United States.

Enhanced Global Market Presence

The combination creates the fifth-largest generic company in the world and the largest pharmaceutical entity in India. The combined entity will have 47 manufacturing facilities across 5 continents. The transaction will combine Sun Pharma's proven complex product capabilities with Ranbaxy's strong global footprint, leading to significant value creation opportunities. Additionally, the combined entity will have increased exposure to emerging economies while also bolstering Sun Pharma's commercial and manufacturing presence in the United States and India. It will have an established presence in key high-growth emerging markets. In India, it will be ranked No. 1 by prescriptions amongst 13 different classes of specialist doctors.

Financially Compelling Transaction

The acquisition is expected to be accretive to Sun Pharma's cash earnings per share in the first full year. Additionally, Ranbaxy's shareholders will participate in the value creation of the combined company through their ownership of Sun Pharma shares. Sun Pharma expects to realize revenue and operating synergies of US$ 250 million by third year post closing of the transaction. These synergies are expected to result primarily from topline growth, efficient procurement and supply chain efficiencies. As part of the transaction, Sun Pharma intends to leverage the human capital that has supported both companies, in order to drive future growth.

Transaction Details

Under the agreements, Ranbaxy shareholders will receive 0.8 shares of Sun Pharma for each share of Ranbaxy. This exchange ratio represents an implied value of Rs 457 for each Ranbaxy share, a premium of 18% to Ranbaxy's 30-day volume-weighted average share price and a premium of 24.3% to Ranbaxy's 60-day volume-weighted average share price, in each case, as of the close of business on April 4, 2014.The transaction has a total equity value of approximately US$ 3.2 billion.

The transaction is expected to represent a tax-free exchange to Ranbaxy shareholders, who are expected to own approximately 14% of the combined company on a pro forma basis. Upon closing,

Daiichi Sankyo will become a significant shareholder of Sun Pharma and will have the right to nominate one director to Sun Pharma's Board of Directors.

Ranbaxy has recently received a subpoena from the United States Attorney for the District of New Jersey requesting that Ranbaxy produce certain documents relating to issues previously raised by the FDA with respect to Ranbaxy's Toansa facility. In connection with the transaction, Daiichi Sankyo has agreed to indemnify Sun Pharma and Ranbaxy for, among other things, certain costs and expenses that may arise from the subpoena.

Approvals and Timing

The transaction will need approval by majority in number representing 75% in value of the shares present and voting at the shareholder meetings of each of Sun Pharma and Ranbaxy. Both Daiichi Sankyo (which holds approximately 63.4% of the outstanding shares of Ranbaxy) and promoters of Sun Pharma (who hold approximately 63.7% of the outstanding shares thereof), have irrevocably agreed to vote in favor of the transaction.

Additionally, the closing of the transaction will be subject to customary closing conditions, including approval by the Indian Central Government, approval by the High Courts of Gujarat and Punjab and Haryana, approval by the Competition Commission of India and expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvement Act in the United States. Pending approvals, Sun Pharma anticipates that the transaction will close by the end of calendar year 2014.

Conference Call

Sun Pharma and Ranbaxy will host a conference call on April 7, 2014 at 08:00 am IST to discuss this combination. The dial-in number to participate on this call is **+91 22 3065 0088 / +91 22 6629 0088.** This call will be accessible through an audio dial-in and a webcast.

Advisors

Citi and Evercore are acting as financial advisors for the transaction to Sun Pharma. Sun Pharma's legal advisors are Shearman & Sterling LLP, Crawford Bayley & Co and S. H. Bathiya & Associates.

Ranbaxy's financial advisor for the transaction is ICICI Securities and its legal advisors are Luthra & Luthra Law Offices and Amarchand & Mangaldas & Suresh A Shroff & Co. Daiichi Sankyo's financial advisor for the transaction is Goldman Sachs and its legal advisors are Davis Polk & Wardwell LLP and Amarchand & Mangaldas & Suresh A Shroff & Co.

About Sun Pharma

Established in 1983, listed since 1994 and headquartered in India, Sun Pharma is an international, integrated, specialty pharmaceutical company. It manufactures and markets a large basket of pharmaceutical formulations as branded generics as well as generics in India, US and several other markets across the world. In India, the company is a leader in niche therapy areas of psychiatry, neurology, cardiology, diabetology, gastroenterology, orthopedics and ophthalmology. The company has strong skills in product development, process chemistry, and manufacturing of complex dosage forms and APIs. More information about the company can be found at www.sunpharma.com

About Ranbaxy

Ranbaxy Limited is an integrated, research based, international pharmaceutical company producing a wide range of quality, affordable generic medicines, trusted by healthcare professionals and patients across geographies. Ranbaxy's continued focus on R&D has resulted in several approvals in developed and emerging

markets, many of which incorporate proprietary Novel Drug Delivery Systems and technologies developed at its own labs. The company has further strengthened its focus on generics research and is increasingly working on more complex and specialty areas. Ranbaxy serves its customers in over 150 countries and has an expanding international portfolio of affiliates, joint ventures and alliances, ground operations in 43 countries and manufacturing operations in 8 countries. For more information, please visit www.ranbaxy.com.

Safe Harbor Statement

Some of the statements made in this press release are forward-looking statements. These forward-looking statements are based upon our current expectations and projections about future events and generally relate to our plans, objectives and expectations for the development of our business. Although management believes that the plans and objectives reflected in or suggested by these forward-looking statements are reasonable, all forward-looking statements involve risks and uncertainties and actual future results may be materially different from the plans, objectives and expectations expressed in this press release.

For More Information Contact:

Sun Pharma

Nimish Desai
Tel +91 22 6645 5645, Xtn 5717
Tel Direct +91 22 6645 5717
Mobile +91 98203 30182
E mail nimish.desai@sunpharma.com

Frederick Castro
Tel +91 22 6645 5645, Xtn 5964
Tel Direct +91 22 6645 5964
Mobile +91 99206 65176
E mail frederick.castro@sunpharma.com

Abernathy MacGregor

Chuck Burgess or Luke Barrett
Tel +1-212-371-5999
E mail CLB@abmac.com
LPB@abmac.com

Ranbaxy

Koji Ogawa - Head-Corporate Services
Tel +91 124 4135620
Email koji.ogawa@ranbaxy.com

Krishnan Ramalingam - General Manager – Global Corporate Communications
Tel +91 9810042540
Email krishnan.ramalingam@ranbaxy.com