



FOR IMMEDIATE RELEASE

Sun Pharma reports strong performance for Q2FY12

Sales Rs 1895 crores, EBITDA margin 41%, Net margin 32%

Mumbai, November 13, 2011: Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported unaudited numbers for the quarter and six months ending September 30, 2011.

Highlights of Q2FY12 consolidated financials

- Net sales / income from operations at Rs 1895 crores, registering a growth of 42% over same quarter last year
- India branded generic sales at Rs 705 crores; excluding third party manufacturing business, grew by 18% over Q2 last year
- US finished dosage sale at \$ 175 million
- International formulation sales at \$ 56 million.
- EBITDA margin at 41%
- Net profit at Rs 598 crores, equivalent to 32% net margin.

Highlights of H1FY12 consolidated financials

- Net sales / income from operations at Rs 3530 crores, registering a growth of 31% over the same period last year
- India branded generic sales at Rs 1343 crores; excluding third party manufacturing business, grew by 18% over H1 last year
- US finished dosage sale at \$ 314 million
- International formulation sales at \$ 112 million.
- EBITDA margin at 38%
- Net profit at Rs 1099 crores, equivalent to 31% net margin.

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

According to Dilip Shanghvi, Chairman and Managing Director of the Company, "Performance delivered this quarter and in the first half, though partly aided by the exchange rate movement, is a clear reflection of the steady effort made across all parts of our business towards long term sustainable growth and profitability. India business maintains the growth in prescription share with our key customers. In the US and other international markets, work continues on enriching the product pipeline and on strengthening the quality and regulatory processes."

India Branded Generics – Strength in consistency

Sale of branded prescription formulations in India is at Rs 705 crores for the second quarter, registering a growth of 15% over the same quarter last year and accounting for 37% of total sales. For the first half, sales were at Rs 1343 crores, a growth of 14% over same period last year. Excluding third party manufacturing business which has been discontinued, underlying growth is 18% for the quarter and the first half.

Sun Pharma holds 4.4% market share in the highly competitive pharma market, as per latest AIOCD report. Overall, the company is now ranked no. 1 based on share of prescriptions with 7 classes of specialists:



psychiatrists, neurologists, cardiologists, ophthalmologists, orthopedics, gastroenterologists and consulting physicians.

10 key products were launched during the quarter taking the total to 17 for the first half.

US Formulations – Work continues

Sale of finished dosage products in the US is at \$ 175 million in the second quarter of FY12, now accounting for 42% of total sales. For the first half, sale is \$ 314 million. Last year second quarter and first half financials include significant sales from generic Eloxatin® which is currently not being sold. On the other hand, Taro financials are included in the current quarter financials but included only for 10 days in the last year second quarter financials.

Taro

Taro recently announced its unaudited financials for the Jul-Sep quarter. Net sales for the quarter is at \$ 138 million, a growth of 34% over same period last year, while the net profit for the quarter is at \$ 59 million, higher by 218% when compared to the same quarter last year, partly on account of foreign exchange gain. On October 19, 2011, Sun Pharma proposed to acquire all of the outstanding shares of Taro not currently held by Sun Pharma or its affiliates for \$ 24.50 per share. Taro Board has constituted a committee of its Independent Directors to evaluate this proposal.

Other US Operations

On September 19, 2011, Sun Pharma announced resolution of issues contained in the warning letter received by the manufacturing site of its subsidiary at Cranbury, New Jersey.

Remediation efforts at the Caraco facility in Detroit are ongoing.

Rest of the World Formulations

Sale of generic formulations in markets outside of India and US accounted for \$ 56 million in Q2FY12. Sales for the first half is at \$ 112 million. Taro sales outside US are included in the current quarter but reflected only for 10 in Q2 of last year. Excluding this, underlying sales growth is in excess of 20% in the quarter and the first half.

Research

Consolidated R&D expense for Q2 FY12 is Rs 93 crores, or 5% of sales. For the first half, R&D expense is Rs 186 crores, equivalent to 5% of sales.

In the second quarter, ANDAs for 5 products have been filed, 4 by Sun Pharma (now includes Caraco) and 1 by Taro. Counting these, cumulatively ANDAs for 388 products have been filed by Sun Pharma and Taro with the USFDA. ANDAs for 6 products received approvals in the second quarter taking the total number of approvals to 238. Counting these, ANDAs for 150 products now await USFDA approval, including 18 tentative approvals.

A cumulative of 210 DMF / CEP applications have been made, with 138 approved so far. The total number of patent applications submitted now stands at 551 with 254 patents granted so far.

Earnings Call (10 am IST, November 14, 2011)

Sun Pharmaceutical Industries Ltd.
17/B, Mahal Industrial Estate,
Mahakali Caves Road,
Andheri (East), Mumbai 400 093 India
Tel.: (91-22) 6645 5645
Fax.: (91-22) 6645 5685



The Company will host an earnings call at 10 am IST on November 14, 2011 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 6629 0088
Secondary number: +91 22 3065 0088

Playback of call: +91 22 6629 5929. 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 Pharma

Established in 1983, listed since 1994 and headquartered in India, Sun Pharma (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE:SUNPHARMA, BSE: 524715) is an international, integrated, speciality 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 API, as well as dosage forms. More information about the company can be found at www.sunpharma.com.

Contacts

Uday Baldota
Tel +91 22 6645 5645, Xtn 605
Tel Direct +91 22 66455605
Mobile +91 98670 10529
E mail uday.baldota@sunpharma.com

Mira Desai
Tel +91 22 6645 5645, Xtn 606
Tel Direct +91 22 66455606
Mobile +91 98219 23797
E mail mira.desai@sunpharma.com