Sun Pharmaceutical Industries Ltd.
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FOR IMMEDIATE RELEASE

Sun Pharma provides business update

Mumbai, July 20**,** 2015: Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) today provided the following business update.

Following the acquisition of Ranbaxy, the Company has embarked on various consolidation initiatives globally to drive future growth and profitability and to enhance long-term shareholder value. These include:

- **Investing for future** – We continue to strengthen and build leadership position in key markets and business segments. As a part of our focus towards enhancing share of specialty/branded business and targeting differentiated product offerings, we have recently strengthened our ophthalmology and OTC teams in the US as well as formed a dedicated team for MK-3222, our IL-23 anti-body which is currently undergoing Phase-III clinical trials. We simultaneously continue to explore opportunities to expand our global footprint.
- **Profitability** – Our target for the synergy benefits from the Ranbaxy acquisition has increased by 15-20% as compared to our original target of US$ 250 million by FY18. This will be achieved by focusing on overall profitability improvement driven by revenue and procurement synergies, manufacturing rationalization and various additional cost-management measures.
- **R&D** – We continue to allocate significant resources to R&D in order to strengthen the specialty pipeline including patented products and complex generics. This will mandate increased R&D investments including that for the development of MK-3222.
- **cGMP compliance** – A key priority for us is to ensure continued 24x7 cGMP compliance by continuously enhancing systems, processes and human capabilities to meet global regulatory standards at all our manufacturing facilities. As a part of this process and in order to address the cGMP deviations at its Halol facility, the Company has undertaken various remedial measures. These remedial measures have resulted in supply constraints for some of the products. We expect this situation to continue for some more time till all the remedial steps at Halol are completed. The remedial action at the Mohali, Dewas, Poanta Sahib and Toansa facilities is on track. We are working towards the fulfilment of the requirements of the US consent decree and will try to expedite the resolution for at least one of these facilities.
- **Ranbaxy integration** – As a part of the integration process, the Company expects to incur certain integration charges in order to generate long-term synergies from this merger. Also, as a part of the integration process, the Company may decide to discontinue certain non-strategic businesses.
- **Revenue Growth** – Post this consolidation, we believe that the Company will be better placed to pursue higher than industry growth in subsequent years.

However, these measures are likely to adversely impact the overall revenues and profits of the Company for FY16 as indicated below:

- Consolidated revenues – to remain flat or show a decline over FY15.
- Consolidated profits – In addition to the above revenue impact, profits may also be adversely impacted due to certain expenses/charges arising out of integration as well as remedial actions.

The above initiatives will help the company revert to a more sustainable growth trajectory post FY16.

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Conference Call (07.30 pm IST, July 20, 2015)

The Company will host a conference call at 07.30 pm IST on July 20, 2015, where senior management will discuss this business update 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: 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 45 manufacturing facilities spread across 5 continents, R&D centres across the globe and a multi-cultural workforce comprising over 50 nationalities. The consolidated revenues for 12 months ending March 2015 are approximately US$ 4.5 billion, of which US contributes US$ 2.2 billion. In India, the company enjoys leadership across 12 different classes of doctors with 30 brands featuring amongst top 300 pharmaceutical brands in India. Its footprint across emerging markets covers over 50 countries 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 11 world class API manufacturing facilities across the globe. Sun Pharma fosters excellence through innovation supported by strong R&D capabilities comprising about 2000 scientists and R&D investments of over 7% of annual revenues. For further information please visit www.sunpharma.com

Contacts

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