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FOR IMMEDIATE RELEASE

Sun Pharma Reports Q2 FY2010-11 Financials

Sales Rs 1370 crores, Net Profit Rs 504 crores

Mumbai, October 30**,** 2010: Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported financials for the second quarter and first half ending Sep 30, 2010. These consolidated financials also include those for Taro Pharmaceutical Industries Ltd ("Taro") from Sep 21, 2010.

Highlights of Q2 FY11 consolidated financials

- Net sales / income from operations at Rs. 1370 crores, growing 16% over Q2 FY10
- India branded generic sale at Rs 641 crores, registering a growth of 36% over same quarter last year
- Caraco sales at $ 98 million, up 25% from Q2 FY10
- Operating profit at Rs 432 crores, resulting into operating margin of 32 %
- Net profit at Rs. 504 crores.

Highlights of H1 FY11 consolidated financials

- Net sales / income from operations at Rs. 2770 crores, growing 40% over H1 FY10
- India branded generic sale at Rs 1239 crores, registering a growth of 58% over same period last year
- Caraco sales at $ 228 million, up 80% from H1 FY10
- Operating profit at Rs 1008 crores, resulting into operating margin of 36%
- Net profit at Rs. 1068 crores, a growth of 73% over first half FY10.

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, "As witnessed in the first six months of this fiscal, our base business continues to progress well in line with our expectations. Pace of product approvals remains good. While the business is set to deliver the expected growth as announced at the beginning of the year, the larger task ahead is revitalizing Taro's business. Even as we handle this and the challenges related to GMP compliance, we expect to emerge as a much stronger company with an expanded product portfolio and a larger international presence."

India formulations - Speciality leadership

Sales of branded prescription formulations in India were at Rs. 641 crores for the second quarter, a growth of 36% over the same quarter last year, and accounting for 46% of total sales. For the first half, domestic formulation sales were at Rs. 1239 crores, a growth of 58 % over the first half of last year. This high growth is partly attributable to the lower base in the same periods of FY10.

Sun Pharma holds 3.7% market share in the highly competitive pharma market, as per latest IMS ORG report. 11 key products were launched during the quarter, taking the total for the first half to 21.

Overall, the company is ranked no. 1 based on share of prescriptions with 5 classes of specialists: psychiatrists, neurologists, cardiologists, ophthalmologists and orthopedics.

US Generics – Expanded presence

Finally this quarter, Taro turned into an indirect subsidiary of Sun Pharma. Taro recently announced its unaudited financials for the Jul-Sep quarter and the nine months from Jan – Sep. Net sales for the Jan-Sep 2010 is at $ 291 million, an increase of 5% over the same period last year. Net profit during this period is at $ 48 million.

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Caraco, the other listed subsidiary in US, recently announced its Q2 FY11 sales of $ 97.8 million, up 25% from the same quarter last year. Caraco recorded a net loss of $ 1.5 million for Q2 FY11. For the first half FY11, Caraco reported sales of $ 227.8 million and net loss of $ 0.3 million.

Between Sun Pharma and Caraco ANDAs for 94 products are now approved. In the Jul-Sep quarter, ANDAs for 2 products have been filed by Sun Pharma. With this, in the first half, ANDAs for a total of 6 products have been filed by Sun Pharma and Caraco. During the second quarter, ANDAs for 3 products from Sun Pharma have been approved taking the total approvals to 10 in the first half. Taro brings a pipeline of 150 filings, of which ANDAs for 123 are approved and the balance 27 pending approval. Most of these ANDAs are in the dermatology and pediatric space.

Counting all of these together, ANDAs for 363 products have been filed across Sun Pharma, Caraco and Taro, of which 217 have been approved by the USFDA. Of the balance 146 awaiting approval, 17 have tentative approvals.

Research – Pipelines that feed into a future

Consolidated R&D expense for Q2 FY11 is Rs. 76 crores, or 5.6 % of income from operations. For the first half, the consolidated R&D expense is Rs. 134 crores, or 4.8 % of income from operations.

Strengthening our API pipeline, a cumulative of 198 DMF / CEP applications have been made, with 120 approved so far. This includes a total of 33 applications from Taro, of which 25 are approved. The total number of patent applications submitted for Sun Pharma now stands at 257 with 84 patents granted so far.

Earnings call (10 am IST, Nov 01, 2010)

The Company will host an earnings call at 10 am IST on Nov 01, 2010 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 3065 0088 Secondary number: +91 22 6629 0088 Playback of call: +91 22 3065 1212.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 10 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.

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