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FOR IMMEDIATE RELEASE

Sun Pharma reports a strong quarter

All time high Net Sales and EBITDA
Net Sales Rs. 4,751 crores, up 13%, EBITDA Rs. 2,161 crores, up 18%
Net Profit Rs. 1,572 crores, up 15%

Mumbai, November 13**,** 2014: Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported financials for second quarter & first half ending September 30th, 2014.

Highlights of Q2FY15 consolidated financials

- Net sales / Income from operations at Rs. 4,751 crores, a growth of 13% over same quarter last year.
- Branded generic sales in India at Rs. 1,152 crores, up by 21% over Q2 last year.
- US finished dosage sales at US$ 481 million grew by 15% (in US$ terms) over Q2 last year.
- International formulation sales outside US at US$ 89 million grew by 12% (in US$ terms) over Q2 last year.
- Overall international revenues accounted for approximately 75% of total revenues for the quarter.
- EBITDA at Rs. 2,161 crores grew by 18%; resulting EBITDA margin of 45% compared to 44% for Q2 last year.
- Net profit at Rs. 1,572 crores compared to Rs. 1,362 crores for Q2 last year, up 15% with resulting margin of 33%.

Highlights of H1FY15 consolidated financials

- Net sales / Income from operations at Rs. 8,677 crores, a growth of 13% over the same period last year
- India branded generic sales at Rs. 2,144 crores, a growth of 19% over H1 last year.
- US finished dosage sale at US$ 870 million grew by 11% (in US$ terms) over H1 last year.
- International formulation sales at US$ 171 million grew by 7% (in US$ terms) over H1 last year.
- EBITDA at Rs. 3,885 crores grew by 16%; resulting EBITDA margin of 45%, compared to 44% in H1 last year
- Net profit for H1FY15 at Rs. 2,963 crores compared to Rs. 86 crores in H1 last year. Net profit for H1 last year includes a provision of Rs. 2,517 crores towards the generic Protonix litigation in the US. Adjusted for this provision, net profit for H1FY15 is up by 14% with resulting margin of 34%.

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 Q2 performance was strong and continued to achieve high level of profitable growth, in-line with our expectations. We remain focused on strengthening our existing businesses and developing a differentiated and specialty product basket as well as planning for the Ranbaxy integration. 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 for Q2FY15 was Rs. 1,152 crores, up by 21% from Q2 last year. For the first half, sales were at Rs. 2,144 crores, higher by 19% over same period last year. As per AIOCD-AWACS report, the average industry growth was approximately 11% for Q2FY15. Six products were launched in the Indian market during the quarter.

Sun Pharma is ranked 2nd and holds 5.4% market share in the Rs. 80,000 crore pharmaceutical market as per Sept-2014 AIOCD-AWACS report. It continues to be ranked no. 1 based on share of prescriptions with 7 classes of

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specialists: psychiatrists, neurologists, cardiologists, ophthalmologists, orthopedicians, nephrologists, and gastroenterologists.

US Formulations: Taro drives overall growth

Sales in the US were US$ 481 million for the quarter, up by 15%, accounting for 61% of total sales. For the first half, sales were US$ 870 million recording a growth of 11%.

Taro recently posted Q2 FY15 sales of US$ 251 million, up 22% from the corresponding quarter last year. For the first half, sales were US$ 381 million, up by 6% over first half last year. Taro's net profit for Q2 was US$ 143 million, up by 49% over Q2 last year. Net profit for H1FY15 was at US$ 190 million, up by 22% over first half last year.

International ex-US formulation sales

Formulation sales in international markets excluding US accounted for US$ 89 million in Q2FY15, registering a growth of 12% (in US$ terms). ROW sales for the first half were US$ 171 million, growing at 7% (in US$ terms). Excluding ex-US Taro sales, underlying sales growth in US$ terms for Sun Pharma business in these markets was 18% for Q2FY15 and 10% for the H1FY15.

Active Pharmaceutical Ingredients (API): Strategic strength

We increased the API supply for captive consumption significantly for key products which enabled us to enjoy the benefits of strategic vertical integration. As a result, for Q2FY15, external sales of API were flat at Rs. 210 crores over Q2 last year. For the first half, API sales reduced by 5% to Rs. 384 crores. A cumulative of 264 DMF/CEP applications have been made, with 177 approved so far.

Research – Investing for future

Consolidated R&D expense for Q2 FY15 was Rs. 312 crores, or 6.6% of sales. For H1, R&D spend was Rs. 569 crores at 6.6% of sales.

We now have a comprehensive product offering in the US market with approved ANDAs for 354 products while filings for 130 products await US FDA approval, including 11 tentative approvals. In the first half, ANDAs for 15 products were filed and 10 approvals were received.

The total number of patent applications submitted now stands at 576 with 346 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, shareholders and from competition authorities in all applicable markets excluding India and the US.

Licensing Agreement for tildrakizumab

During the quarter, Sun Pharma and Merck & Co. Inc. entered into an exclusive worldwide licensing agreement for Merck's investigational therapeutic antibody candidate, tildrakizumab, (MK-3222), which is currently being evaluated in Phase 3 registration trials for the treatment of chronic plaque psoriasis, a skin ailment.

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Under terms of the agreement, Sun Pharma will acquire worldwide rights to tildrakizumab for use in all human indications from Merck in exchange for an upfront payment of US $80 million, milestone payments and tiered royalties. Merck will continue all clinical development and regulatory activities, which will be funded by Sun Pharma. Upon final approval for the product, Sun Pharma will be responsible for all subsequent activities.

Earnings Call (06.30 pm IST, November 13, 2014)

The Company will host an earnings call at 06.30 pm IST on November 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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