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Ranbaxy Laboratories Limited



**FINANCIAL RESULTS:
January – March 2012 (Q1)**

**ARUN SAWHNEY
CEO & MD**

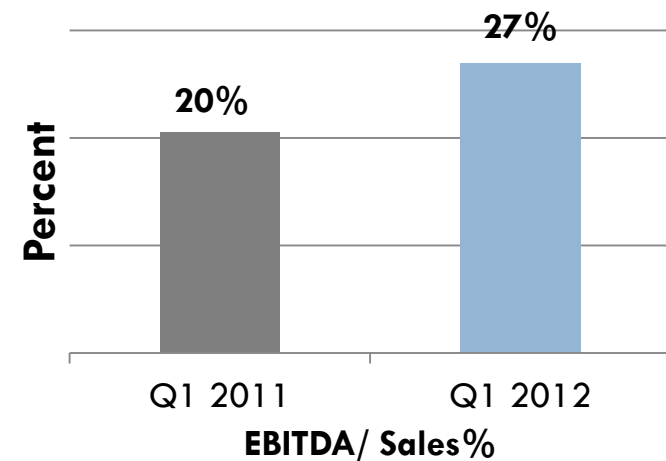
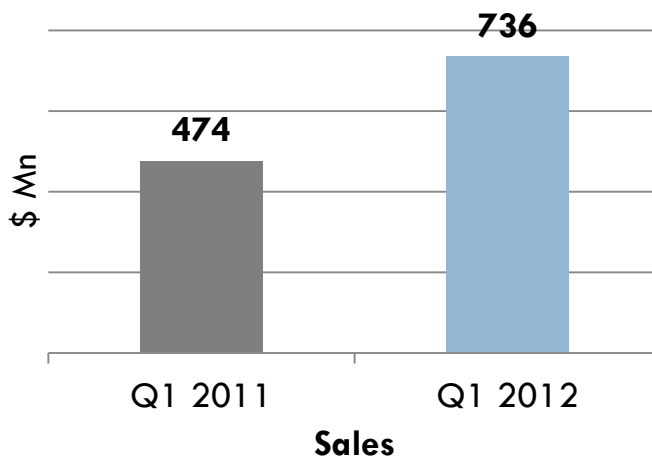
Safe Harbor

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as “will”, “aim”, “will likely result”, “would”, “believe”, “may”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “likely”, “project”, “should”, “potential”, “will pursue” and similar expressions or variations of such expressions may constitute “forward-looking statements”. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. Ranbaxy does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Key Achievements for Quarter 1, 2012

Financial

- Sales grew 55% over corresponding quarter
 - Driven by base business and continued strong sales of FTF exclusivity
- EBITDA margins, including base business margins improved
 - Aided by sales growth and focus on cost optimization



Key Achievements for Quarter 1, 2012

Business

Launched Synriam™, 1st ever
NDA from India on 25 Apr 2012

- Emerging market sales \$232 Mn
 - 33% of DF sales
- Developed market sales \$470 Mn
 - 67% of DF sales

Emerging market base business
contributes 60%+ of total base
business

- India:
 - CHC performance positive
 - Ranbaxy primary sales growth
(from earlier quarter)
- APAC: Robust performance aided
by ANZ sales growth

- USA: Base business strengthened .
Gained further lead in the
Atorvastatin market during
exclusivity
- West Europe: Stable performance

Functional Performance

Manufacturing

- Started export of Atorvastatin to the US from Mohali SEZ, first DF export from India to the USA in nearly 4 years
- Invest for growth:
 - Malaysia: capacity expansion to address business growth
 - Nigeria: replacement facility, expected to be online in a year

Research & Development

- Regulatory and Filings and approvals
 - DF filings: 53; DF approvals: 20

Hybrid Business Model

Synergy with Daiichi Sankyo

- Front end:
 - Ranbaxy marketed Cravit®(Levofloxacin) in Malaysia from Jan 2012
 - Launched Atorvastatin in Germany with Daiichi Sankyo in Mar 2012
- Back end etc.:
 - Multiple opportunities pursued in development & manufacturing , including intermediates for APIs
- Ongoing:
 - R&D collaboration for Japan filings, cost efficiencies thru collaborations in supply chain

Other Areas

Regulatory

- Signed Consent Decree during the Quarter. Progress per plan
- Regulatory inspections by 10 country level authorities

Derivatives Position

- Exposure down to ~\$1.50 Bn in Q1 2012 from ~1.62 Bn in Q4 2011. Maturity: ~\$40 Mn/Month

Debt

- Total Debt \$815 Mn; Net Debt \$44 Mn vs. \$267 Mn(Q4 2011)

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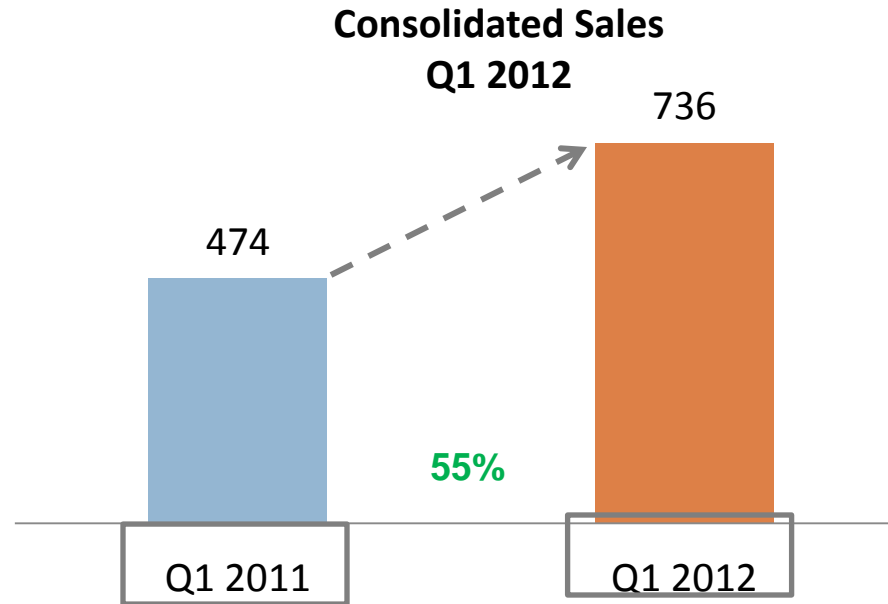
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Sales Performance

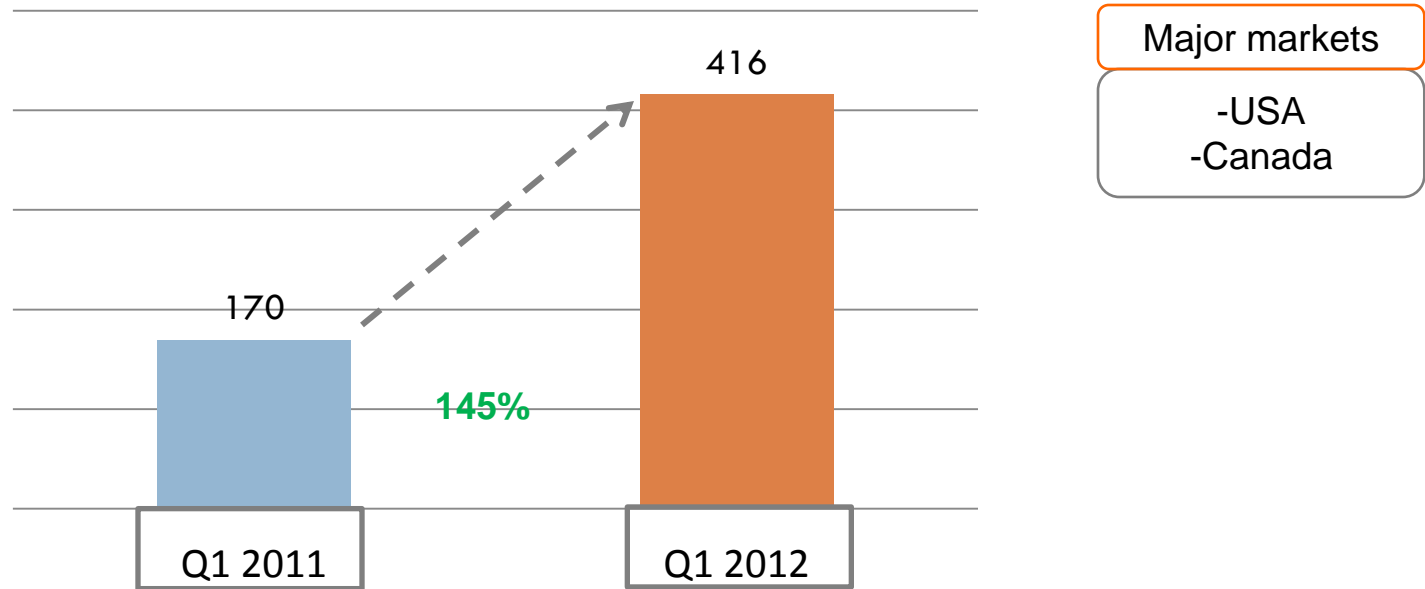
\$ Mn



- Robust business growth momentum continued
 - Growth in sales including base business growth
 - Aided by sales of exclusivities during the Quarter

North America

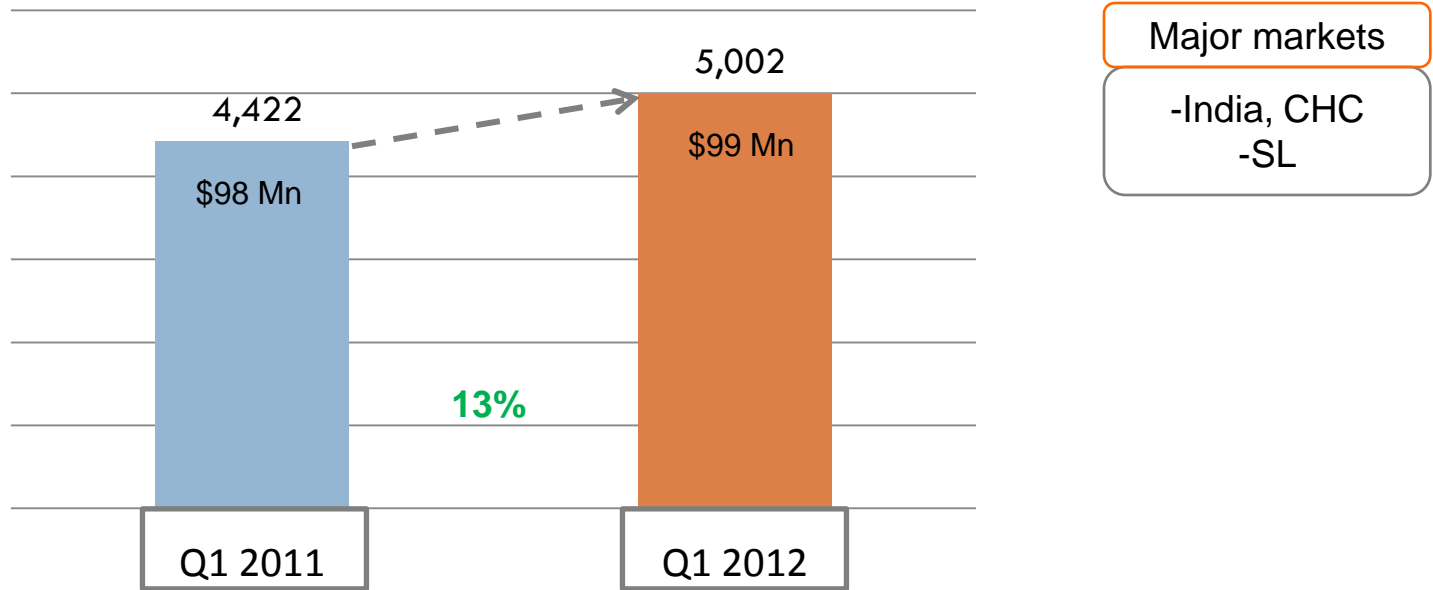
\$ Mn



- Base business sales in the USA remained strong
- Market leader in both the exclusivity products:
 - Atorvastatin (Lipitor®) and Amlodipine+Atorvastatin (Caduet®)

Lipitor® and Caduet® are registered trade-marks of Pfizer

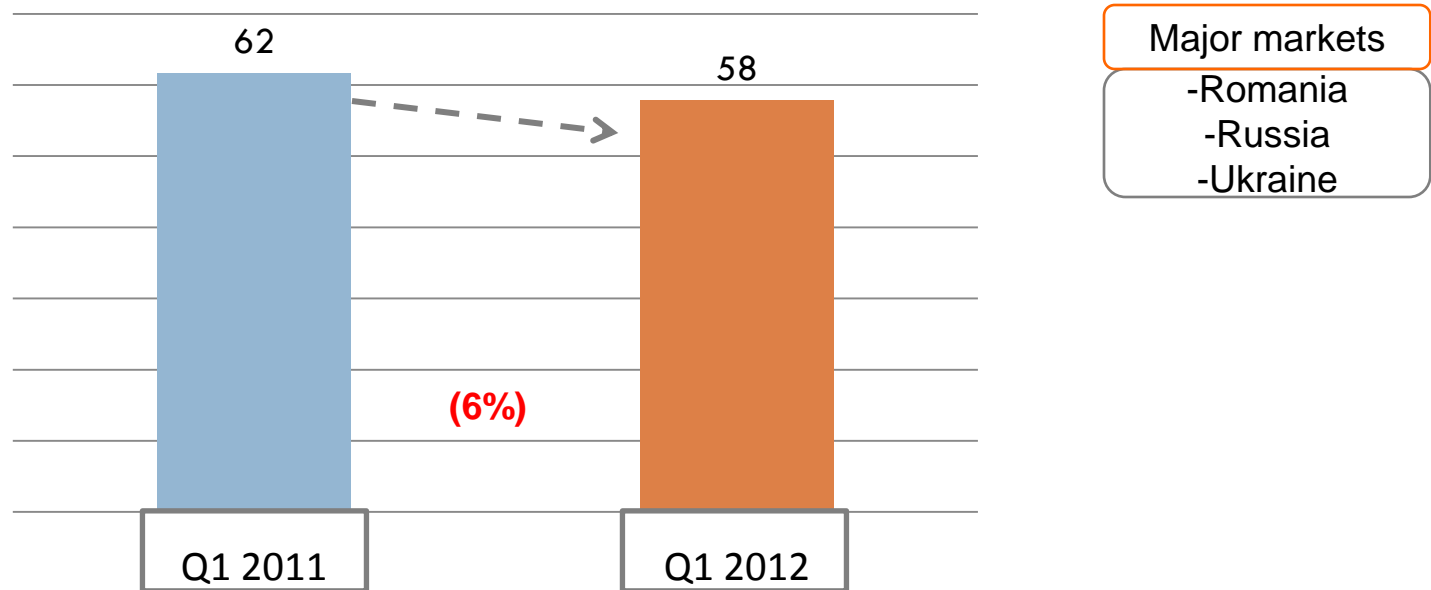
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- Robust CHC performance
- India business sales performance better than previous quarters, affected by Rupee volatility and slow down in Acute segment

Eastern Europe & CIS

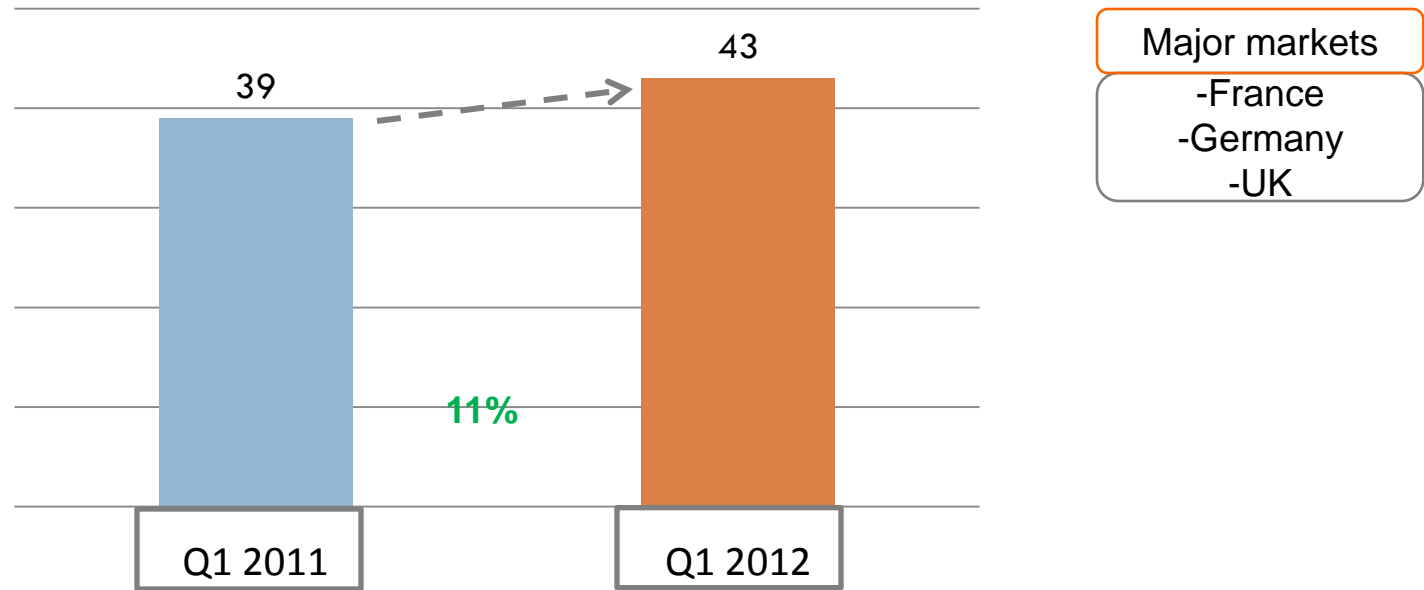
\$ Mn



- Romania sales impacted by adverse forex volatility
 - Terapia is ranked no. 1 in the Gx+ OTC market in Romania
- Consistent Russia sales performance

Western Europe

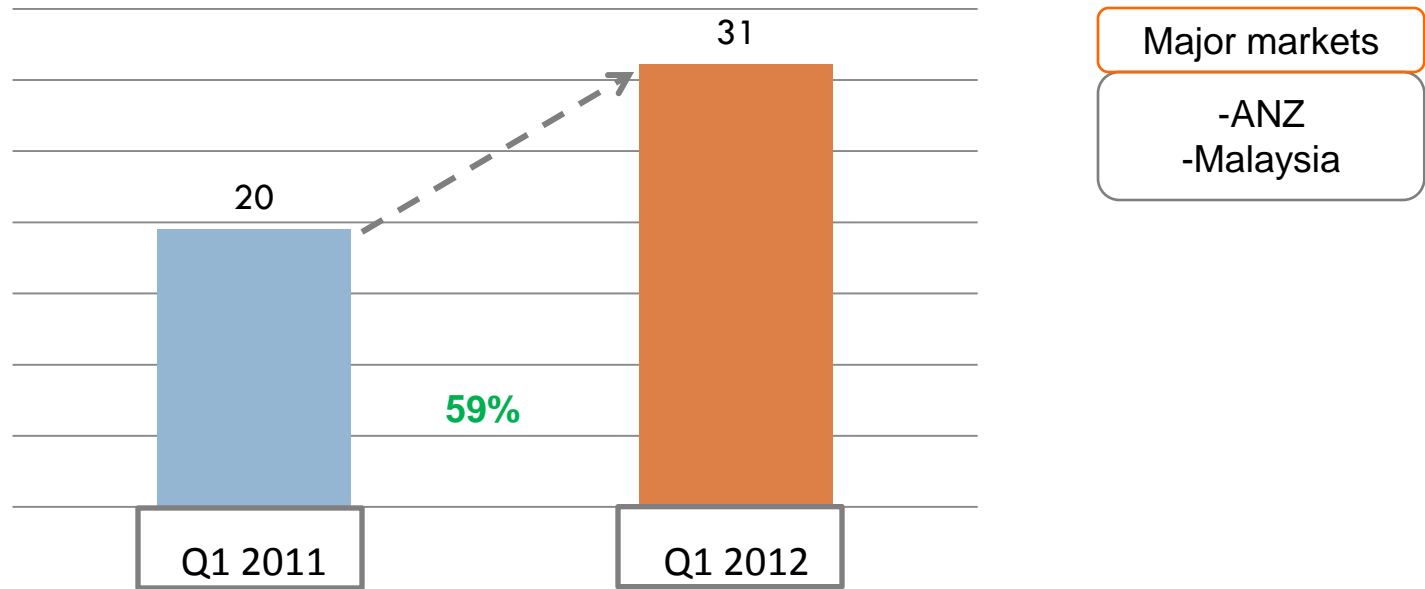
\$ Mn



- Pharma liberalization and DS partnership helped achieve strong sales in Italy

Asia Pacific & Middle East

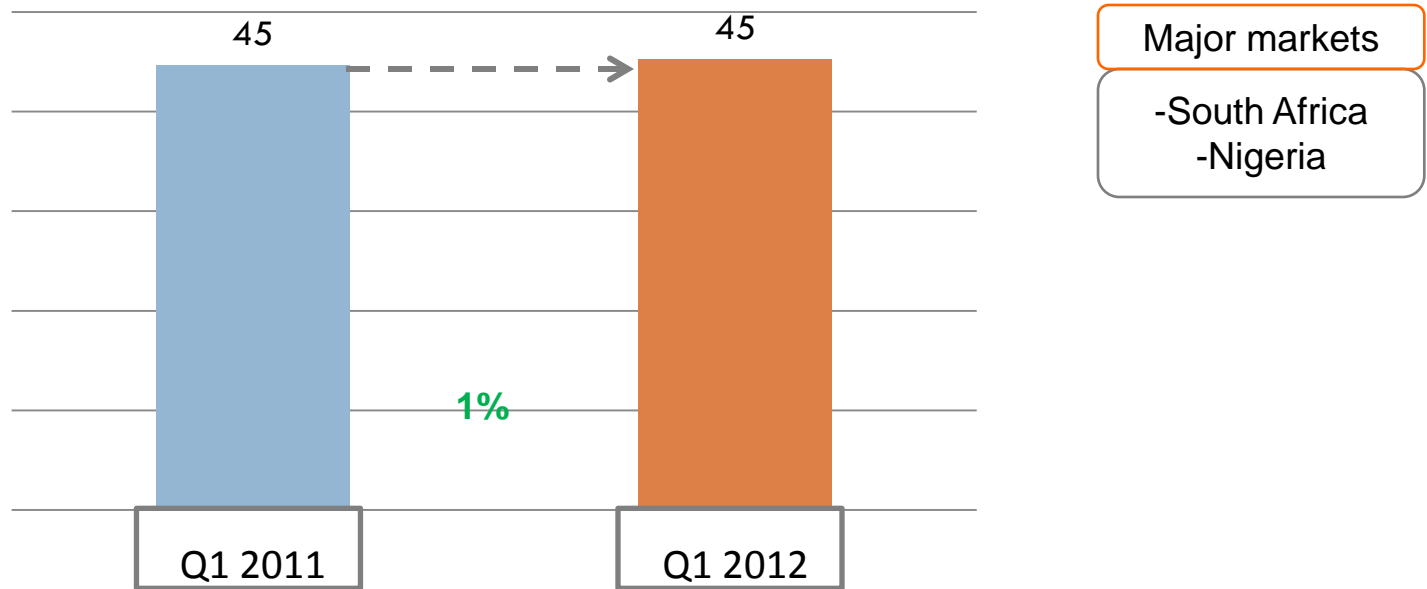
\$ Mn



- Atorvastatin sales primary drivers for higher sales in ANZ
- Malaysia and Myanmar sales performance improved

Africa

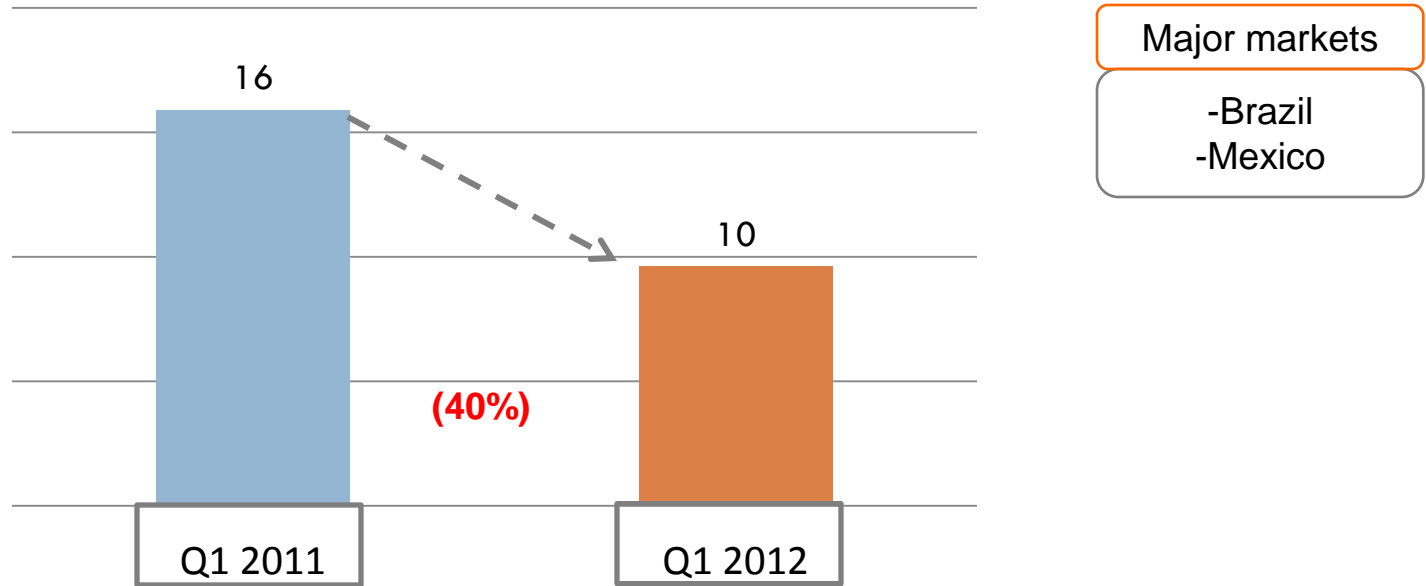
\$ Mn



- Tender sales helped robust performance in Nigeria; South Africa Tender sales impacted
- Expanded in Morocco with new manufacturing facility

Latin America

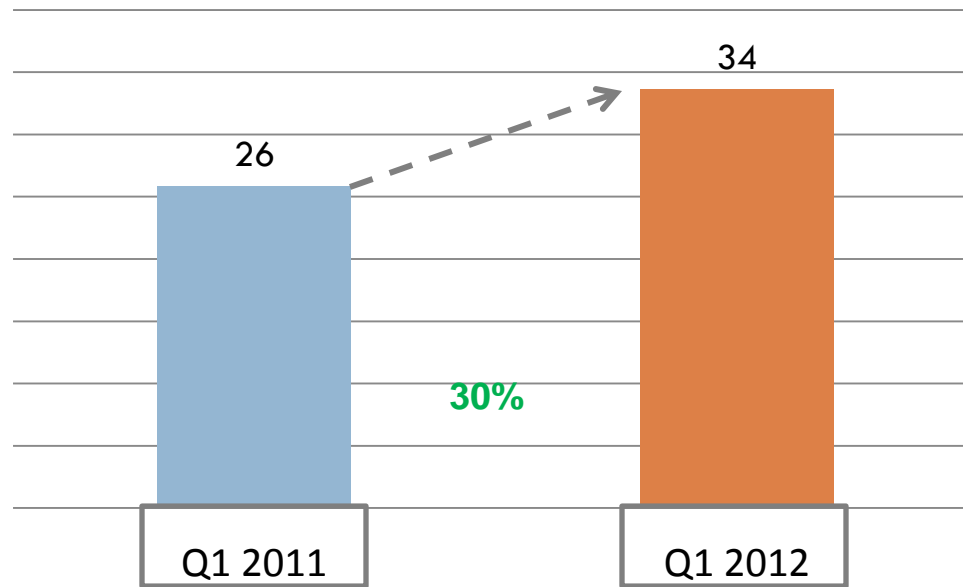
\$ Mn



- Disruption in supply to the region had an adverse impact on sales

API & Others

\$ Mn



- Nexium API supplies continued
- Focused approach on key customers and developed markets

Financials Q1 2012: INR Mn

Q1'11	Particulars	Q1'12
	Sales	
4,474	-Within India	5,085
16,979	- Outside India	31,917
21,453	Sales	37,002
38	Less : Excise duty	48
21,415	Net sales	36,954
727	Other operating income	914
22,142	Total Operating Income	37,868
7,523	Total Consumption	8,922
4,169	Employee cost	4,702
6,189	Other Operating expenses	14,093
17,880	Total expenditure	27,716
4,261	EBITDA	10,152
20%	% Sales	27%
736	Depreciation, amortization and Impairment	799
3,526	Profit/(loss) from operations before other income and interest	9,354
16%	% Sales	25%
690	Interest and other income	1,366
4,216	Profit/ (loss) from ordinary activities before finance cost and exceptional items	10,720
145	Interest expense	377
249	Foreign exchange (gain)/ loss on loans	(190)
3,823	Profit/(loss) from ordinary activities before tax	10,533
	Exceptional Item	
	Settlement provision	
20	Foreign exchange (loss)/gain on foreign currency option derivatives	3,447
3,842	Profit/(loss) after exceptional items before tax	13,980
782	Tax expense/ (benefit) -current period	1,374
3,060	Net profit/ (loss) from ordinary activities after tax	12,606
	- Share in loss/ (profit) of associates, net	122
16	- Minority interest	17
3,044	Net profit/ (loss) from ordinary activities after tax and minority interest & Share in (loss)/ profit of associates	12,468

Financials Q1 2012: \$ Mn

Q1'11	Particulars	Q1'12
	Sales	
99	-Within India	101
375	- Outside India	635
474	Sales	736
1	Less : Excise duty	1
473	Net sales	735
16	Other operating income	18
489	Total Operating Income	753
166	Total Consumption	177
92	Employee cost	93
137	Other Operating expenses	280
395	Total expenditure	551
94	EBITDA	202
20%	% Sales	27%
16	Depreciation, amortization and Impairment	16
78	Profit/(loss) from operations before other income and interest	186
16%	% Sales	25%
15	Interest and other income	27
93	Profit/ (loss) from ordinary activities before finance cost and exceptional items	213
3	Interest expense	7
5	Foreign exchange (gain)/ loss on loans	(4)
84	Profit/(loss) from ordinary activities before tax	209
	Exceptional Item	
	Settlement provision	
0	Foreign exchange (loss)/gain on foreign currency option derivatives	69
85	Profit/(loss) after exceptional items before tax	278
17	Tax expense/ (benefit) -current period	27
68	Net profit/ (loss) from ordinary activities after tax	251
	- Share in loss/ (profit) of associates, net	2
0	- Minority interest	0
67	Net profit/ (loss) from ordinary activities after tax and minority interest & Share in (loss)/ profit of associates	248

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Questions & Answers
