



FOR IMMEDIATE RELEASE

Sun Pharma reports strong performance **Q3 Sales Rs. 2145 crores, Net Profit Rs.668 crores**

Mumbai, February 13, 2012: Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) reported unaudited numbers for the quarter and nine months ending December 31, 2011.

Highlights of Q3FY12 consolidated financials

- Net sales/income from operations at Rs 2145 crores, registered a growth of 37% over same quarter last year
- India branded generic sales at Rs 695 crores, excluding third party manufacturing business, grew by 17% over Q3 last year
- US finished dosage sale is \$ 208 million, and grew by 47% over Q3 last year
- International formulation sales at \$ 56 million
- EBITDA margin at 45%
- Net profit at Rs 668 crores, equivalent to 31% net margin.

Highlights of 9m FY12 consolidated financials

- Net sales/income from operations at Rs 5675 crores, registered a growth of 33% over 9 months last year
- India branded generic sales at Rs 2039 crores, excluding third party manufacturing business, grew by 18% over the same period last year
- US finished dosage sale at \$ 523 million, grew by 44% over the same period last year
- International formulation sales at \$ 168 million
- EBITDA margin at 40%
- Net profit at Rs 1767 crores, equivalent to 31% net margin.

Taro financials are included in the current quarter and nine month's financials, but included only a quarter and ten days in the previous year's financials. As reported by Taro, increase in its sales and profits this quarter may not be sustainable as it was principally driven by increased selling prices on select products in the US market even as the overall volumes were flat. Reported EBITDA and net margins at the consolidated level for the quarter and nine months may also not be sustainable.

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

Dilip Shanghvi, Chairman and Managing Director of the Company said, "Business performance is in line with our expectations and the underlying market growth. We expect the momentum to continue."

India Branded Generics – Strength in consistency

Sale of branded prescription formulations in India is at Rs 696 crores for the third quarter, accounting for 32% of total sales. For the first nine months, sales were at Rs 2039 crores.. Excluding third party manufacturing business which has been discontinued, underlying growth is 17% for the third quarter and 18% for the nine months.

Sun Pharma holds 4.5% market share in the Rs.60,000 crores, 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, orthopedicians, gastroenterologists and nephrologists.

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6 key products were launched during the quarter taking the total to 20 for the first nine months.

US Formulations—Work continues

Sale of finished dosage products in the US is at \$ 208 million in the third quarter of FY12, now accounting for 47% of total sales. For the first nine months, sale is \$ 523 million.

Taro recently announced its unaudited financials for the Oct- Dec quarter and full year 2011. Net sales for the quarter is at \$ 148 million, a growth of 44% over same period last year, while the net profit for the quarter is at \$62 million. Net sales for the year are at \$ 506 million, a growth of 29% over last year. The net profit for the year is at \$ 183 million.

Remediation efforts at the Caraco facility in Detroit are as yet, ongoing.

Rest of World

Formulation sales in markets outside of India and US accounted for \$ 56 million in Q3FY12. Sales for the nine months of FY12 are at \$ 168 million. Excluding Taro sales outside US, underlying sales growth for Sun Pharma business in these markets is in excess of 20% in the quarter and the first 9 months.

Research – Investing for the future

Consolidated R&D expense for Q3 FY12 is Rs 124 crores, or 5.8% of sales. For the first nine months, R&D expense is Rs 310 crores, equivalent to 5.5% of sales.

In the third quarter, ANDA for 1 product has been filed. After counting this, cumulatively ANDAs for 389 products have been filed by Sun Pharma and Taro with the USFDA. ANDAs for 3 products received approvals in the third quarter taking the total number of approvals to 241. Counting these, ANDAs for 148 products now await USFDA approval, including 18 tentative approvals.

A cumulative of 222 DMF / CEP applications have been made, with 150 approved so far. The total number of patent applications submitted now stands at 558, with 274 patents granted so far.

Earnings Call (6 pm IST, February 13, 2012)

The Company will host an earnings call at 6 pm IST on February 13, 2012, 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 30651212 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.

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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.

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