

Ranbaxy Q3 CY 2013 Sales Rs.27.5 Bn. YTD Sep 2013 Sales Rs.77.5 Bn

Gurgaon, India, October 29, 2013: The Board of Directors of Ranbaxy Laboratories Limited (RLL, NSE: RANBAXY, BSE: 500359), at its meeting held today, took on record the unaudited results for the Quarter and YTD ended September 30, 2013 (“Q3’13” and “YTD Sep’13” respectively) under Indian GAAP.

Key Financial Highlights

Financial Performance for the quarter ended September 30, 2013 (Q3’13)

- **Consolidated sales** were Rs.27.5 Bn [Q3’12: Sales Rs.26.7 Bn] impacted by the new pricing policy and trade concerns in India and the absence of any post exclusivity sales during the quarter
- **Earnings before Interest, Tax, Depreciation & Amortization (EBITDA)** was Rs.2.0 Bn

Financial Performance for YTD ended September 30, 2013 (YTD Sep’13)

- **Consolidated sales** were Rs.77.5 Bn [YTD Sep’12: Sales Rs.95.8 Bn]
- **Earnings before Interest, Tax, Depreciation & Amortization (EBITDA)** was Rs.5.5 Bn. Base business margins improved over the corresponding period

The following exceptional items impacted profit:

The depreciation of the INR against the US\$, though favourable to Ranbaxy’s export business had an adverse impact on the Company mainly on account of application of the accounting standards that require Marking to Market the entire derivatives and foreign currency denominated loans outstanding. There was a charge of Rs.3.6 Bn during Q3’13 and Rs.7.6 Bn during YTD Sep’13 on account of these forex items mentioned above. The Company made a provision for Mohali stock write-off and other costs amounting to Rs.0.7 Bn.

Net Loss after tax, minority interest and share in loss of associate was Rs.4.5 Bn.

Commenting on the business results for the quarter, Mr. Arun Sawhney, CEO & Managing Director, Ranbaxy, said, “The Company continues to grow in its focus branded markets in Asia, East Europe, CIS and Africa. In India, however, the announcement of the pricing policy caused some uncertainty in the market, during which our sales in the home market faced some disruptions.

We are confident that we will satisfactorily address the increasing standards of quality and manufacturing processes to uphold the high level of trust that our Doctors, Patients, Regulators and other stakeholders expect from us.”

Key Highlights/ Developments

Business

- Base business sales in Q3'13 continued to grow over the corresponding period
 - Sales grew in the Emerging Markets of East Europe + CIS and APAC
- Market share gain in Absorica™, isotretinoin NDA has been promising in the USA. As of September 27, 2013, Ranbaxy's market share was at 17.5%

Regulatory, Research & Development and Manufacturing

- Received Central Drugs Standard Control Organisation (CDSCO) approval to manufacture and market Synriam™ in India for treatment of malaria caused by *Plasmodium vivax* parasite. This is an extended usage of Synriam™, India's first new drug which was launched in April, 2012, for the treatment of uncomplicated *Plasmodium falciparum* malaria, in adults
- Synriam™ bagged the Innovation Excellence Platinum Award at the ASSOCHAM Innovation Awards 2013 in the Science & Technology category
- Manufacturing site allocated to Ranbaxy Malaysia Sdn Bhd for setting up a Greenfield facility in Malaysia
- Mohali SEZ unit received an import alert and was subsequently included under certain provisions of the Consent Decree by the US FDA. The Company has made further improvements at its Mohali facility since the last inspection in 2012 and remains committed to satisfying the US FDA with regards to their expectations
- The Ohm plant received Establishment Inspection Report (EIR) by the US FDA
- Implementation of the Consent Decree signed in January 2012 with respect to Dewas and Paonta Sahib plants progressed as per plan
- During the Quarter, 3 ANDAs were filed for the USA market

Change in Accounting Year: The Board of Directors of the Company have decided to change the financial year of the Company as "April to March" effective April 1, 2014. In view of this, the current financial year will be for a period of 15 months i.e. January, 2013 to March, 2014.

Global Sales

- Consolidated sales for the Quarter were Rs.27.5 Bn as compared to Rs.26.7 Bn in the corresponding quarter. The details are as follows:

○ Branded and OTC category contributed Rs.14.7 Bn accounting for 53% of total sales during the Quarter. Generics including API category recorded Rs.12.8 Bn of sales for the Company during the Quarter

- **North America:** Sales for the Quarter were Rs.8.8 Bn. Sales were lower in comparison to the corresponding quarter due to large contribution to sales from exclusivity opportunities in the earlier quarter

- In the USA sales for the Quarter were Rs.7.9 Bn

- **India:** In the domestic market, sales for the Quarter were Rs.5.7 Bn, in-line with the corresponding quarter. Sales for the quarter was impacted by pricing policy and trade related supply disruptions

- OTC business (Consumer Healthcare) contributed Rs.1.1 Bn, growth of 7% over the corresponding quarter

- **East Europe & CIS:** The region recorded sales of Rs.4.8 Bn, this represents growth of 24% over the corresponding quarter

- **West Europe:** Sales for the Quarter were Rs.2.0 Bn. Sales declined 31% in the commoditized West Europe market over the corresponding quarter

- **Africa and Middle East:** Sales for the Quarter were Rs.2.5 Bn, a growth of 4%

- **Asia Pacific and LATAM** (including Sri Lanka): Sales for the Quarter were Rs.2.3 Bn, a growth of 14%

- **API business** and others had revenues of Rs.1.5 Bn

Outlook for 2013:

The Company expects to achieve sales of Rs.130 Bn - Rs.135 Bn for 15 months period ending 31 March 2014. This does not consider any sales accruing from FTFs which shall be accounted for as they materialize.

About Ranbaxy Laboratories Limited

Ranbaxy Laboratories Limited, India's largest pharmaceutical company, is an integrated, research based, international pharmaceutical company producing a wide range of quality, affordable generic medicines, trusted by healthcare professionals and patients across geographies. Ranbaxy's continued focus on R&D has resulted in several approvals, in developed and emerging markets many of which incorporate proprietary Novel Drug Delivery Systems (NDDS) and technologies, developed at its own labs. The company has further strengthened its

focus on generics research and is increasingly working on more complex and specialty areas. Ranbaxy serves its customers in over 150 countries and has an expanding international portfolio of affiliates, joint ventures and alliances, ground operations in 43 countries and manufacturing operations in 8 countries. Ranbaxy is a member of the Daiichi Sankyo Group. Through strategic in-licensing opportunities and its hybrid business model with Daiichi Sankyo, a leading global pharma innovator headquartered in Tokyo, Japan, Ranbaxy is introducing many innovator products in markets around the world, where it has a strong presence. This is in line with the company's commitment to increase penetration and improve access to medicines, across the globe. For more information, please visit www.ranbaxy.com.