

**RANBAXY**  
LABORATORIES LIMITED



Creating the  
**World's 5<sup>th</sup> Largest**  
Specialty Generic Pharma Company

Sun Pharma – Ranbaxy Merger – April 7, 2014

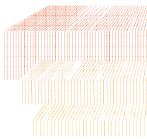
[www.sunpharma.com](http://www.sunpharma.com)

[www.ranbaxy.com](http://www.ranbaxy.com)

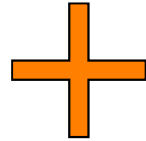


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# Creating the World's 5<sup>th</sup> Largest Specialty Generic Pharma Company

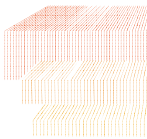


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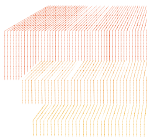
**CY 2013 pro  
forma  
Revenues –  
US\$ 4.2 bn**

- ✓ 5<sup>th</sup> largest global specialty generic pharma company
- ✓ No. 1 pharma company in India, one of the fastest growing markets
- ✓ No. 1 Indian pharma company in US market
  - ✓ Over US\$ 2 billion in sales
  - ✓ Pipeline of 184 ANDAs including high-value FTFs
  - ✓ No. 1 in generic dermatology, No. 3 in branded
- ✓ Approaching US\$ 1 billion sales in high-growth emerging markets
- ✓ Expanding presence in Western Europe



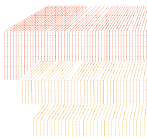
# Transaction Highlights

- **Sun Pharma to acquire Ranbaxy**
  - Ranbaxy shareholders to get 0.8 shares of Sun Pharma stock for every share of Ranbaxy
- **Deal size approximately US\$ 4 billion; ~ 2.2x LTM sales**
- US\$ 250 million of revenue and operating synergies by 3rd year post close
- Daiichi Sankyo to become the second largest shareholder in Sun Pharma. Strategic business relationship to continue with Sun Pharma
- Voting Agreements
  - Daiichi Sankyo to vote in favor of transaction (~63.5% ownership)
  - Sun Pharma promoters to vote in favor of transaction (~63.7% ownership)



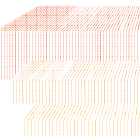
# Proposed Transaction Terms

- Indemnity:
  - In connection with the transaction, Daiichi Sankyo has agreed to indemnify Sun Pharma and Ranbaxy for, among other things, certain costs and expenses that may arise from the recent subpoena which Ranbaxy has received from the United States Attorney for the Toansa facility.
  
- Conditions to close:
  - Requisite approval of Sun Pharma and Ranbaxy shareholders
  - Approval of the Indian Central Government and various other regulatory bodies



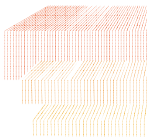
# Sun Pharma + Ranbaxy

## Profile of a New Global Leader

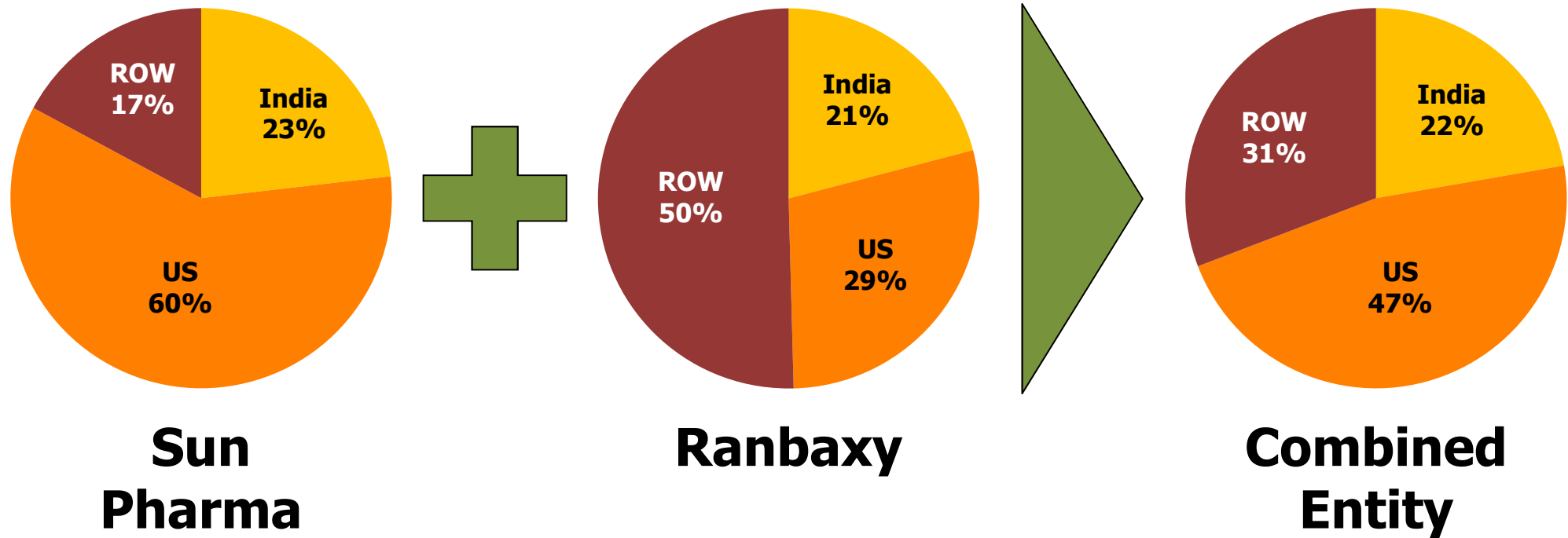


# Sun Pharma + Ranbaxy: Profile of a New Global Leader

- ✓ 5<sup>th</sup> largest global specialty generic pharma company
- ✓ No. 1 pharma company in India
  - ✓ No. 1 in 13 specialty segments
  - ✓ Strong OTC business with trusted brands
- ✓ No. 1 Indian pharma company in US market
  - ✓ Over US\$ 2 billion in sales
  - ✓ Pipeline of 184 ANDAs including high-value FTFs
  - ✓ No. 1 in generic dermatology, No. 3 in branded
- ✓ Approaching US\$ 1 billion sales in high-growth emerging markets
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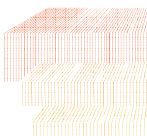


# Strengthened Global Footprint



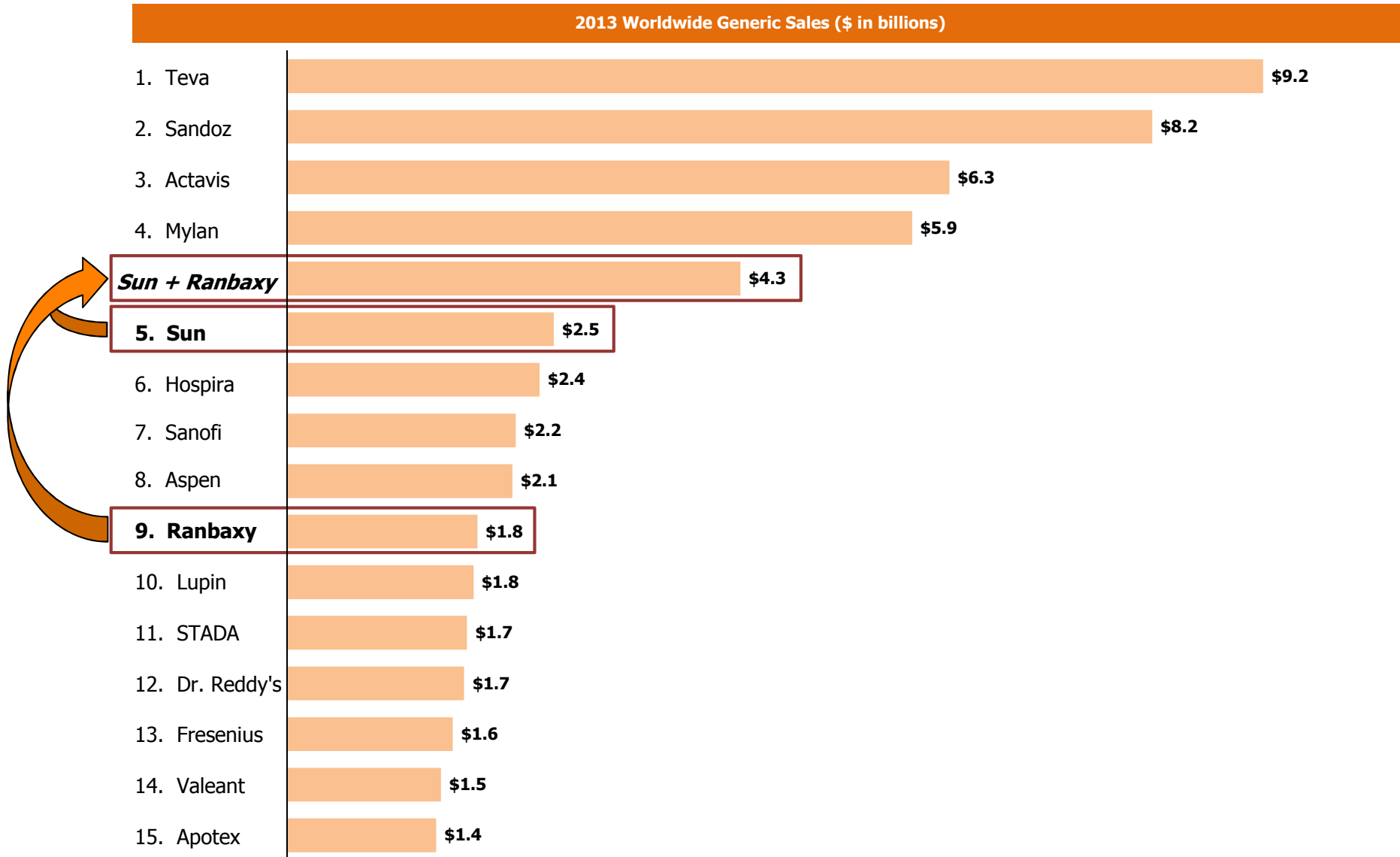
**Pro Forma CY 2013 Sales : US\$4.2 billion**

Note: ROW includes all non-US & Non-India sales + API and others.



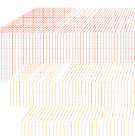


# World's 5<sup>th</sup> Largest Specialty Generic Pharma Co

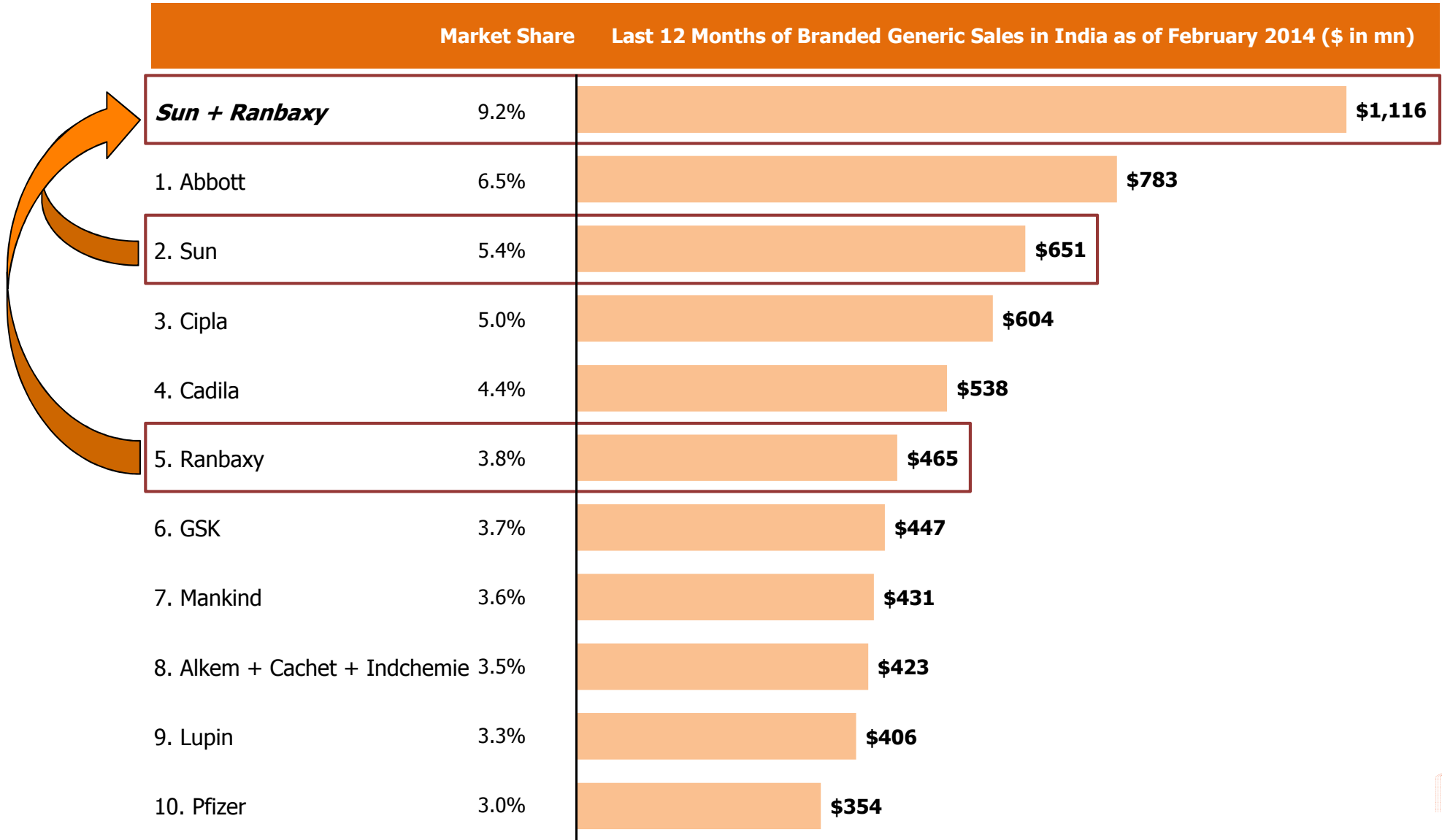


Source: Evaluate Pharma, Company filings.

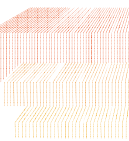
Creating the World's 5<sup>th</sup> Largest Specialty Generic Co - Sun Pharma - Ranbaxy Merger



# India's Largest Pharma Company



Source: AWACS through February 2014.



# Leadership In Prescription Share

**Number 1 Position with 13 Class of Specialist Doctors\***


## Sun Pharma Current Ranking

Specialist	[Oct '13]
Psychiatrists	1
Neurologists	1
Cardiologists	1
Orthopaedic	1
Ophthalmologists	1
Gastroenterologists	1
Nephrologists	1
Diabetologists	2
Physicians	5
Gynaecologists	7
Dermatologists	7
Oncologists	7
Urologists	12

## Combined Entity Ranking

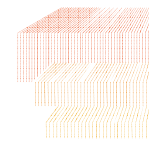
Specialist	[Oct '13]
Psychiatrists	1
Neurologists	1
Cardiologists	1
Orthopaedic	1
Ophthalmologists	1
Gastroenterologists	1
Nephrologists	1
Diabetologists	1
Physicians	1
Dermatologists	1
Urologists	1
Chest Physicians	1
General Surgeons	1

Improved  
Rankings  
due to  
merger



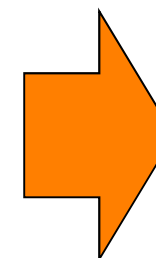
Psychiatrists	1
Neurologists	1
Cardiologists	1
Orthopaedic	1
Ophthalmologists	1
Gastroenterologists	1
Nephrologists	1
Diabetologists	1
Physicians	1
Dermatologists	1
Urologists	1
Chest Physicians	1
General Surgeons	1

\*Ranks based on prescription share  
Source: SMSRC Pvt. Ltd.

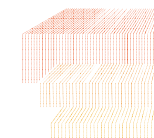


# Complementary Therapeutic Basket

Sr. No.	Therapy	Sun	Ranbaxy	Combined Entity
1	Psychiatry	✓✓✓✓	✓✓	✓✓✓✓✓
2	Neurology	✓✓✓✓	✓✓	✓✓✓✓
3	Cardiology	✓✓✓✓	✓✓✓	✓✓✓✓
4	Orthopaedic	✓✓✓	✓✓✓✓	✓✓✓✓
5	Ophthalmology	✓✓✓✓	✓	✓✓✓✓
6	Gastroenterology	✓✓✓✓	✓✓	✓✓✓✓
7	Nephrology	✓✓✓✓	✓	✓✓✓✓
8	Diabetology	✓✓✓✓	✓✓	✓✓✓✓
9	Dermatology	✓	✓✓✓✓	✓✓✓✓
10	Urology	✓	✓✓✓✓	✓✓✓✓
11	Gynaecology	✓✓✓✓	✓✓	✓✓✓✓
12	Anti-infectives	✓	✓✓✓✓	✓✓✓✓
13	Dental	✓	✓✓	✓✓✓
14	Respiratory	✓✓	✓✓	✓✓✓
15	VMN	✓	✓✓✓	✓✓✓
16	Oncology	✓✓	✓✓	✓✓



**Combined entity to have strong positioning in Indian market**

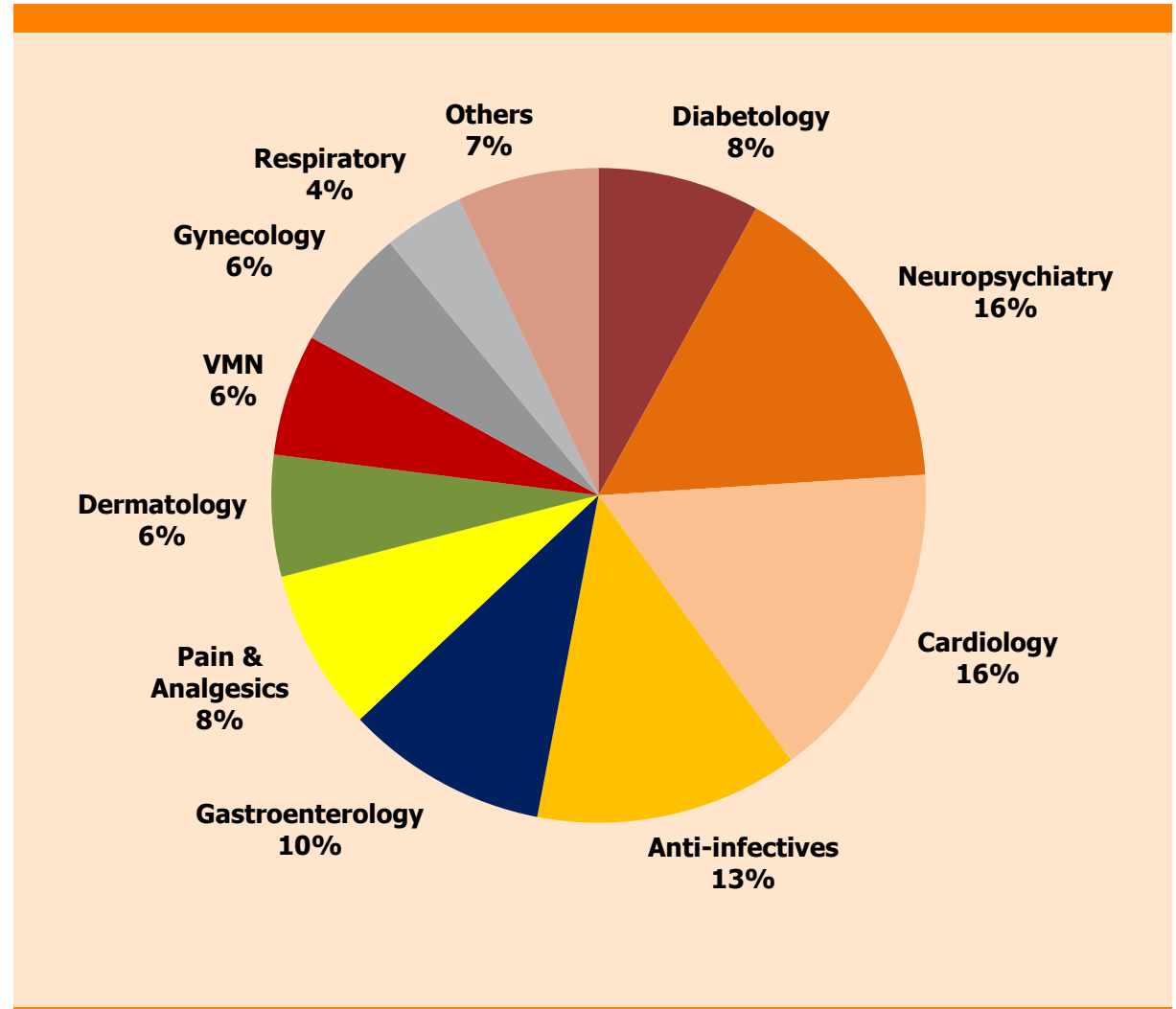


# India: Broad & Complementary Branded Presence

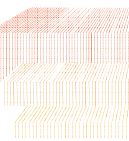
- Combined entity: 31 brands in Top 300
- Minimal overlap
- Enhances rural reach

## Clear Leadership

- Chronic therapies  
+  
• Acute, hospitals & OTC business



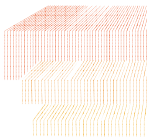
Source: As per AWACS – Feb'14



# US: Growing Leadership Position



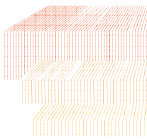
- Strong pipeline of 184 ANDAs including high-value FTFs
- Clear Dermatology leadership
  - No. 1 in generic dermatology, No. 3 in branded
  - Coverage across Actinic keratosis, Anti-fungals, Acne, etc



# Emerging Markets: Bolsters Presence



- ✓ Merged entity to have global footprint across 55 markets
- ✓ Increasing leadership in key Emerging Markets
  - ✓ Russia, Romania, South Africa, Brazil & Malaysia
- ✓ Extensive Product Basket – largely Branded business with minimal overlap
- ✓ Strong Doctor Relationships
- ✓ Opportunities to leverage market presence to cross-sell products
- ✓ Strong product pipeline for high-growth emerging markets



# Financially Compelling Combination

## Profile & Value

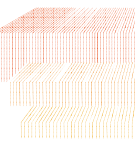
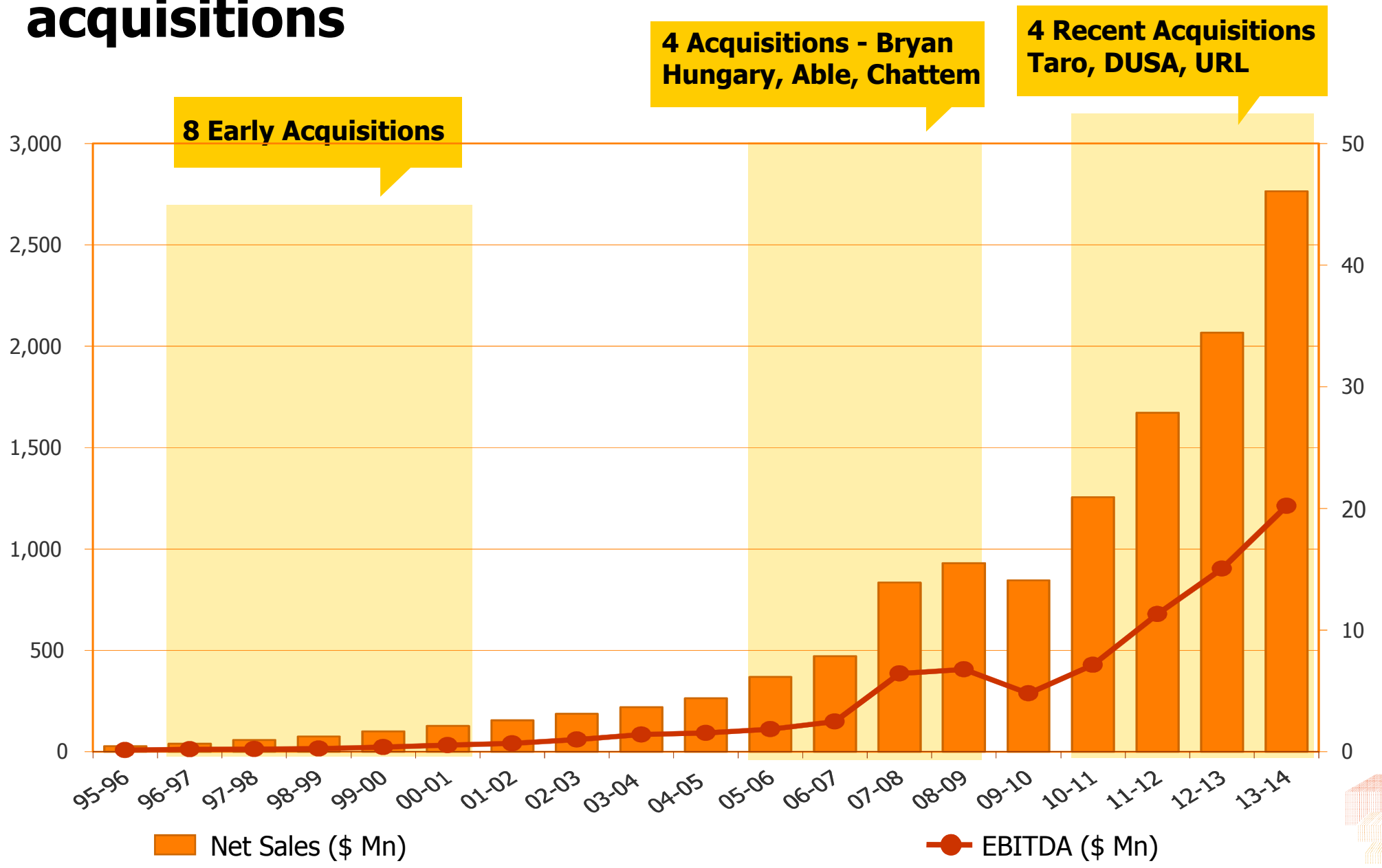
- Nearly US\$ 4.2 billion in pro forma sales for the twelve months ended December 31, 2013
- Approximately US\$ 1.2 billion in pro forma EBITDA for the twelve months ended December 31, 2013
- Anticipated to be cash EPS accretive within first 12 months of close

## Synergies

- ~US\$ 250 million of revenue & operational synergies by 3<sup>rd</sup> year
- Primarily derived from top-line growth, and procurement & supply chain efficiencies



# Track record of successful turnaround of 16 acquisitions



# Next Steps

## Announcement: April 7, 2014

### Regulatory

- Indian Central Government, State Governments
- High Courts of Gujarat, Punjab and Haryana
- Competition Commission of India
- Hart-Scott-Rodino approval

### Shareholder Votes

- Approval of 75% of the shares voted by both Sun Pharma and Ranbaxy shareholders
- Both Daiichi Sankyo and Sun Pharma promoters have agreed to vote in favor of transaction

**Closing: Anticipated by end of 2014**

## Post Closing

### Integration

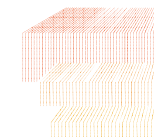
- Integration planning and leadership teams appointed

### Transaction Synergies

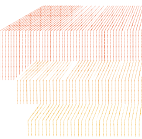
- ~US\$ 250 million in synergies by 3<sup>rd</sup> year

### Remediation Planning

- Remediation of manufacturing facilities utilizing combined expertise
- Third-party consultants to develop plans



# A Landmark Transaction



For updates and specific queries, please visit [www.sunpharma.com](http://www.sunpharma.com)  
or feel free to contact

**Nimish Desai**

Tel : +91 22 6645 5645, Ext 5717

Tel Direct : +91 22 66455717

Mobile : +91 98203 30182

[nimish.desai@sunpharma.com](mailto:nimish.desai@sunpharma.com)

**Frederick Castro**

Tel : +91 22 6645 5645, Ext 5964

Tel Direct : +91 22 66455964

Mobile : +91 99206 65176

[frederick.castro@sunpharma.com](mailto:frederick.castro@sunpharma.com)

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