



Creating Lasting Value

Investor Presentation – November 2018



NSE:SUNPHARMA | BSE:524715 |
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Disclaimer

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Key Milestones Targeted

Sun Pharma at a glance



5th Largest Global Specialty Generic Company

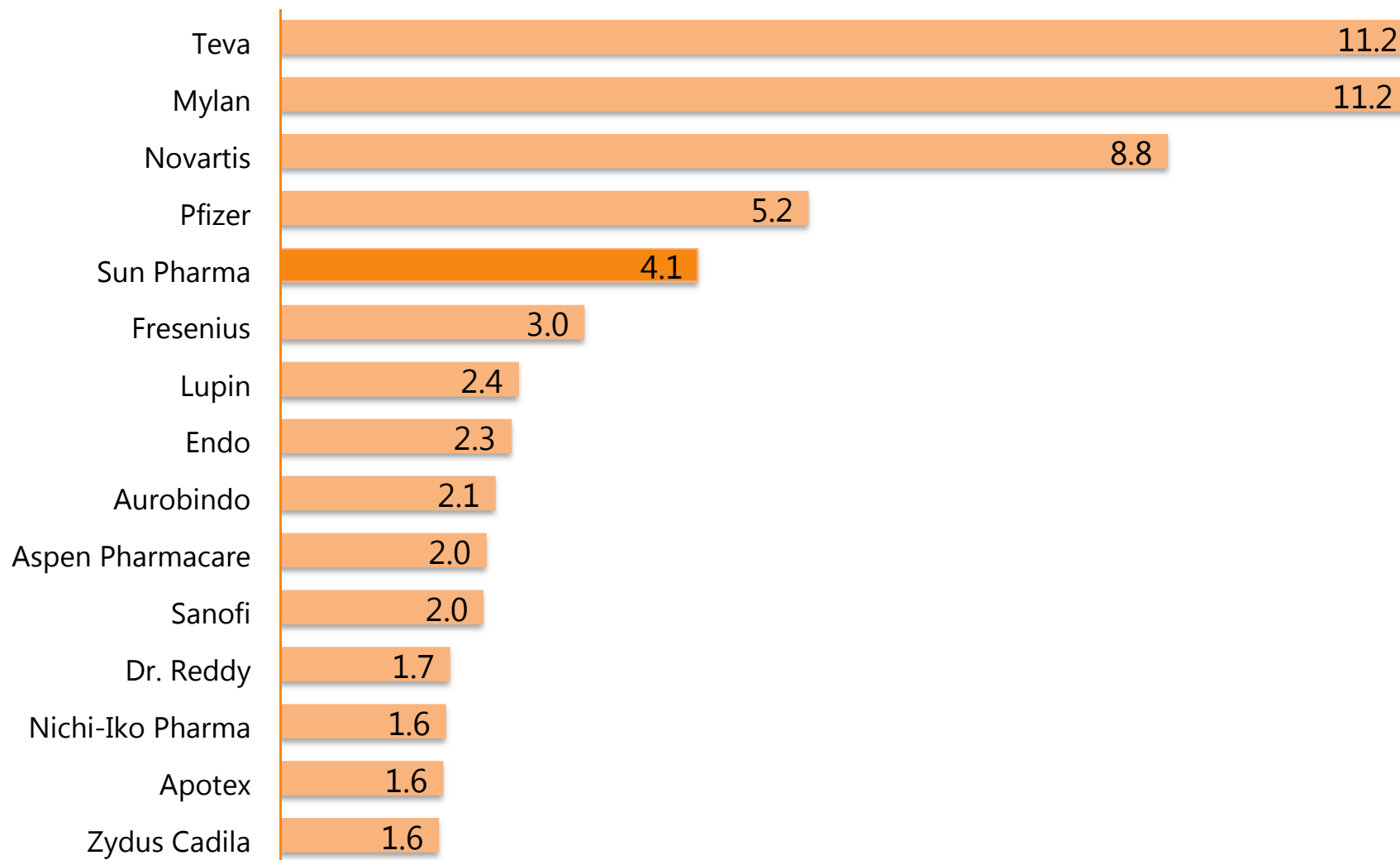
US	<ul style="list-style-type: none">• Ranked 5th in US* / Largest Indian Pharma Company in US
India	<ul style="list-style-type: none">• No. 1 Pharma Company in India
Emerging Markets	<ul style="list-style-type: none">• Amongst the largest Indian Pharma Company in Emerging Markets
Europe	<ul style="list-style-type: none">• Expanding presence in Europe
Manufacturing Footprint	<ul style="list-style-type: none">• 42 manufacturing sites across the world
Market Presence	<ul style="list-style-type: none">• Presence in more than 100 countries across branded and generic markets
Product Portfolio	<ul style="list-style-type: none">• Portfolio of more than 2,000 products across the world
Employees	<ul style="list-style-type: none">• 32,000+ global employee base
Quality Compliance	<ul style="list-style-type: none">• Multiple manufacturing facilities approved by various regulatory authorities across the world including USFDA
R&D and Manufacturing	<ul style="list-style-type: none">• Capabilities across dosage forms like injectables, sprays, ointments, creams, liquids, tablets and capsules
Addressable Segments	<ul style="list-style-type: none">• Specialty products, branded generics, complex generics, pure generics & APIs

* Source: Evaluate Pharma Estimates for 12 months ended Dec 2017

World's 5th Largest Specialty Generic Pharma Co



2017 Worldwide Generic Sales (US\$ in billions)



Source: Evaluate Pharma Estimates for 12 months ended Dec 2017

Sun Pharma today

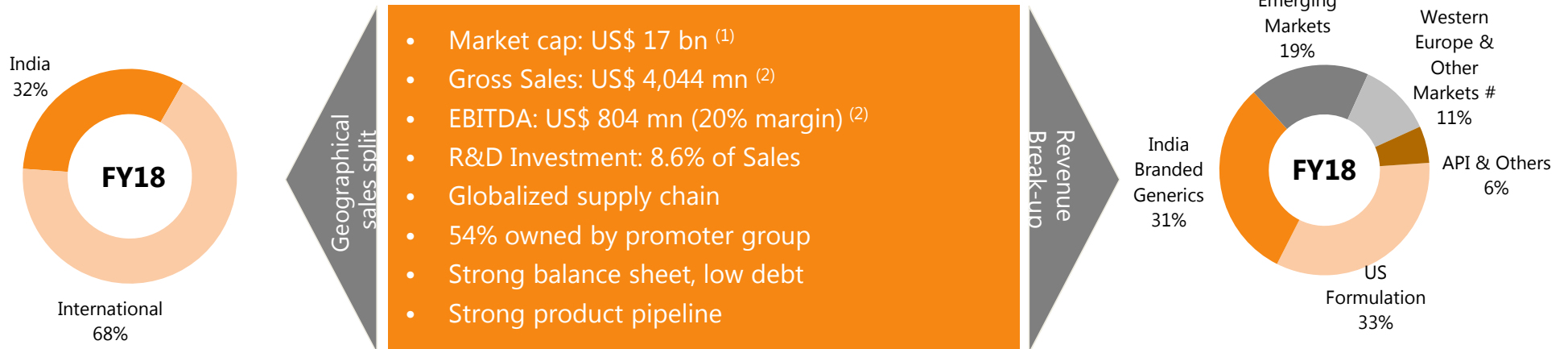


US Formulations

- 5th largest generics company in US* with a strong pipeline (134 ANDAs & 6 NDAs awaiting approval)
- Presence in generics, Specialty and branded segments with more than 432 approved products
- FY18 sales: US\$ 1,357 mn ⁽²⁾

India Branded Generics

- No.1 ranked with 12 classes of doctor categories
- Leading position in high growth chronic therapies
- Specializes in technically complex products
- FY18 sales: US\$ 1,246 mn ⁽²⁾



Emerging Markets

- Presence in about 100 countries across Africa, Americas, Asia and Eastern & Central Europe
- Key focus markets – Brazil, Mexico, Russia, Romania, South Africa, and complementary & affiliated markets
- FY18 sales: US\$ 751 mn ⁽²⁾

Western Europe, Canada, Japan ANZ & others

- Presence across majority of markets in Western Europe, Canada, Japan and A&NZ
- Product portfolio includes differentiated offerings for hospitals, injectables and generics for retail market
- FY18 sales: US\$ 461 mn ⁽²⁾

Note:

(1) As of November, 14, 2018 using spot exchange rate of INR /USD = 72.10

(2) Using average exchange rate for FY18 of INR /USD = 64.46

Includes Western Europe, Canada, Australia & New Zealand, Japan and other markets.

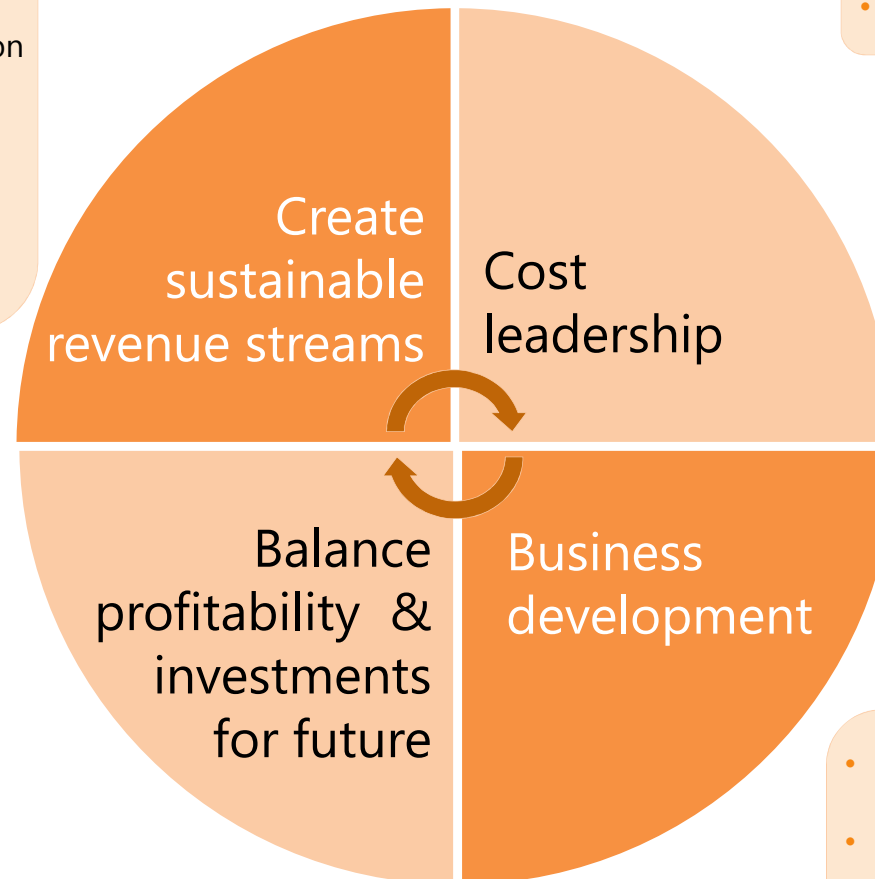
All sales numbers in US\$ for 12 months ended March 31, 2018.

* Source: Evaluate Pharma Estimates for 12 months ended Dec 2017

Driving Long Term Growth

- Enhance share of specialty business globally
- Achieve differentiation by focusing on technically complex products
- Focus on key markets – achieve critical mass
- Speed to market
- Ensure sustained compliance with global regulatory standards

- Optimize operational costs
- Vertically integrated operations



- Increasing contribution of specialty and complex products
- Future investments directed towards differentiated products

- Use acquisitions to bridge critical capability gaps
- Focus on access to products, technology, market presence
- Ensure acquisitions yield high return on Investment
- Focus on payback timelines

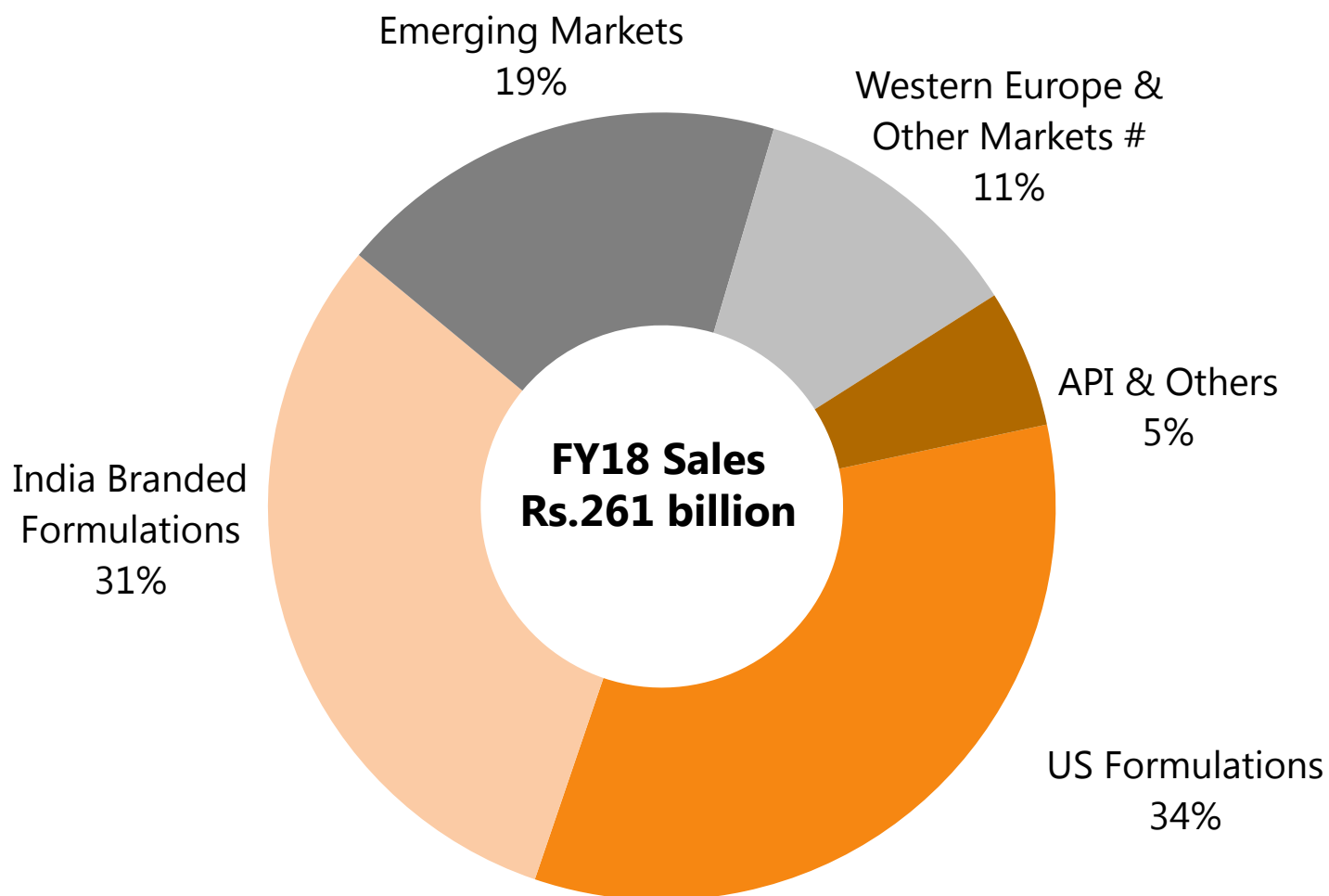
Our Specialty Initiatives



Ramping up Specialty Pipeline

- Launched Ilumya (tildrakizumab) in US in Oct' 18 for the treatment of Moderate-to-Severe Plaque Psoriasis.
- Received European Commission Approval for ILUMETRI® (tildrakizumab) By Almirall For treatment Of Moderate-To-Severe Chronic Plaque Psoriasis
- Initiated clinical trials for two new indications for Ilumya – for psoriatic arthritis and ankylosing spondylitis
- Acquired Ocular Technologies – Gives access to global rights for Cequa – for treating Dry Eye Disease. Announced positive results from confirmatory Phase-3 trials in Jan'17. USFDA approval received for NDA in June 2018. Launch preparations are ongoing.
- Acquired branded oncology product – Odomzo – in Dec'16. Product is approved in 30 countries globally including US, Europe and Australia. Currently marketed in US, Germany, France, Denmark, Switzerland, Australia and Israel.
- Acquired Yonsa - a novel formulation of abiraterone acetate to treat metastatic castration-resistant prostate cancer in combination with methylprednisolone. Product commercialized in US in Q1FY19
- Launched BromSite – first specialty ophthalmology product in US in Nov'16
- Currently marketing Levulan Kerastick (a drug-device combination for treating actinic keratosis) and Absorica (for treating acne) in the US dermatology market.
- Acquired InSite Vision - Focuses on developing new specialty ophthalmic products, has two drug candidates undergoing clinical trials.
- In-licensed Xelpros (ophthalmology) and Elepsia (CNS) products from SPARC. Xelpros approved by USFDA in Sept'18

Highly Diversified Revenue Base

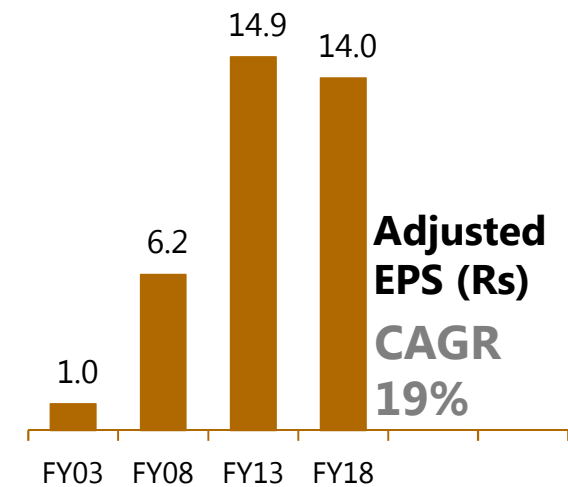
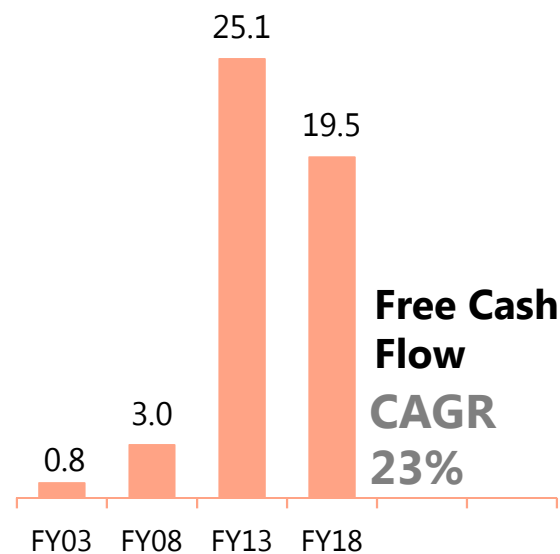
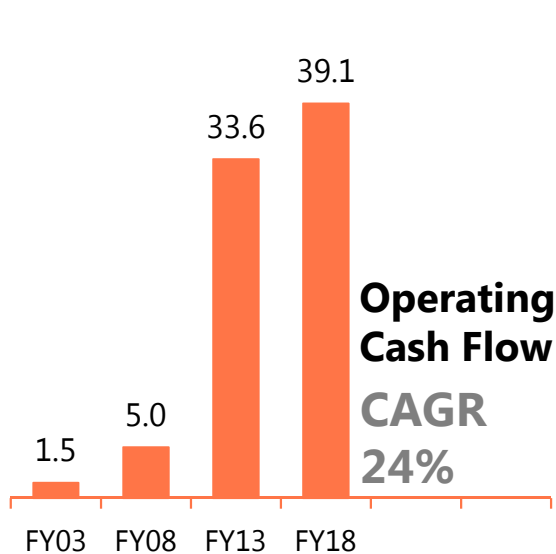
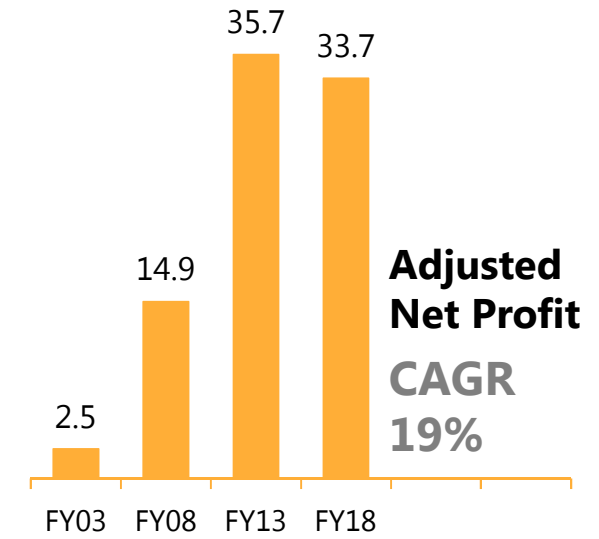
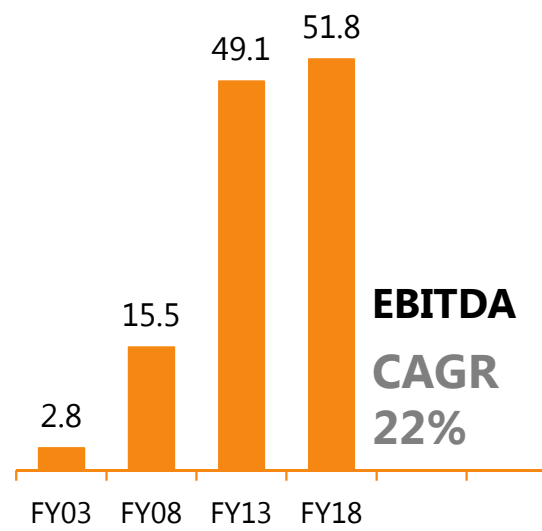
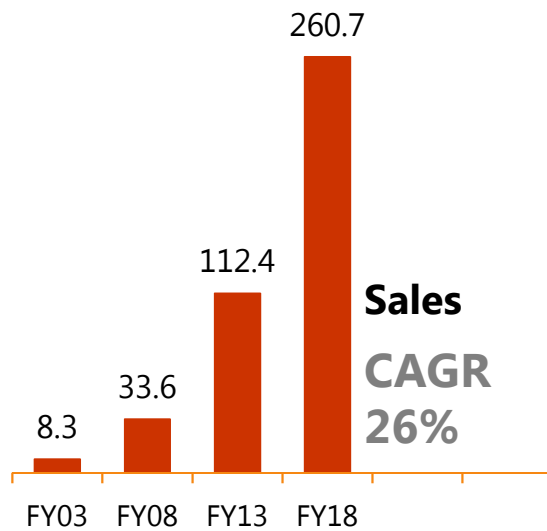


Includes Western Europe, Canada, Japan , Australia, New Zealand and other markets.

Impressive Track Record of Growth



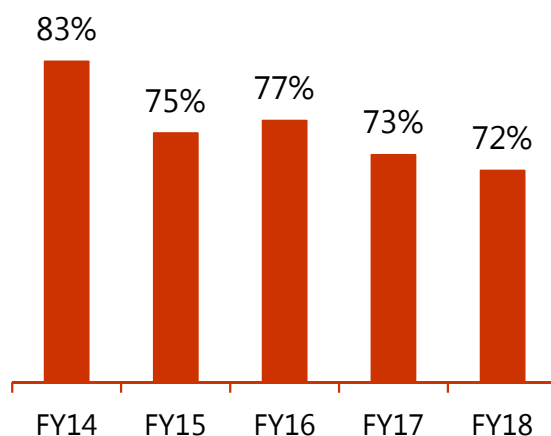
(All Figures in INR Billion)



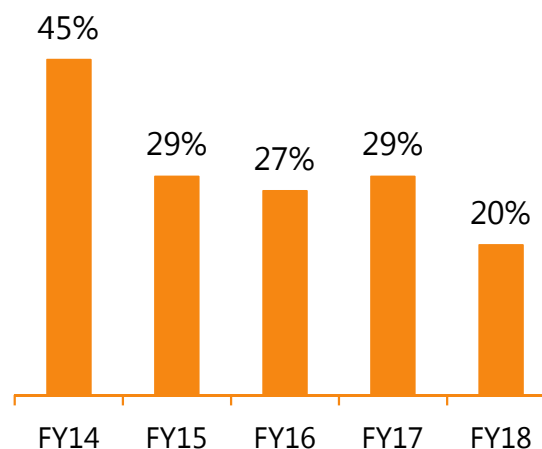
Consistent profitability and returns



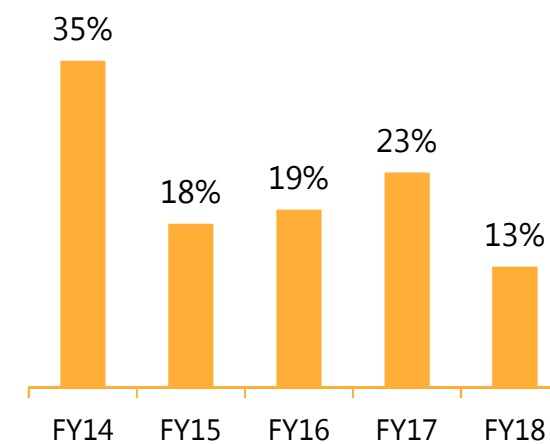
Gross Margin



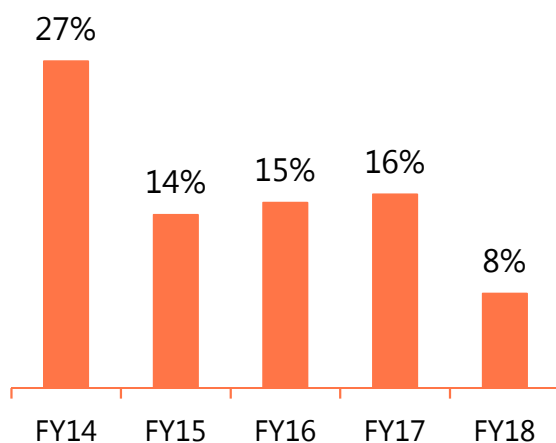
EBITDA Margin



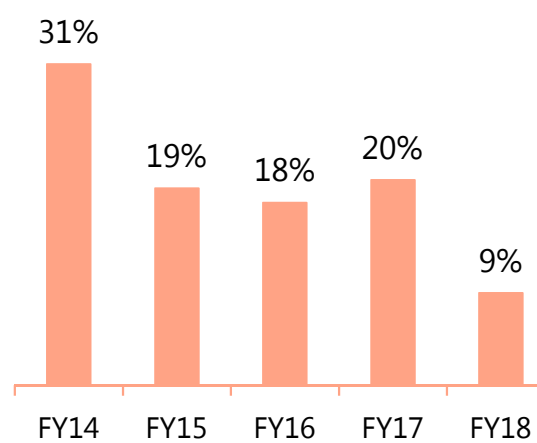
Net Margin (adjusted)



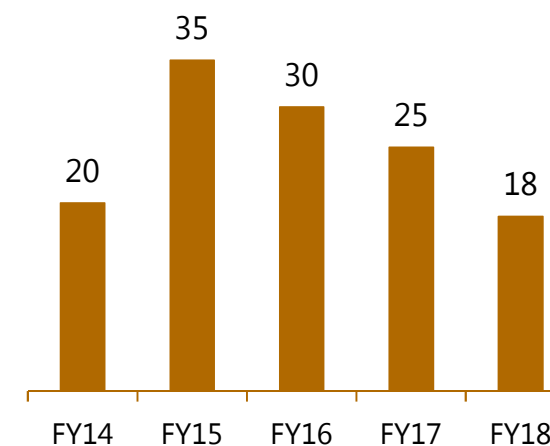
ROCE



ROE



Market Cap (USD Bn)



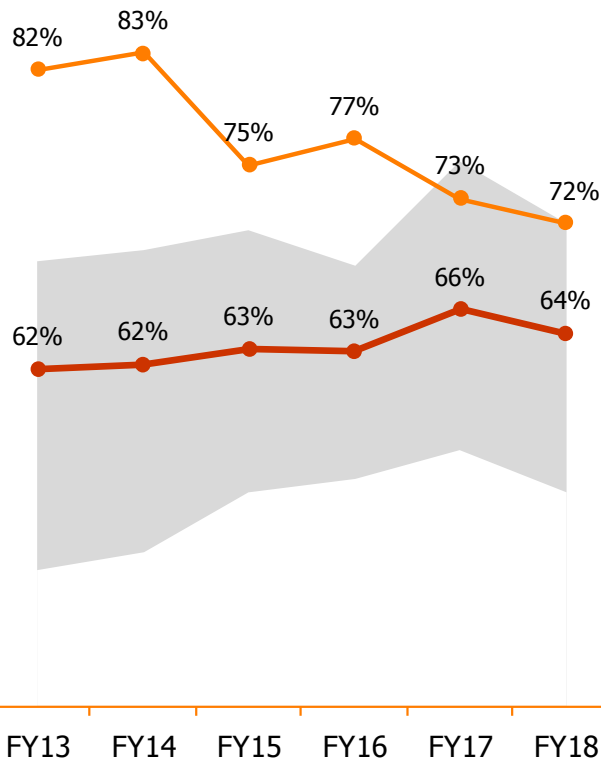
Gross margin= (Net Sales- Material Cost)/ Net Sales * 100
ROCE & ROE exclude one-time exceptional charges

(Market Cap as on 31st March)

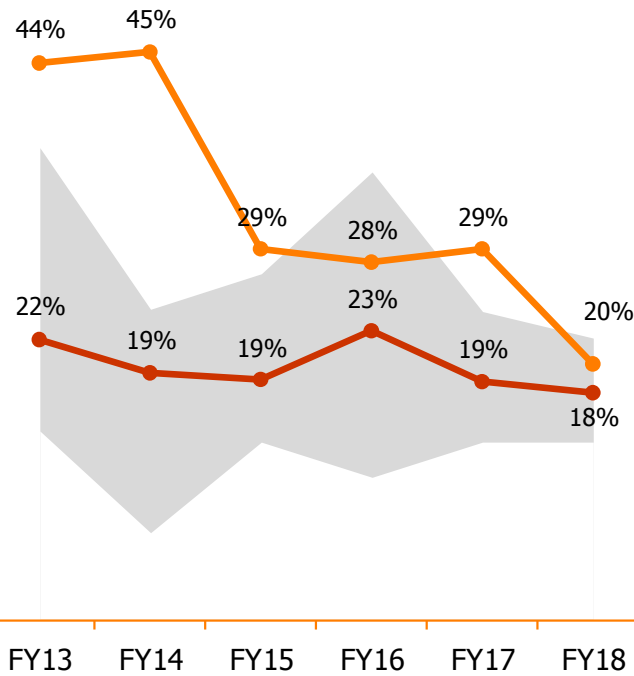
Profitability



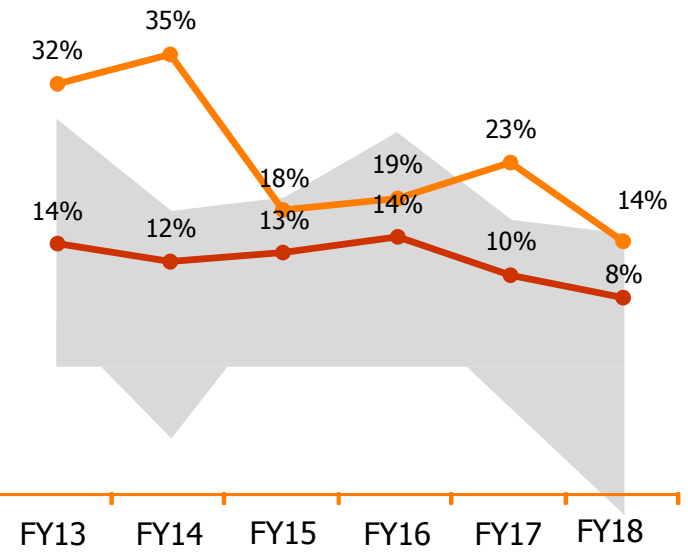
Gross Margin



EBITDA Margin



Net Margin

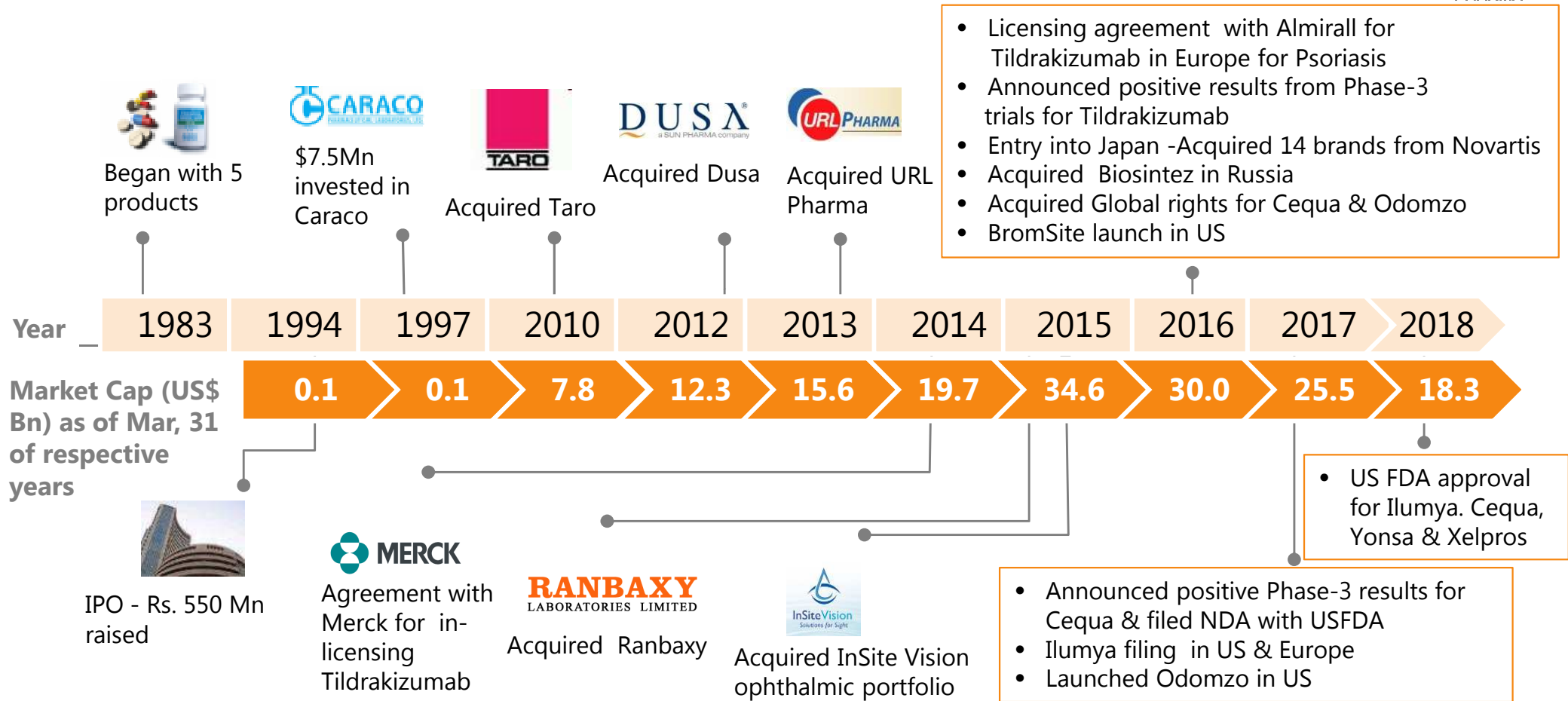


Gross margin= (Net Sales – Material Cost) / Net Sales * 100

● Sun Pharma
 Range of Top 10 Indian Pharma Cos.
 ● Average

#Top 10 Indian Pharma company include Aurobindo, Cadila Healthcare, Cipla, DRL, Glenmark, Ipca, Lupin, Torrent and Wockhardt.

Creating Value, Continuously...



Sun Pharma Today



32,000+ Employees



Invested over Rs.140 Bn in R&D till date



Part of NSE Nifty & BSE Sensex in India



42 Manufacturing facilities in 6 Continents



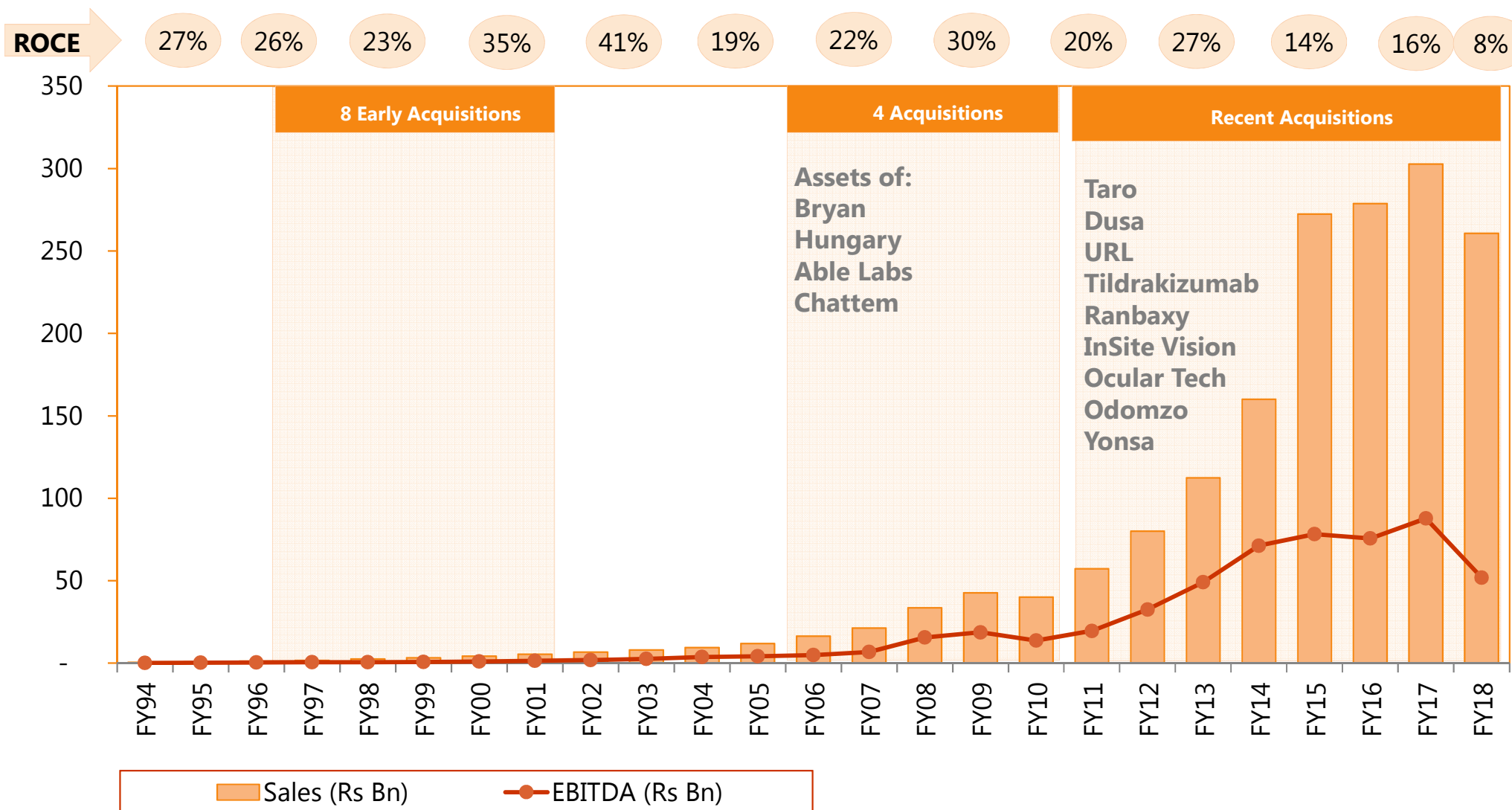
68% of sales from international markets

Key Deals & Rationale

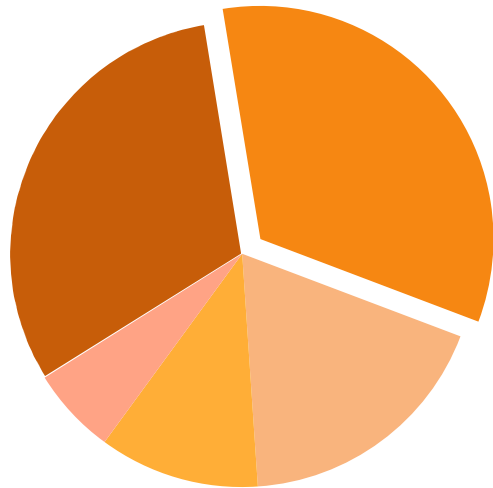


Year	Deals	Country	Rationale
2016	Acquired global rights for Cequa & Odomzo	Global	Enhances specialty pipeline.
2016	Acquired Biosintez	Russia	Local manufacturing capability to enhance presence in Russian market
2016	Licensing agreement with Almirall for Tildrakizumab for Psoriasis	Europe	Strengthening the distribution of Tildrakizumab in Europe
2016	Acquired 14 brands from Novartis	Japan	Entry into Japan
2016	Distribution agreement with AstraZeneca	India	Distribution services agreement in India for brand "Oxra" & "Oxramet"® (brands of dipagliflozin, used for diabetes treatment)
2015	Acquired InSite Vision Inc.	US	Strengthens branded ophthalmic portfolio in U.S.
2015	Acquisition of GSK's Opiates Business	Global Markets	Vertical Integration for controlled substances business
2015	Distribution agreement with AstraZeneca	India	Distribution services agreement in India for brand "Axcer"® (brand of ticagrelor, used for the treatment of acute coronary syndrome)
2015	Sun Pharma – Ranbaxy Merger	Global Markets	Strengthen position as the 5 th largest Global Specialty Generic Pharma Company, No.1 Pharma Company in India & Strong positioning in Emerging Markets
2014	In-licensing agreement with Merck for Tildrakizumab a biologic for psoriasis	Global Markets	Strengthening the specialty product pipeline
2014	Acquired Pharmalucence	US	Access to sterile injectable capacity in the US
2013	Acquired URL's generic business	US	Strengthens generics business in US
2012	Acquired DUSA Pharma, Inc.	US	Access to specialty drug-device combination in dermatology segment
2010	Acquired Taro Pharmaceutical Industries Ltd.	Israel	Access to dermatology generic portfolio Manufacturing facilities at Israel & Canada
1997	Acquired Caraco	Detroit, US	Entry into US Market

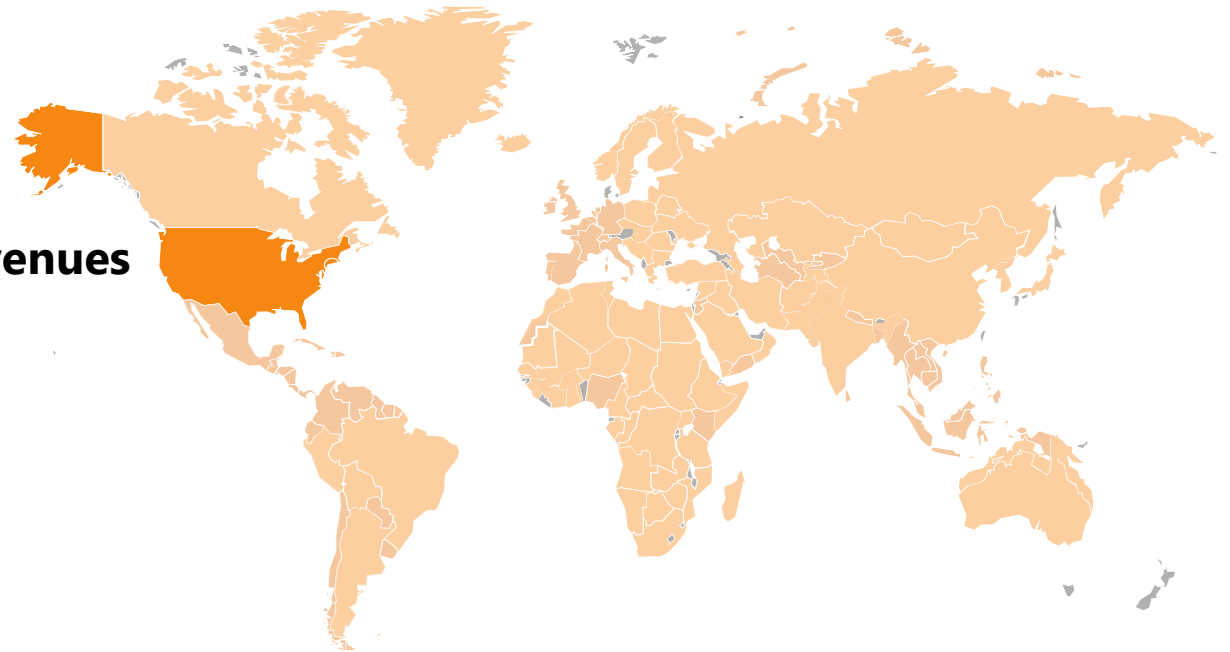
Successful track record of turning around acquisitions



US Business



34% of Revenues



US Business at a glance



5th Largest Pharma Company in the US Generics Market *

Dermatology Segment

- Largest generic dermatology company and amongst top 5 branded dermatology company in the US

Comprehensive Portfolio

- Wide basket of 566 ANDAs & 54 NDAs filed and 432 ANDAs & 48 NDAs approved across multiple therapies

Robust Pipeline

- 134 ANDAs & 6 NDAs pending FDA approval, including a combination of complex generics, FTF opportunities and pure generics

Market Presence

- Presence in generics, branded & OTC segments

Flexible Manufacturing

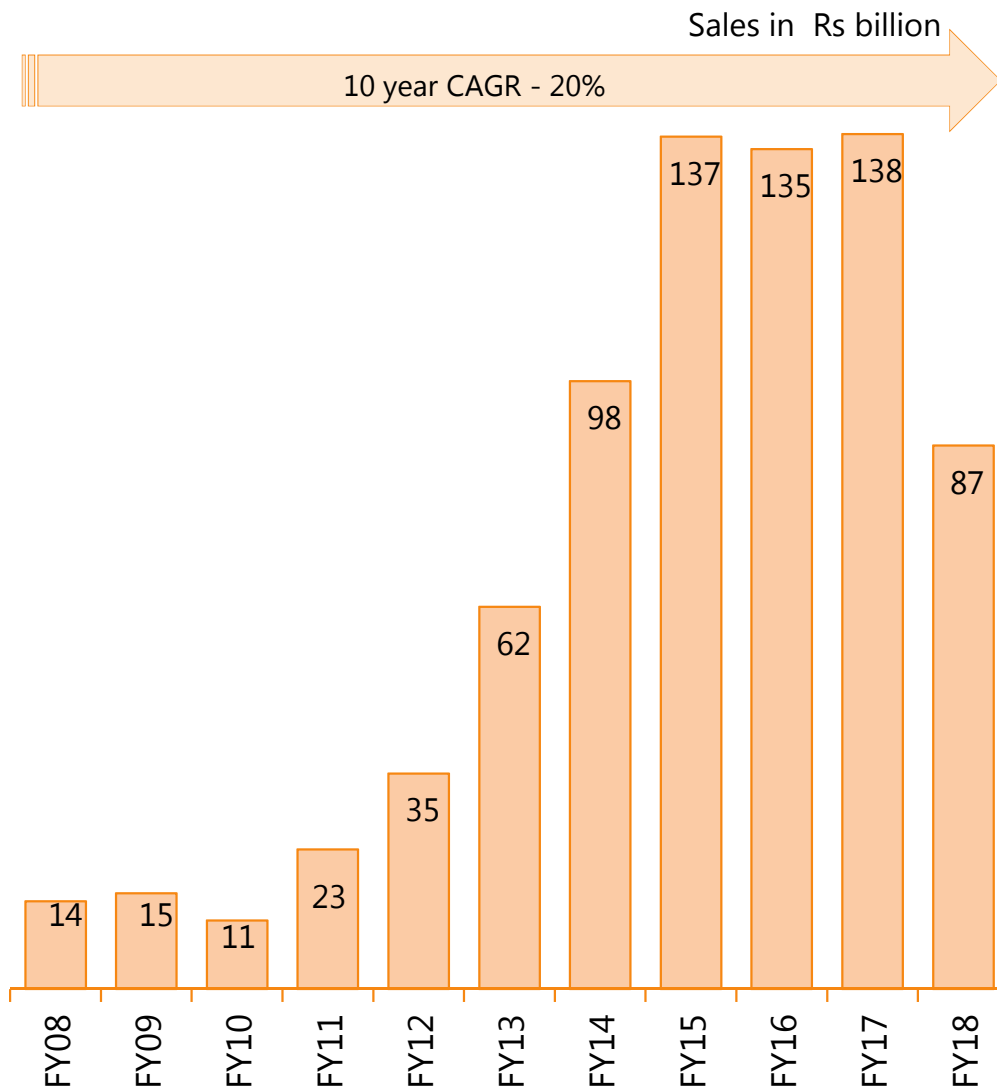
- Integrated manufacturer with flexibility for manufacturing onshore/ offshore

Dosage Forms

- Liquids, Creams, Ointments, Gels, Sprays, Injectable, Tablets, Capsules, Drug-Device combination

* Source: Evaluate Pharma Estimates for 12 months ended Dec 2017

US Business - Significant Ramp-up in Sales



Key Milestones in US

FY98 • Entry in US through Caraco acquisition

FY10 • Acquired Taro Pharma – Entry into US dermatology market

FY13 • Acquired DUSA - Entry in branded specialty market

FY16 • Acquired InSite Vision – Strengthen ophthalmic portfolio

FY17

- Tildrakizumab filing in US & Europe
- Acquired Ocular Technologies giving access to Cequa, a product for treating dry eyes.
- Launched BromSite in US
- Acquired Odomzo- branded oncology product from Novartis

FY18

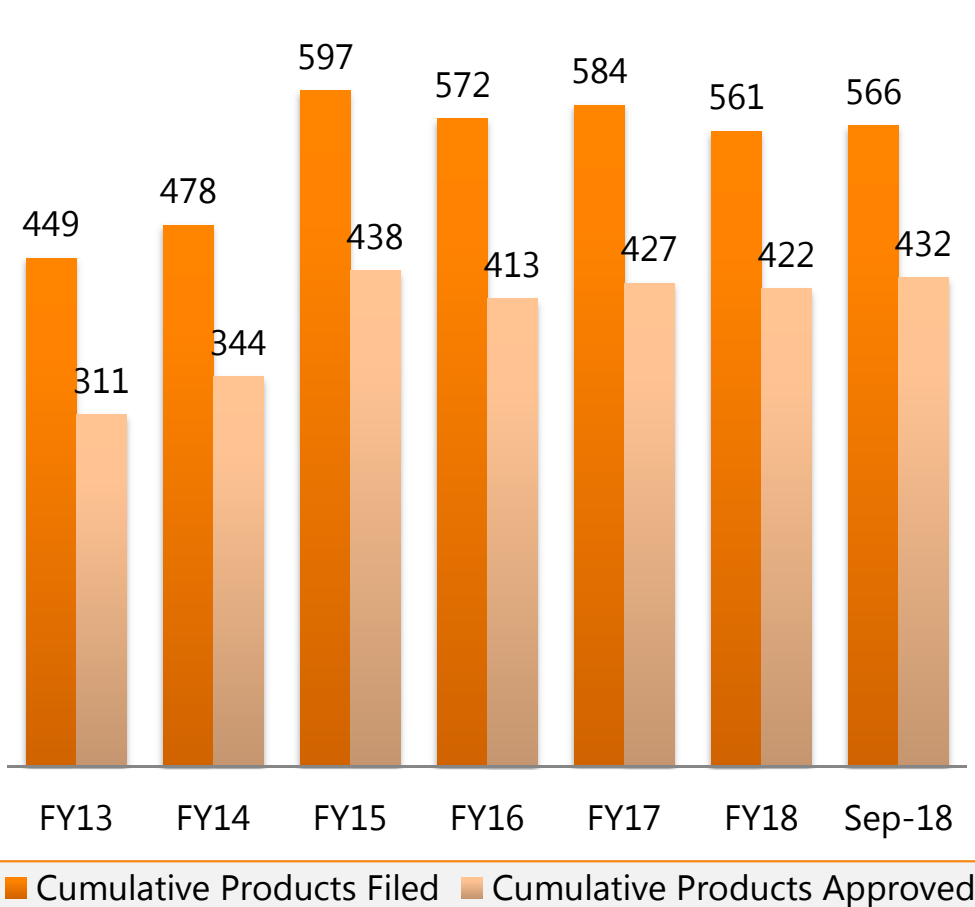
- Launched Odomzo in US
- Settlement of Patent Litigation for Generic Linzess® in US
- US FDA approval for Ilumya

FY19

- Launched Ilumya & Yonsa in US
- Received USFDA approval for Cequa
- Received USFDA approval for Xelpros

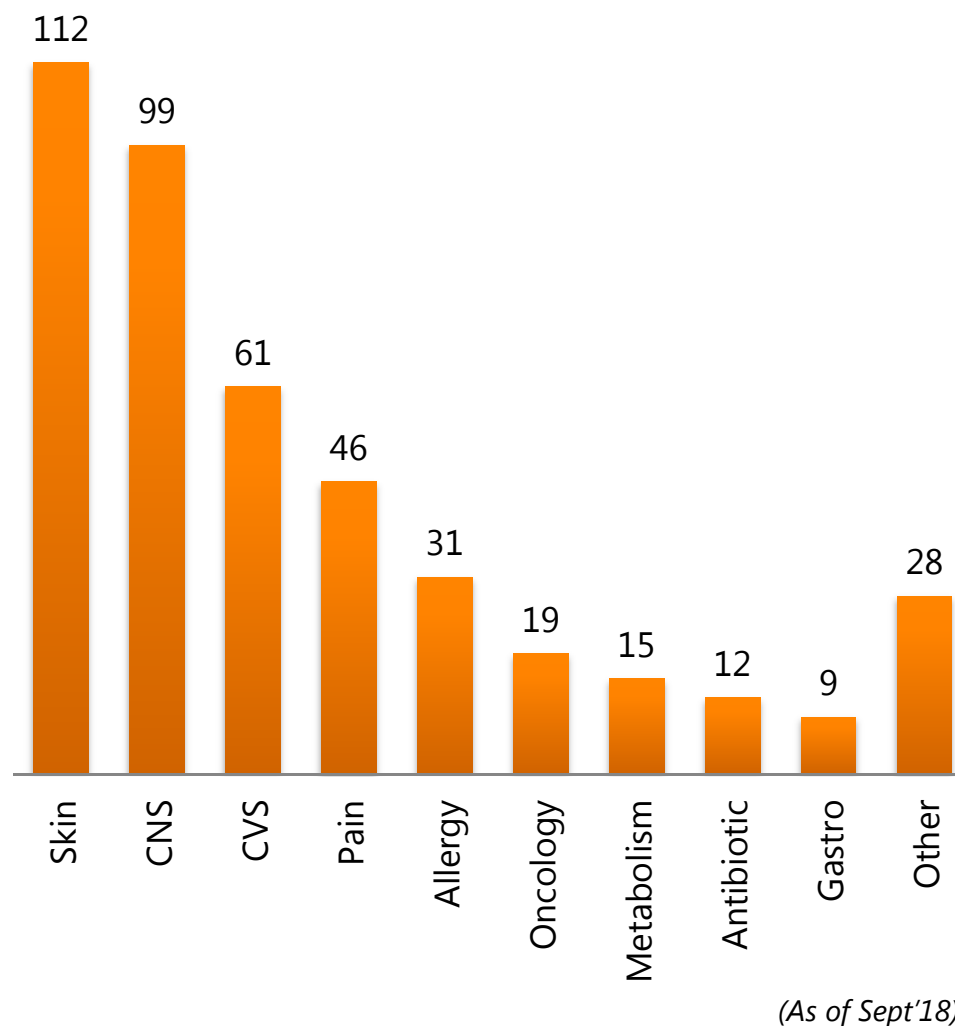
ANDA Pipeline - Significant ramp up

ANDAs Filed and Approved



(Cumulative no's for FY16 are lower than FY15 due to Bryan facility divestment. URL numbers added since Mar 2013 & Ranbaxy numbers added for March'15)

432 ANDA Approvals by Therapeutic Area



India Branded Generic Business



31% of Revenues



India Business at a glance



No. 1 in India

Market Position**

- No. 1 ranked with 8.3% market share

Prescription Ranking###

- No. 1 ranked by prescriptions with 12 different classes of doctors

Chronic Segment

- Market leader in the chronic segment

Acute Segment

- Strong positioning in the acute segment

Product Offering

- Specializes in technically complex products and offers a complete therapy basket

Strong Brand Positioning**

- 27 brands in the country's top 300 pharmaceutical brands

De-risked Growth**

- Top 10 Brands contribute approx. 17% of India revenues
- Growth driven by a basket of brands – low product concentration

Extensive Sales Force

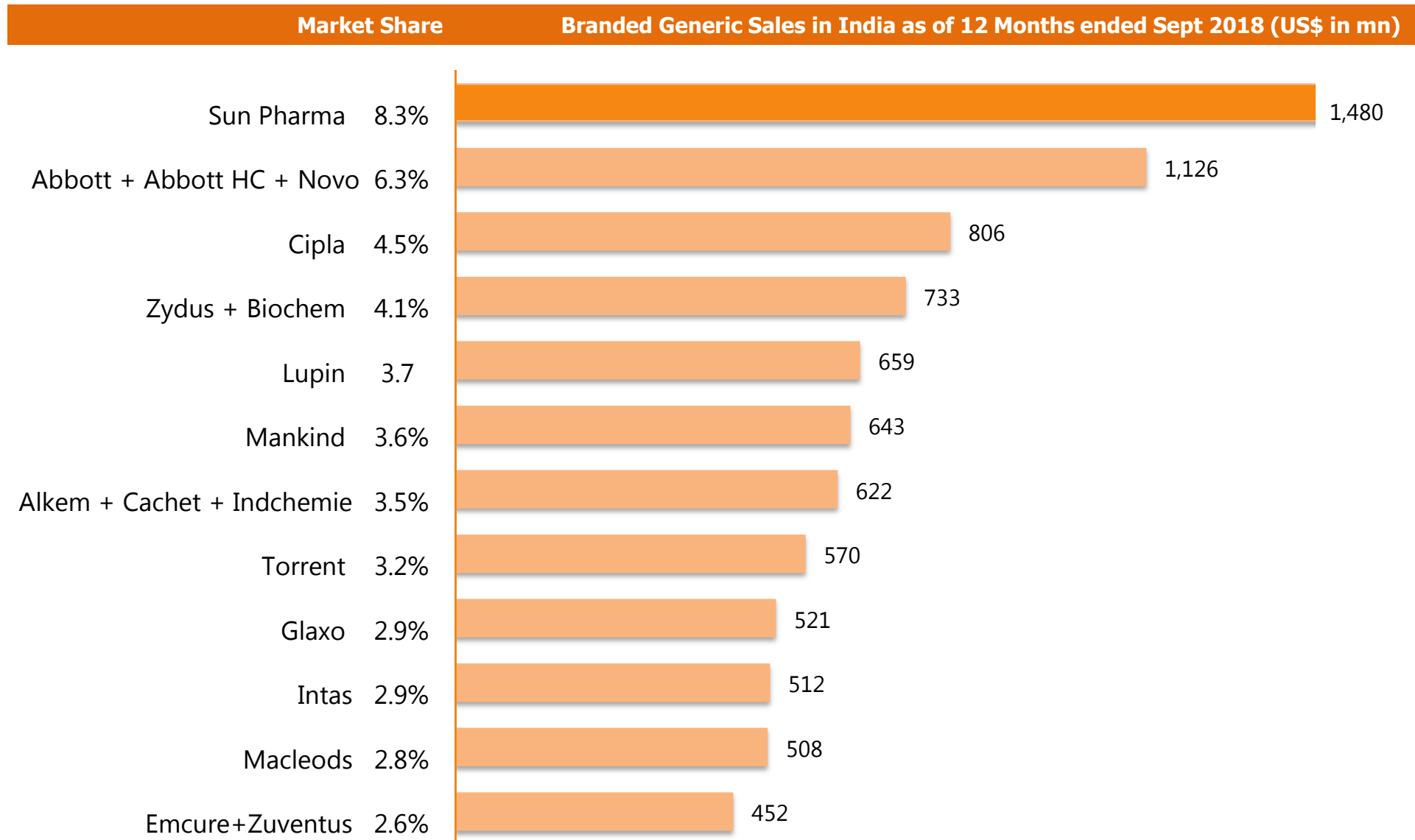
- 9,200+ strong field force covering over 600,000* doctors

** - As per AIOCD AWACS data for 12 months ended Sept'18

- As per SMSRC data for June'18

* Does not exclude overlaps

Largest Pharma Company in India

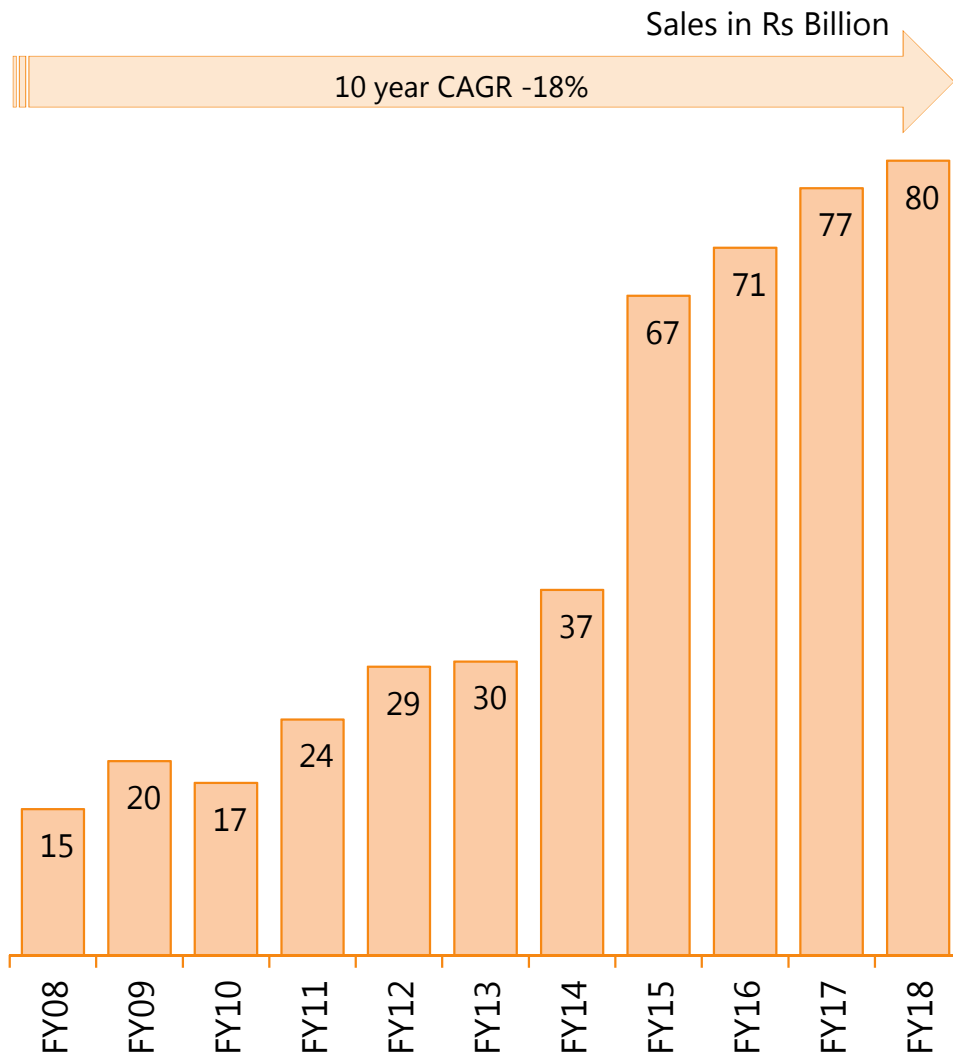


Source: AIOCD AWACS MAT Sept 2018 data converted at average of Rs. 70.20/US\$

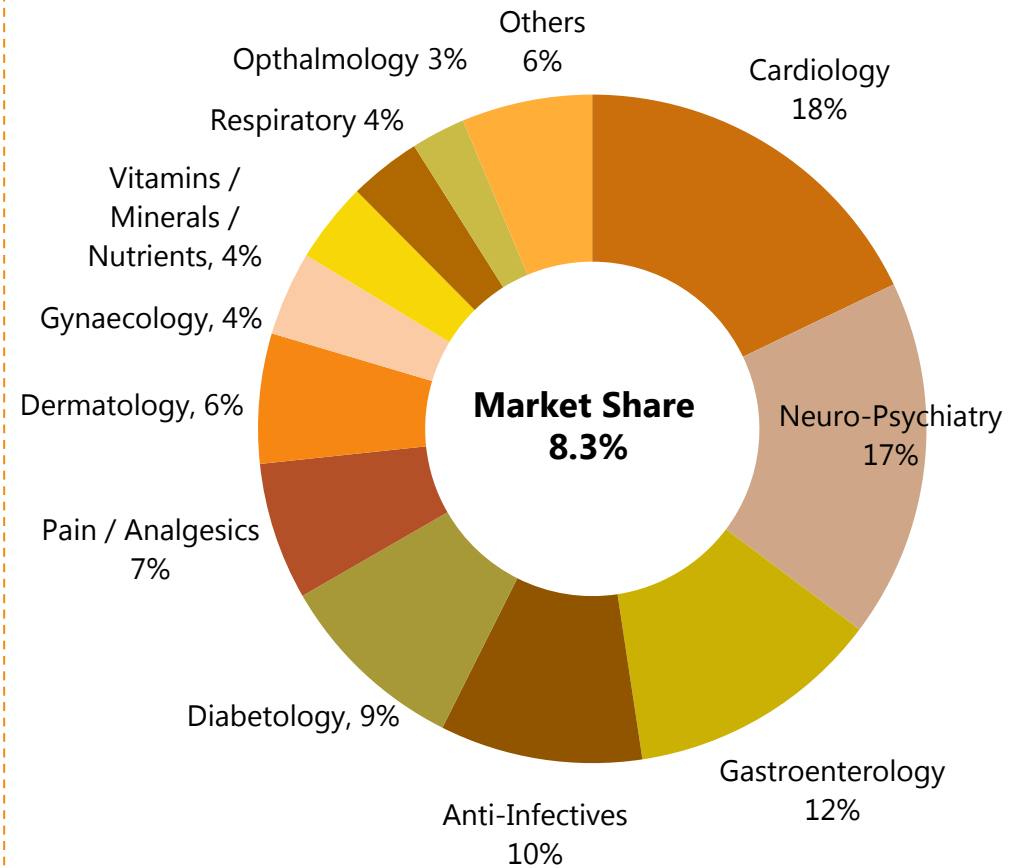
India Business – Sales ramp-up



Leadership in chronic segment; Strong positioning in acute segment
27 brands in top 300 brands of country



Therapeutic Revenue Break-up



As per AIOCD AWACS – Sept '18

Strong Customer Focus Drives Market Share Gains



Therapy focused marketing

- 9,200+ sales representatives
- Covering over 600,000* doctors

Strong increase in market share

- Sun pharma market share has consistently increased from 2.4% in 2000 to 7.7% in 2018 (IMS Data for Sept'18)

* Does not exclude overlaps

Market Share (%) as per IMS Dec MAT

Year -2000	%	Year -2005	%	Year -2010	%	Year -2015	%	Year -2017	%
Sun Pharma	2.4	Sun Pharma	3.3	Sun Pharma	3.7	Sun Pharma	8.0	Sun Pharma	8.0
Cipla	4.7	Cipla	5.1	Cipla	5.4	Cipla	5.2	Cipla	5.2
Lupin	2.0	Lupin	2.2	Lupin	2.7	Lupin	3.2	Lupin	3.5
Cadila	3.8	Cadila	3.7	Cadila	3.7	Cadila	3.4	Cadila	3.2
DRL	2.6	DRL	2.3	DRL	2.3	DRL	2.4	DRL	2.2
Torrent	1.8	Torrent	1.9	Torrent	2.0	Torrent	2.4	Torrent	3.3
Glenmark	1.0	Glenmark	1.2	Glenmark	1.5	Glenmark	2.0	Glenmark	2.2
Wockhardt	2.2	Wockhardt	1.9	Wockhardt	2.0	Wockhardt	1.6	Wockhardt	1.5
Ipca	1.1	Ipca	1.3	Ipca	1.4	Ipca	1.5	Ipca	1.5
Ranbaxy	4.8	Ranbaxy	4.9	Ranbaxy	4.9	Unichem	1.0	FDC	1.0

Leadership in key therapeutic areas*



Number 1 Ranking with 12 Doctor Categories*

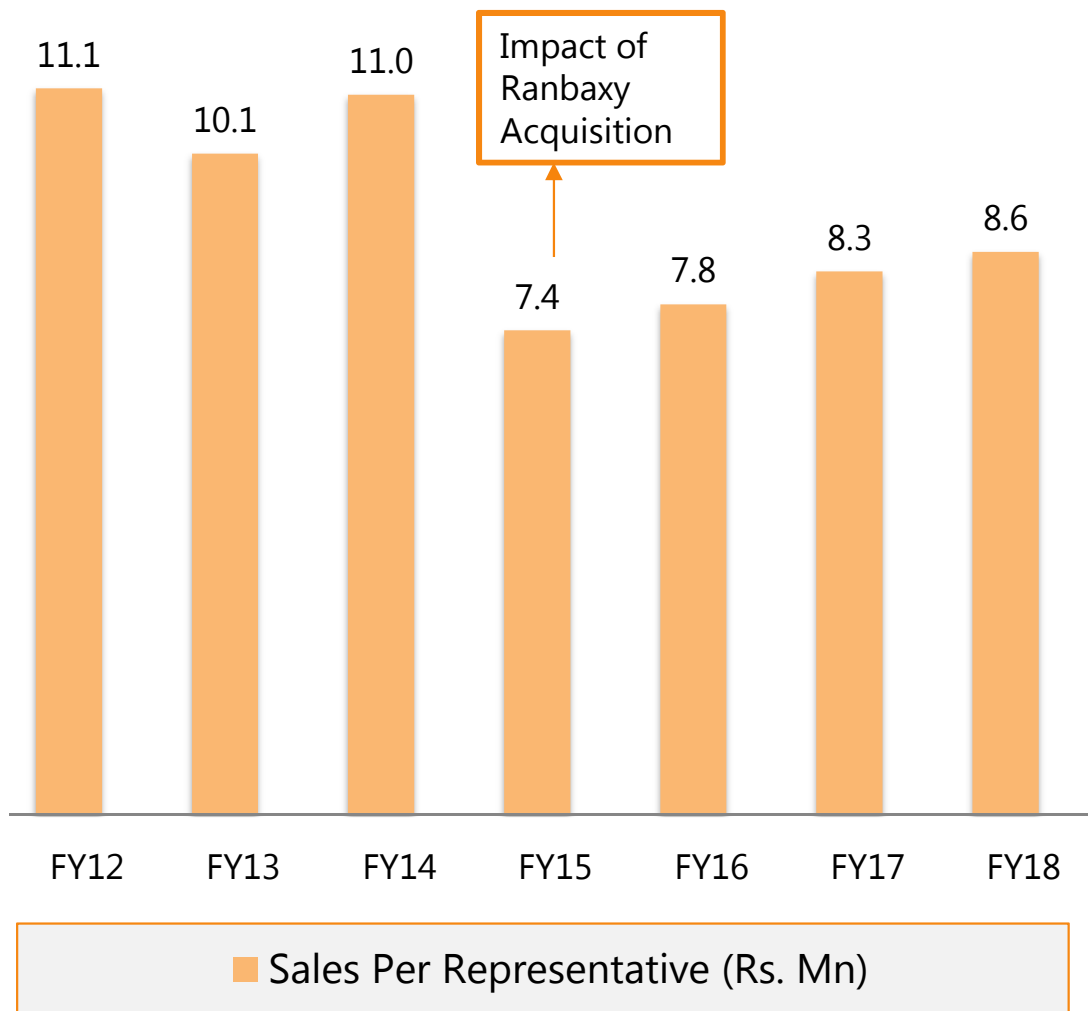
Specialist	Prescription Ranking			
	June '15	June '16	June '17	June '18
Psychiatrists	1	1	1	1
Neurologists	1	1	1	1
Cardiologists	1	1	1	1
Orthopaedic	1	1	1	1
Gastroenterologists	1	1	1	1
Nephrologists	1	1	1	1
Diabetologists	1	1	1	1
Consulting Physicians	1	1	1	1
Dermatologists	1	1	1	1
Urologists	1	1	1	1
Oncologists	1	1	1	1
Ophthalmologists	1	1	2	2
Chest Physicians	1	2	2	1

*Ranks based on prescription share

Source-Strategic Marketing Solutions and Research Centre (SMSRC) Prescription Data

Best-in-class field force productivity

Sales Per Representative (Rs. Mn)



Field Force Productivity

Sun
Pharma

- Rs 8.6 Mn/ MR

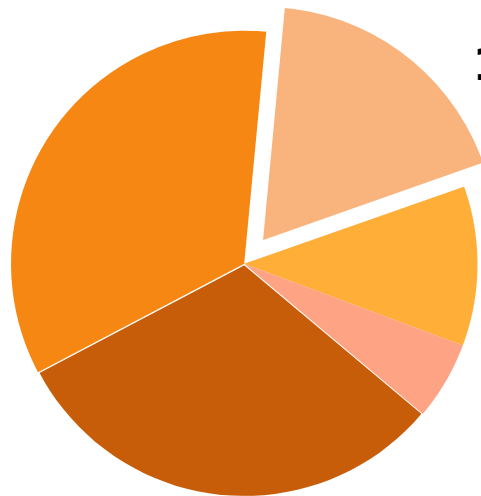
Industry
Average*

- Rs 5.2 Mn/ MR

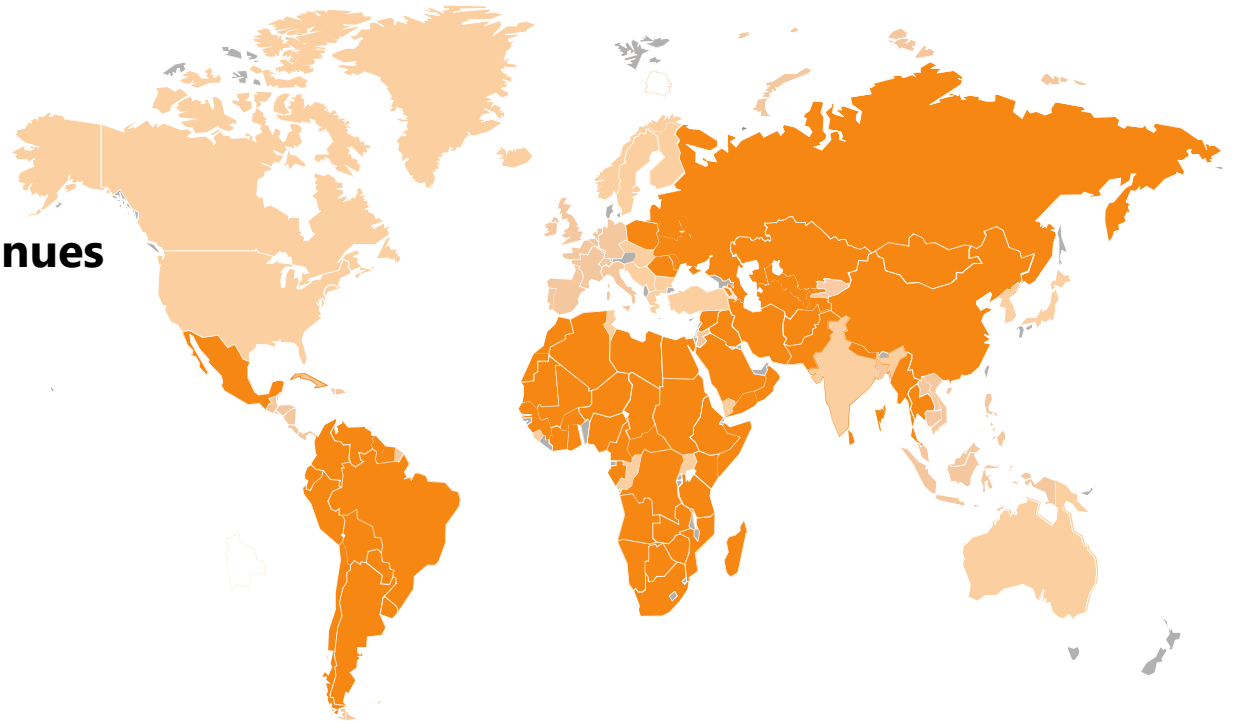
* Approximation based on brokerage reports

- Well trained and scientifically oriented sales representatives team with strong performance track record
- Field force with highest productivity amongst key players in India

Emerging Markets



18% of Revenues



Emerging Markets Business at a glance



Largest Indian Company in Emerging Markets

Global footprint

- Presence in about 100 markets

Focus Markets

- Brazil, Mexico, Russia, Romania, South Africa and complementary & affiliated markets

Product Portfolio

- Extensive basket of branded products

Customer Focus

- Strong relationships with doctors and medical practitioners

Sales Force

- Approximately 2,300 Sales Representatives

Opportunity

- To cross-sell products between Sun Pharma and Ranbaxy marketing infrastructure

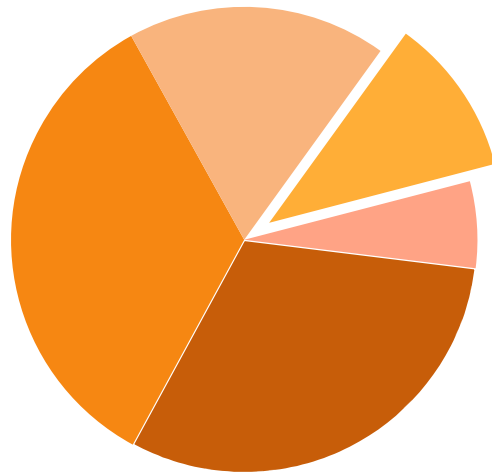
Local Manufacturing

- Across 7 countries

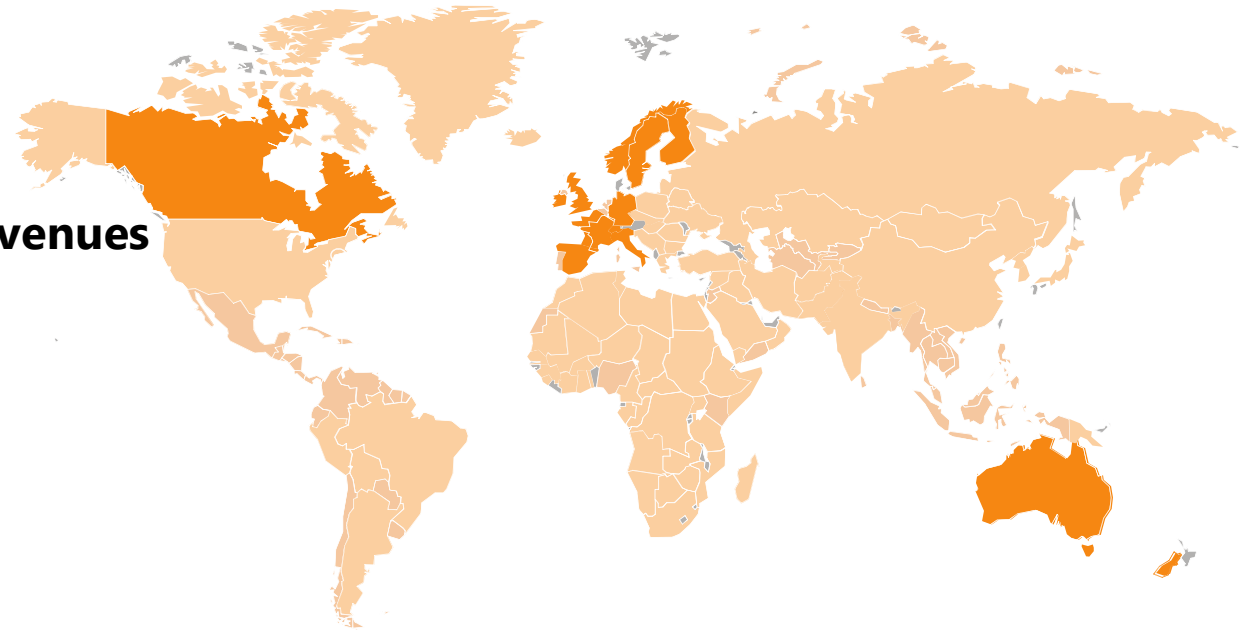
Russia Acquisition

- Acquired Biosintez to enhance presence in Russian market in Nov' 16 – Gives access to local manufacturing facility.

Western Europe, Canada, Japan, ANZ & Other Markets



11% of Revenues



Western Europe & Other Markets at a glance



Amongst the leading Indian Companies

Market Presence

- Across all major markets in Western Europe, Canada, A&NZ, Japan and few other markets

Product Portfolio

- Expanding basket of products including injectables and hospital products as well as products for retail market

Focus

- Development and commercialization of complex generics and differentiated products to drive sustainable and profitable growth

Sales Force

- Distribution led model

Local Manufacturing

- At Canada, Israel and Hungary + Servicing from India facilities

Japan Entry

- Acquired 14 established prescription brands from Novartis in March'16

Global Consumer Healthcare Business



Global Consumer Healthcare Business at a glance



An Attractive Opportunity

India

- Amongst the top 10 consumer healthcare companies

Global Presence

- Operates in about 20+ countries

Market Focus

- Core markets include. India, Russia, Romania, Nigeria, South Africa & Myanmar
- Growth markets include Ukraine, Poland, Kazakhstan, Thailand & UAE

Strong Brand Equity

- Enjoy strong brand equity in 4 countries

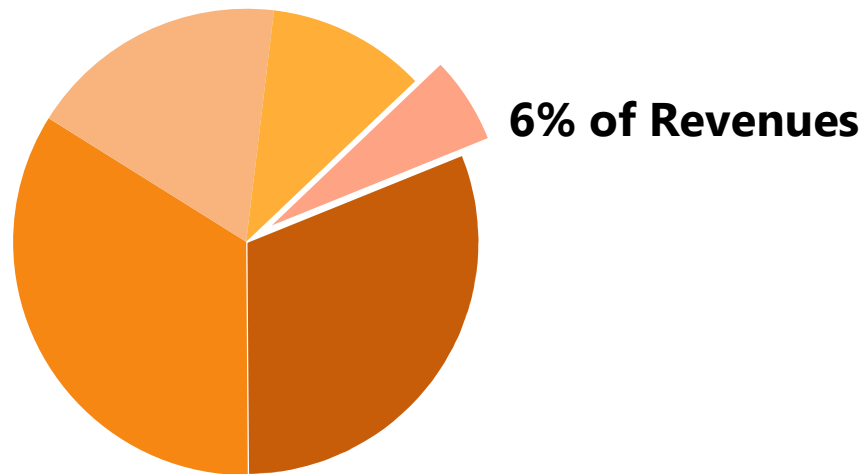
Sales Force

- Promoted through dedicated sales force in each market

Strong Positioning

- Amongst top 10 consumer healthcare companies in India, Romania, Nigeria & Myanmar

Active Pharmaceutical Ingredients (API) Business



Backward Integration – Strategic Importance

Strategic Importance

- Backward integration provides cost competitiveness and supply reliability

Customers

- Large generic and innovator companies

Product Portfolio

- Approximately 300 APIs

Pipeline Development

- Approx. 20 APIs scaled up annually

Regulatory approvals

- 297 DMF/CEP approvals to date
- 403 DMF/CEP Filings to date

Manufacturing

- Across 14 facilities

Research & Development



Research & Development



Cumulative R&D Spend of over Rs 140 billion to date

R&D Spend

- R&D spend at 8.6% of sales for FY18
- Strong cash flows & large scale to support R&D investments

Capabilities

- Strong research teams in generics, finished dosage development, biological support, chemistry

Organization

- Approx. 2,000 scientists globally with capabilities across dosage forms like orals, liquids, ointments, gels, sprays, injectables

IPR Support

- Strong team of intellectual property experts supporting R&D

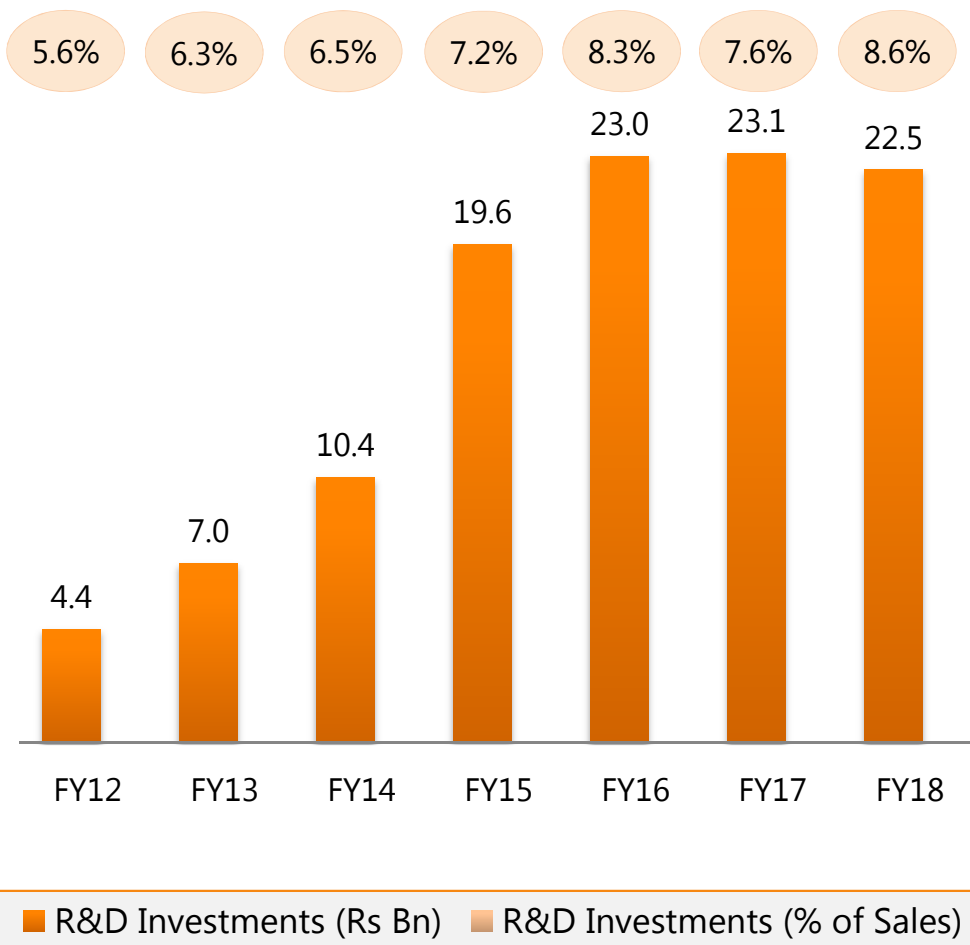
Focus

- Developing non infringing formulations and development of specialty/complex products

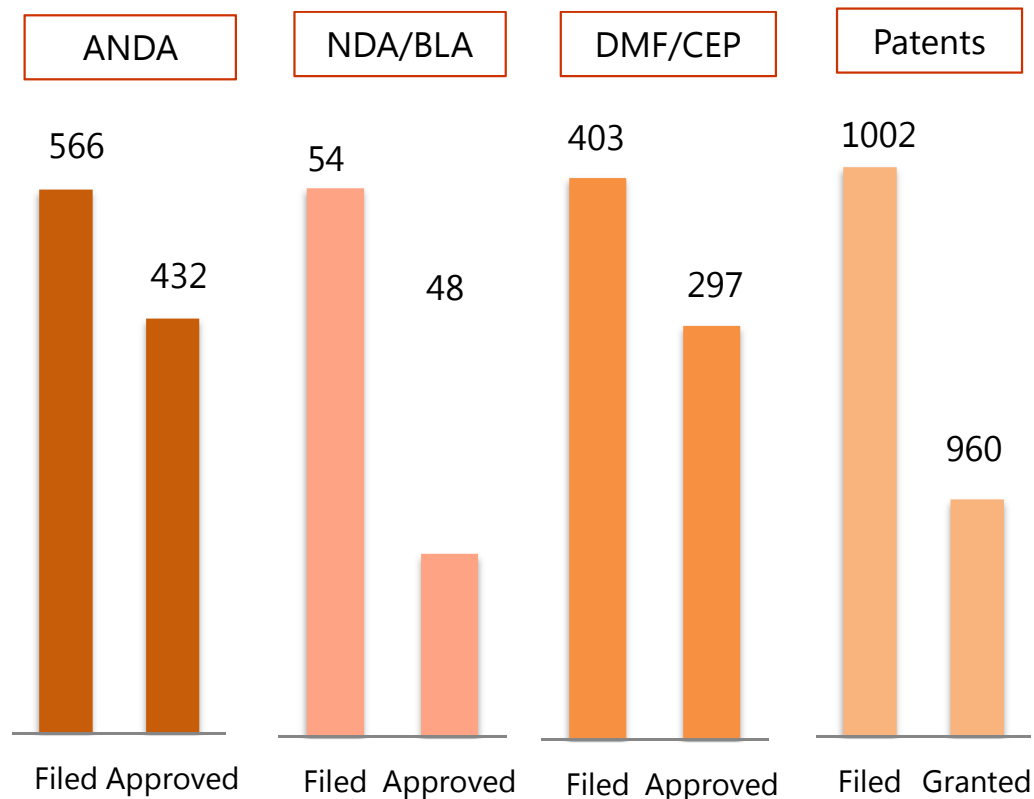
R&D Investments



R&D Investments



Filings and Approvals



As of Sept 30, 2018

Global Manufacturing Presence



Global Manufacturing Presence



World Class Manufacturing Infrastructure

Extensive Global Footprint

- 42 manufacturing facilities across India, the Americas, Asia, Africa, Australia and Europe

Integrated Network

- Vertically integrated network across six continents enabling high quality, low cost and a quick market entry across the geographies

Capabilities

- One of the few companies that has set up completely integrated manufacturing capability for the production of oncology, hormones, peptides, controlled substances and steroidal drugs

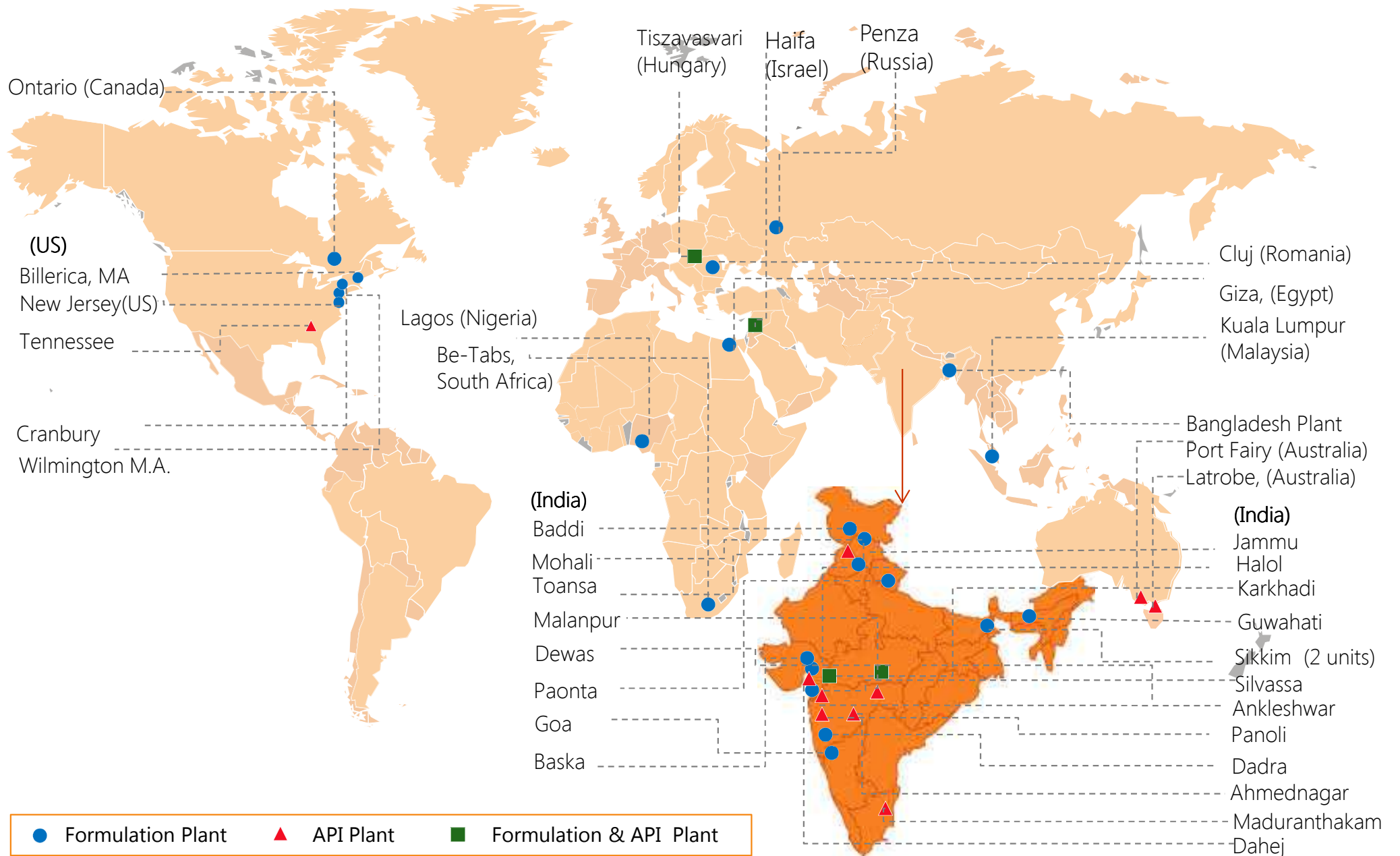
High Quality

- High quality manufacturing facilities. Many of the plants have received approvals from US FDA, UK MHRA and various other regulatory authorities

Dosage Forms

- Ability to manufacture a variety of dosage forms – Orals, Creams, Ointments, Injectables, Sprays, Liquids

Global Manufacturing Footprint



Finished Dosage Manufacturing

28 Finished dosage manufacturing sites

- India : 14, US : 4
- Canada, Hungary , Israel, Bangladesh, South Africa, Malaysia, Romania, Egypt, Nigeria and Russia : 1 each
- Capacities available for a variety of finished dosages

Orals

- Tablets / Capsules
- Semisolids
- Liquids
- Suppository

Injectables / Sterile

- Vials
- Ampoules
- Pre-filled Syringes
- Gels
- Lyophilized Units
- Dry powder
- Eye drops
- MDI
- Aerosols

Topicals

- Creams
- Ointments

API Manufacturing

14 API manufacturing locations

- India : 9, Australia : 2, Israel : 1, US : 1, Hungary : 1

Panoli & Ahmednagar (both India)

- International regulatory approvals: USFDA, European
- Stand alone units for peptides, anti-cancer, steroids, sex hormones

API
Key Plants



Australia, Hungary & Tennessee (US)

- Controlled substances manufacture

Corporate Governance

Our philosophy on corporate governance envisages working towards high levels of transparency, accountability and consistent value systems across all facets of operations



Chairman



Israel Makov

Former President & CEO of Teva Pharma. Industries Ltd.

Independent Director



Rekha Sethi

Director General
All India Management
Association (AIMA)

Independent Director



Vivek C. Sehgal

Chairman, Samvardhana
Motherson Group &
Motherson Sumi Systems
Ltd.

Independent Director



Gautam B. Doshi

Professional with expertise
in M&A, Taxation, Accounting
& Corporate and Commercial
Laws.

Financials



Financials



Market Capitalisation Rs. 1,250 billion / US\$ 17 billion

(All Figures in Rs. Mn)

	FY14	YoY	FY15	YoY	FY16	YoY	FY17	YoY	FY18	YoY
P&L Summary										
Sales	1,60,044	42%	2,72,451	70%	2,78,881	2%	3,02,642	9%	2,60,659	-14%
Gross Profit	1,32,250	44%	2,05,059	55%	2,15,577	5%	2,21,335	3%	1,86,413	-16%
EBITDA	71,141	45%	77,208	9%	75,594	-2%	87,751	16%	51,846	-41%
Net Profit	31,415	5%	45,394	44%	45,457	0%	69,644	53%	21,616	-69%
Net Profit (Adjusted)	56,589 #	59%	47,771 #	-16%	52,309 #	9%	69,644	33%	33,665 #	-52%
R&D Spend	10,418	48%	19,550	88%	23,025	18%	23,138	0%	22,489	-3%
BS Summary										
	Mar'14	YoY	Mar'15	YoY	Mar'16	YoY	Mar'17	YoY	Mar'18	YoY
Shareholders Funds	1,85,250	24%	2,80,415	51%	3,29,825	18%	3,66,397	11%	3,81,006	4%
Loan Funds	24,890		75,724	204%	83,164	10%	80,910	-3%	97,518	21%
Net Fixed Assets	58,242	15%	96,848	66%	1,24,130	28%	1,49,404	20%	1,57,110	5%
Investments	27,860	16%	35,028	26%	18,298	-48%	11,919	-35%	71,430	499%
Cash and Bank Balances	75,902	87%	1,09,771	45%	1,31,817	20%	1,51,408	15%	99,290	-34%
Inventory	31,230	21%	56,669	81%	64,225	13%	68,328	6%	68,810	1%
Sundry Debtors	22,004	-9%	50,928	131%	67,757	33%	72,026	6%	78,150	9%
Sundry Creditors	13,283	26%	32,430	144%	35,830	10%	43,954	23%	47,660	8%

Exchange Rate :

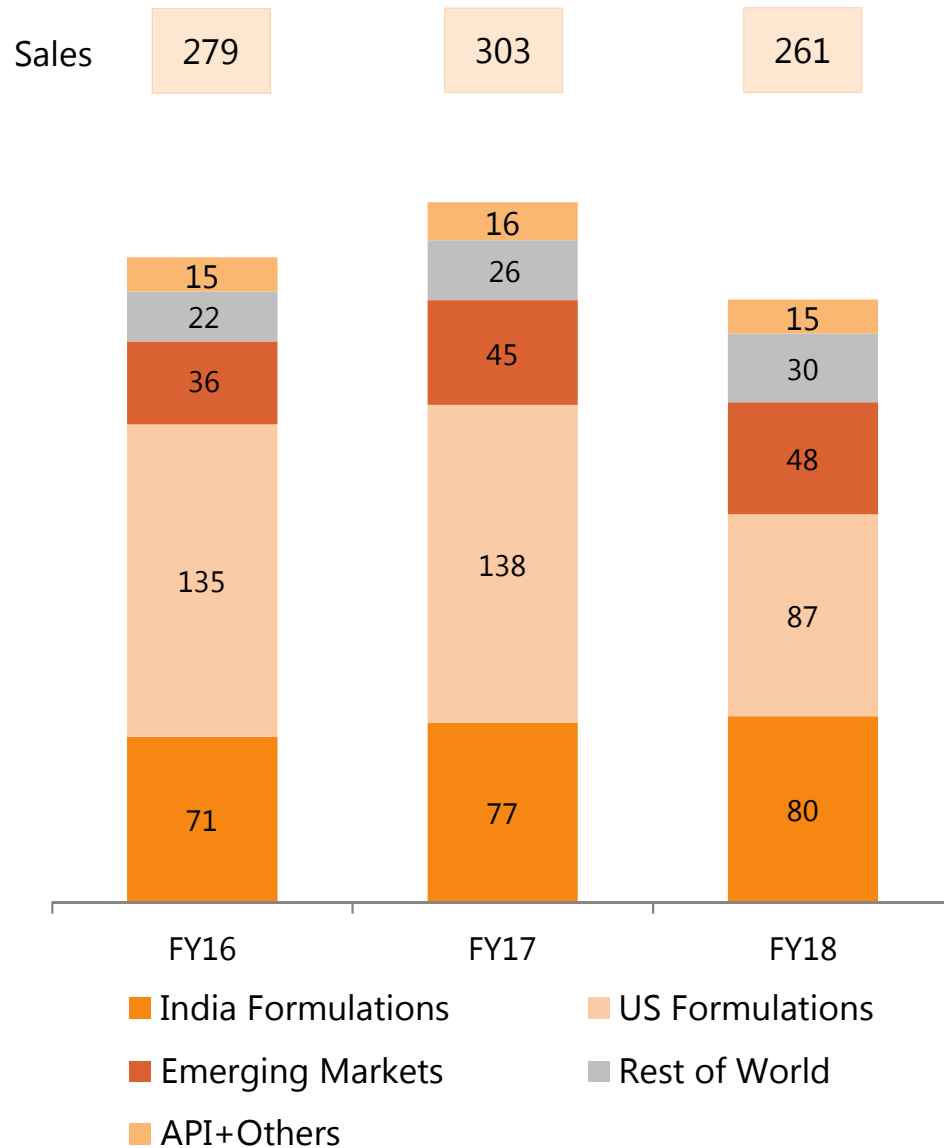
For Market Capitalisation US\$1 = Rs 70.10(As on 14 November 2018)

Adjusted for Rs 25.17 bn provision related to generic Protonix settlement for the year FY14 and adjusted for Rs 2.4 bn for settlement provision for Texas Medicaid Program litigation for FY15 and adjusted for Rs 6.9 bn of exceptional items related to Ranbaxy integration for FY16 and adjusted for Rs 12.1 bn provision related to Modafinil settlement & deferred tax adjustment for the year FY18.

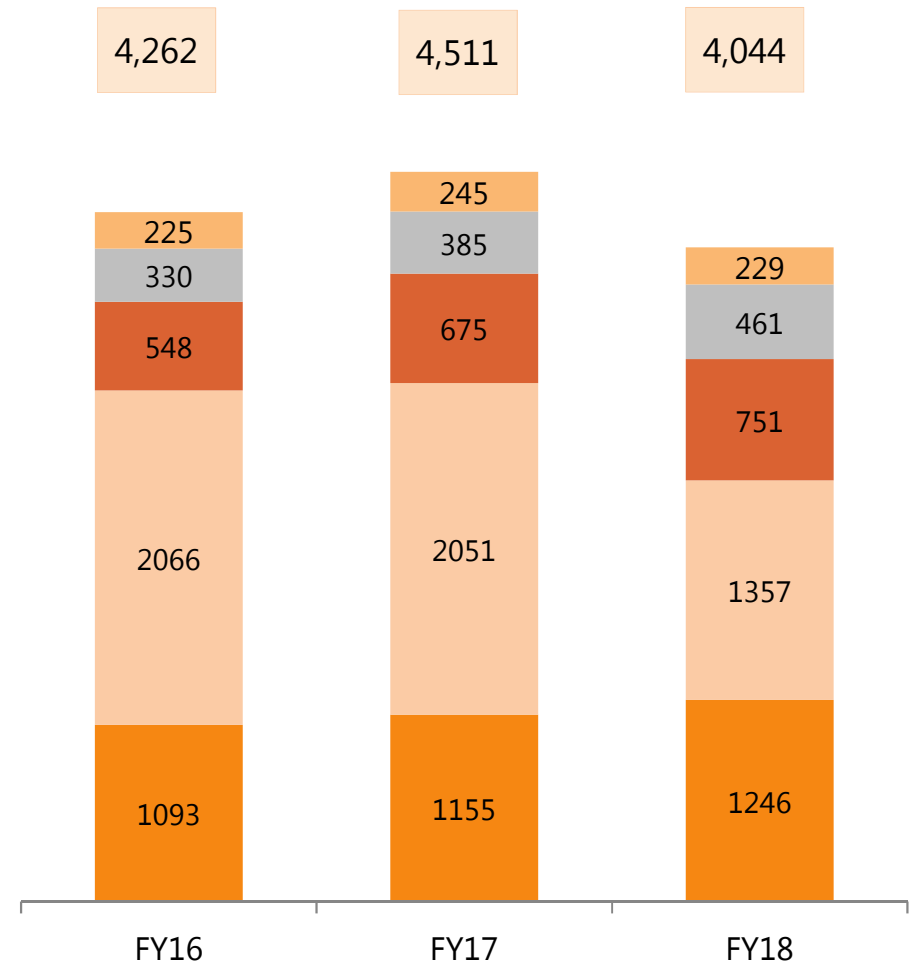
Sales Break-up



In INR Billion



In USD Million



*#Exchange Rate : US\$1 = Rs 65.43 (for FY16)
 US\$1 = Rs 67.07 (for FY17)
 US\$1 = Rs 64.46 (for FY18)*

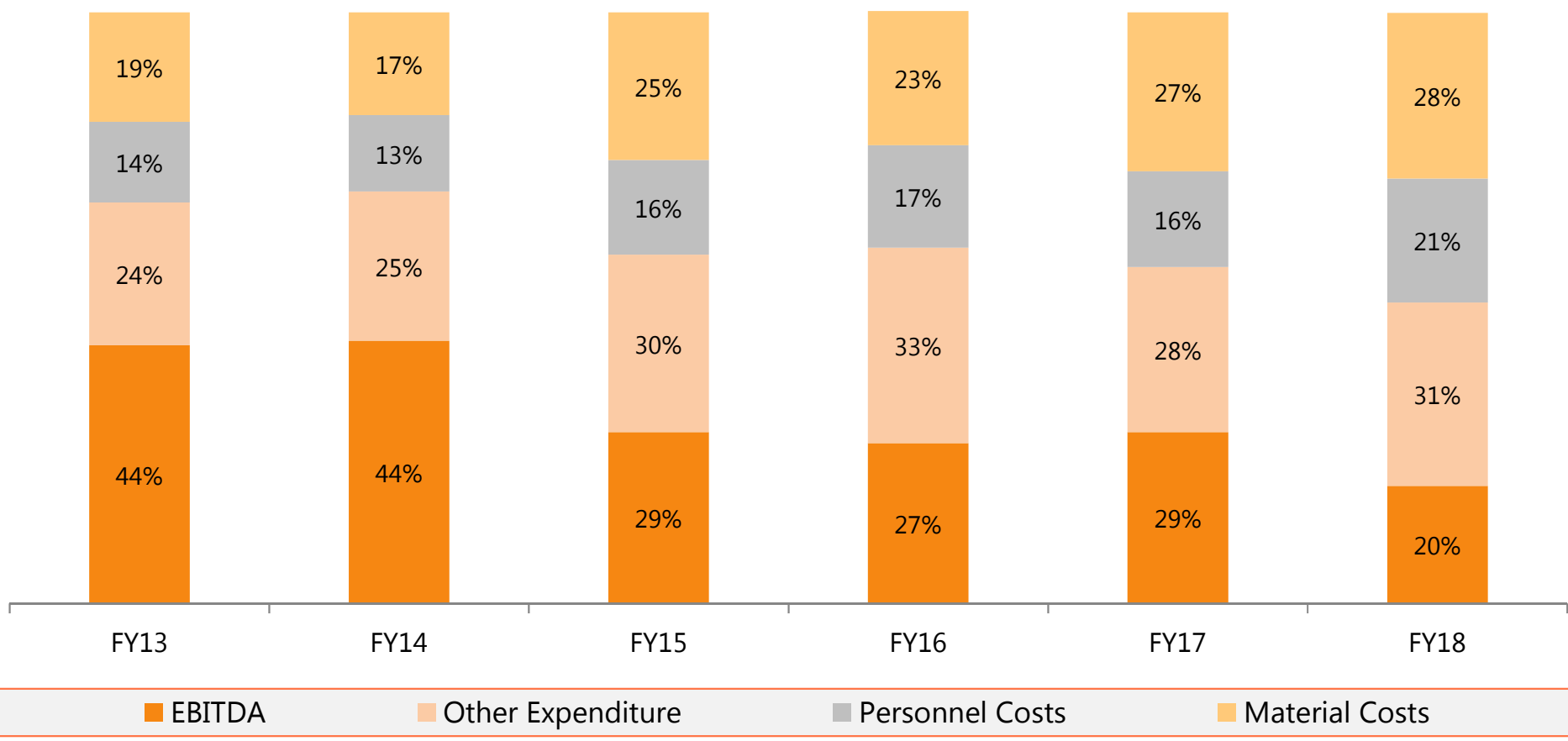
EBITDA Trend



In INR Billion

Sales	112	160	272	279	303	261
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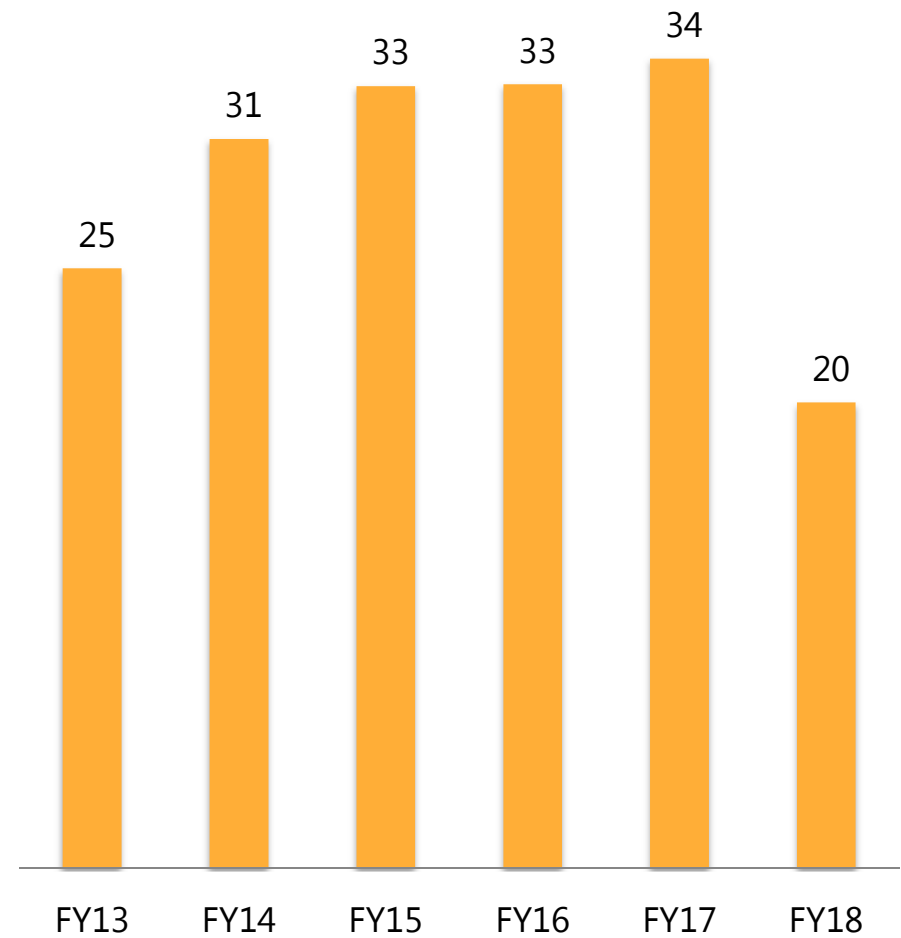
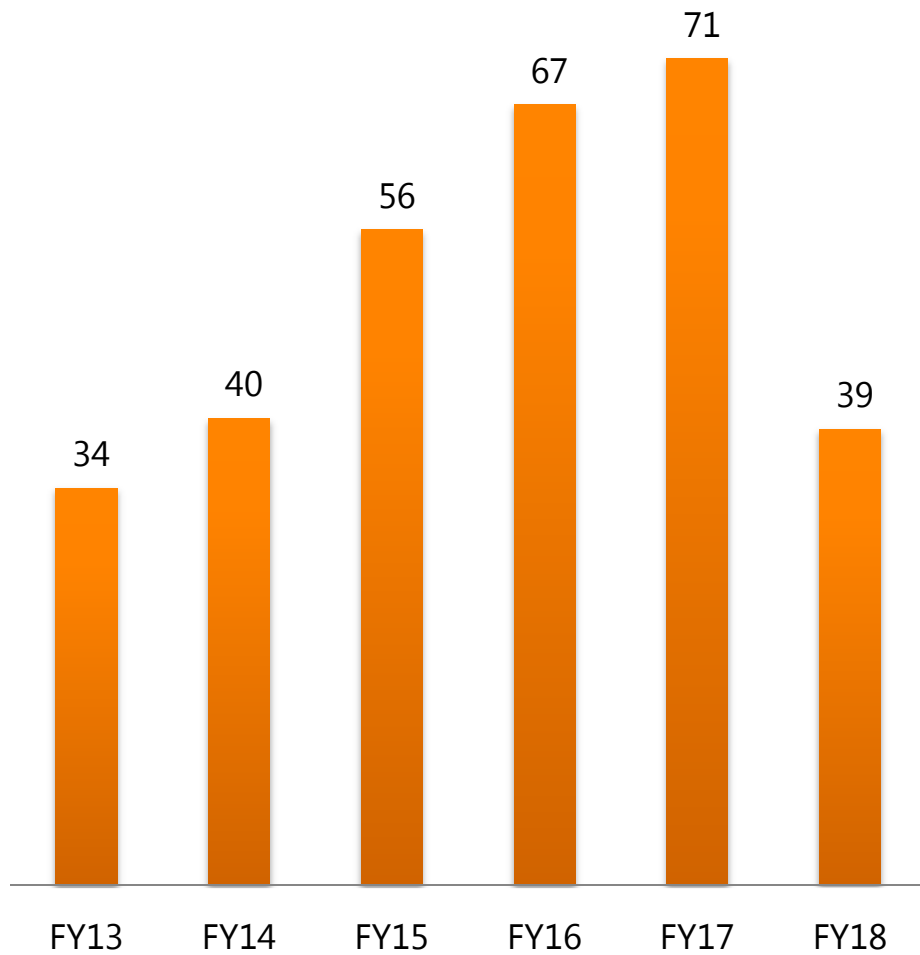
% of Sales



Cash Flow

Net Cash From Operating Activities (Rs Bn)

Free Cash Flow (Rs Bn)



Financial Ratios



	FY14	FY15	FY16	FY17	FY18
Growth (%)					
Sales	42.4	70.2	2.4	8.5	(13.9)
Gross Profit	44.4	55.1	5.1	2.7	(15.8)
EBITDA	45.0	8.5	(2.1)	16.1	(40.9)
Net Profit	5.3	44.5	0.1	53.2	(69.0)
Net Profit (Adjusted)	58.7 #	(15.6) #	9.5 #	33.1	(51.7) #
Margins (%)					
Gross Margin	82.6	75.3	77.3	73.1	71.5
EBITDA Margin (%)	44.5	28.3	27.1	29.0	19.9
Net Margin	19.6	16.7	16.3	23.0	8.3
Net Margin (Adjusted)	35.4 #	17.5 #	18.8 #	23.0	12.9 #
Return (%)					
ROCE	26.9	14.3	14.6	16.1	7.8
ROE	30.9	18.5	17.6	19.8	8.9
Others					
Debt / Equity	0.13	0.27	0.25	0.22	0.26
Fully Diluted (USD) EPS	15.2	18.9	18.9	28.9	9.0
Fully Diluted EPS (USD) (Adjusted)	27.3 #	19.9 #	21.7 #	28.9	14.0 #
R&D Spend % of Net Sales					
Revenue	6.5	7.2	8.3	7.6	8.6
Capital	6.2	6.7	8.0	7.1	7.9
	0.3	0.4	0.3	0.6	0.7

Adjusted for Rs 25.17 bn provision related to generic Protonix settlement for the year FY14 and adjusted for Rs 2.4 bn for settlement provision for Texas Medicaid Program litigation for FY15 and adjusted for Rs 6.9 bn of exceptional items related to Ranbaxy integration for FY16 and adjusted for Rs 12.1 bn provision related to Modafinil settlement & deferred tax adjustment for the year FY18.

Key Financials Q2 & H1FY19



(All Figures in Rs. Mn)

	Q2 FY19	Q2 FY18	CHANGE	H1 FY19	H1 FY18	CHANGE
Gross Sales	68,465	65,901	3.9%	1,39,853	1,27,567	9.6%
Gross Profit	50,888	47,125	8.0%	1,01,208	92,018	10.0%
Gross Margin	74.3%	71.5%		72.4%	72.1%	
EBITDA	14,401	13,153	9.5%	29,614	23,689	25.0%
EBITDA Margin	21.0%	20.0%		21.2%	18.6%	
Net Profit	-2,188	9,121	-124.0%	7,637	4,872	56.8%
Net margin	-3.2%	13.8%		5.5%	3.8%	
Net Profit (Adjusted)	9,956 #	9,121	9.1%	19,781 #	14,377 #	37.6%
Net margin (Adjusted)	14.5%	13.8%		14.1%	11.3%	
R&D	4,523	5,106	-11.4%	9,524	10,331	-7.8%
R&D as % of Net Sales	6.6%	7.7%		6.8%	8.1%	
EPS (Diluted) INR	(0.9)	3.8	-124.0%	3.2	2.0	56.8%
EPS (Diluted) INR (Adjusted)	4.1 #	3.8	9.1%	8.2 #	6.0 #	37.6%

: Adjusted Rs 9.5 bn for Q1 FY18 & Rs 12.1 bn for Q2 FY19 provision related to Modafinil settlement in US.

: Adjusted Rs 9.5 bn for H1 FY18 & Rs 12.1 bn for H1 FY19 provision related to Modafinil settlement in US.

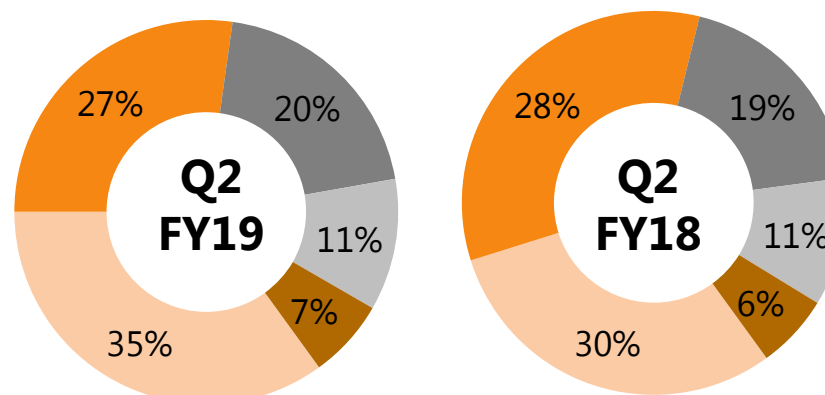
Sales Breakup Q2 & H1FY19



(All Figures in Rs. Mn)

	Q2 FY19	Q2 FY18	CHANGE	H1 FY19	H1 FY18	CHANGE
Formulation						
India	18,597	22,210	-16%	40,117	39,817	1%
US	23,979	19,862	21%	49,416	42,508	16%
Emerging Markets	13,720	12,582	9%	26,808	23,386	15%
ROW	7,615	7,113	7%	14,793	14,537	2%
<i>Sub-total</i>	63,912	61,767	3%	1,31,133	1,20,249	9%
Bulk	4,263	3,883	10%	8,204	6,972	18%
Others	291	251	16%	515	347	49%
Gross Sales	68,465	65,901	4%	1,39,853	1,27,567	10%

- US Formulations
- India Branded Generics
- Emerging Markets
- Western Europe & Other Markets #
- API & Others



Includes Western Europe, Canada, Japan, Australia, New Zealand and other markets

Key Milestones targeted for future

US Business

- Enhance share of specialty/branded business
- Continue to focus on complex generics and high entry barrier segments
- Ensure broad product offering to customers across multiple dosage forms
- Gain critical mass in key therapeutic segments

India Business

- Improve productivity of India business
- Maintain leadership position in a fiercely competitive market
- Continuously innovate to ensure high brand equity with doctors

EM & RoW Business

- Gain critical mass in key emerging markets
- Enhance product basket in emerging markets
- Improve profitability in developed European markets

Key Milestones targeted for future

Global Consumer Healthcare

- Maintain leadership in existing markets through focus on innovative solutions
- Enhance presence in high growth markets

R&D

- Develop more products through expanded R&D team for global markets
- Focus on developing complex products across multiple dosage forms
- Invest to further build on specialty pipeline

Regulatory/ Quality

- Ensuring 24x7 compliance to cGMP is imperative for a global business
- Continuously enhance systems, processes, human capabilities to ensure compliance with global regulatory standards

Financial

- Target sustainable and profitable growth
- Focus on improving ROCE

FY19 Guidance



Consolidated Revenues

- Low double digit growth over FY18

R&D Investments

- Approximately 8%-9% of revenues to be invested in R&D

Investing for Future

- Invest in R&D and in building the specialty business

Sun Pharma at a glance



5th Largest Global Specialty Generic Company

US	<ul style="list-style-type: none">• Ranked 5th in US* / Largest Indian Pharma Company in US
India	<ul style="list-style-type: none">• No. 1 Pharma Company in India
Emerging Markets	<ul style="list-style-type: none">• Amongst the largest Indian Pharma Company in Emerging Markets
Europe	<ul style="list-style-type: none">• Expanding presence in Europe
Manufacturing Footprint	<ul style="list-style-type: none">• 42 manufacturing sites across the world
Market Presence	<ul style="list-style-type: none">• Presence in more than 100 countries across branded and generic markets
Product Portfolio	<ul style="list-style-type: none">• Portfolio of more than 2,000 products across the world
Employees	<ul style="list-style-type: none">• 32,000+ global employee base
Quality Compliance	<ul style="list-style-type: none">• Multiple manufacturing facilities approved by various regulatory authorities across the world including USFDA
R&D and Manufacturing	<ul style="list-style-type: none">• Capabilities across dosage forms like injectables, sprays, ointments, creams, liquids, tablets and capsules
Addressable Segments	<ul style="list-style-type: none">• Specialty products, branded generics, complex generics, pure generics & APIs

* Source: Evaluate Pharma Estimates for 12 months ended Dec 2017



Thank You!

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