

RANBAXY

Trusted medicines. Healthier lives

DAIICHI SANKYO DAY



Daiichi-Sankyo

Mission

Enriching lives globally, with quality and affordable pharmaceuticals



14 May 2012

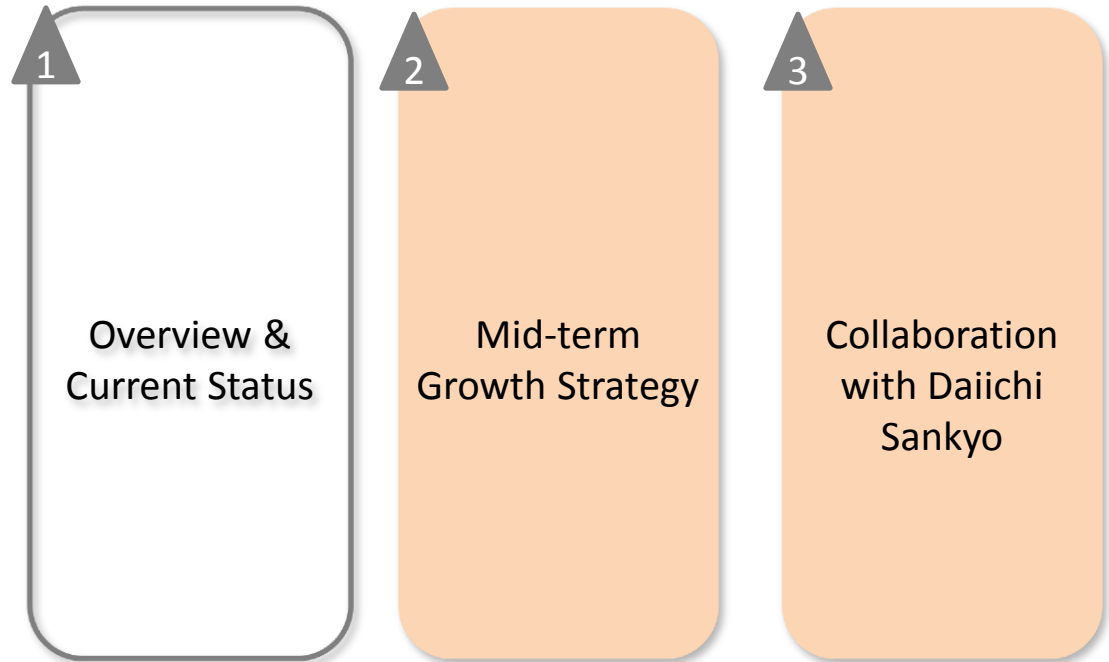
Tokyo, Japan

Arun Sawhney: CEO & MD, Ranbaxy

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.

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Agenda



Ranbaxy is an innovation driven Generics Company

Innovation, science focused Generics Company



Innovative products developed on platform of diverse technologies coupled with analytical capabilities



Growth focus:

- (1) Focus on building Branded Generics business, worldwide
- (2) Leverage Ranbaxy's strong presence in, growing Emerging Markets
- (3) Continue to create niche/ exclusive opportunities



Pioneer in the Indian Pharma market with competitive advantages at a global level

Unique Advantages



- Entrepreneurial & empowering culture
- Strong presence in Emerging Markets
- Global regulatory prowess
- Synergies with Daiichi Sankyo through the Hybrid Business Model

Vertically Integrated



- R&D
 - Strength in technology
 - 1,100+ R&D Personnel with over 75% are qualified scientists
- Demonstrated NDDS capabilities
- Manufacturing: DF and API
 - Manufacturing locations in 8 countries across the globe

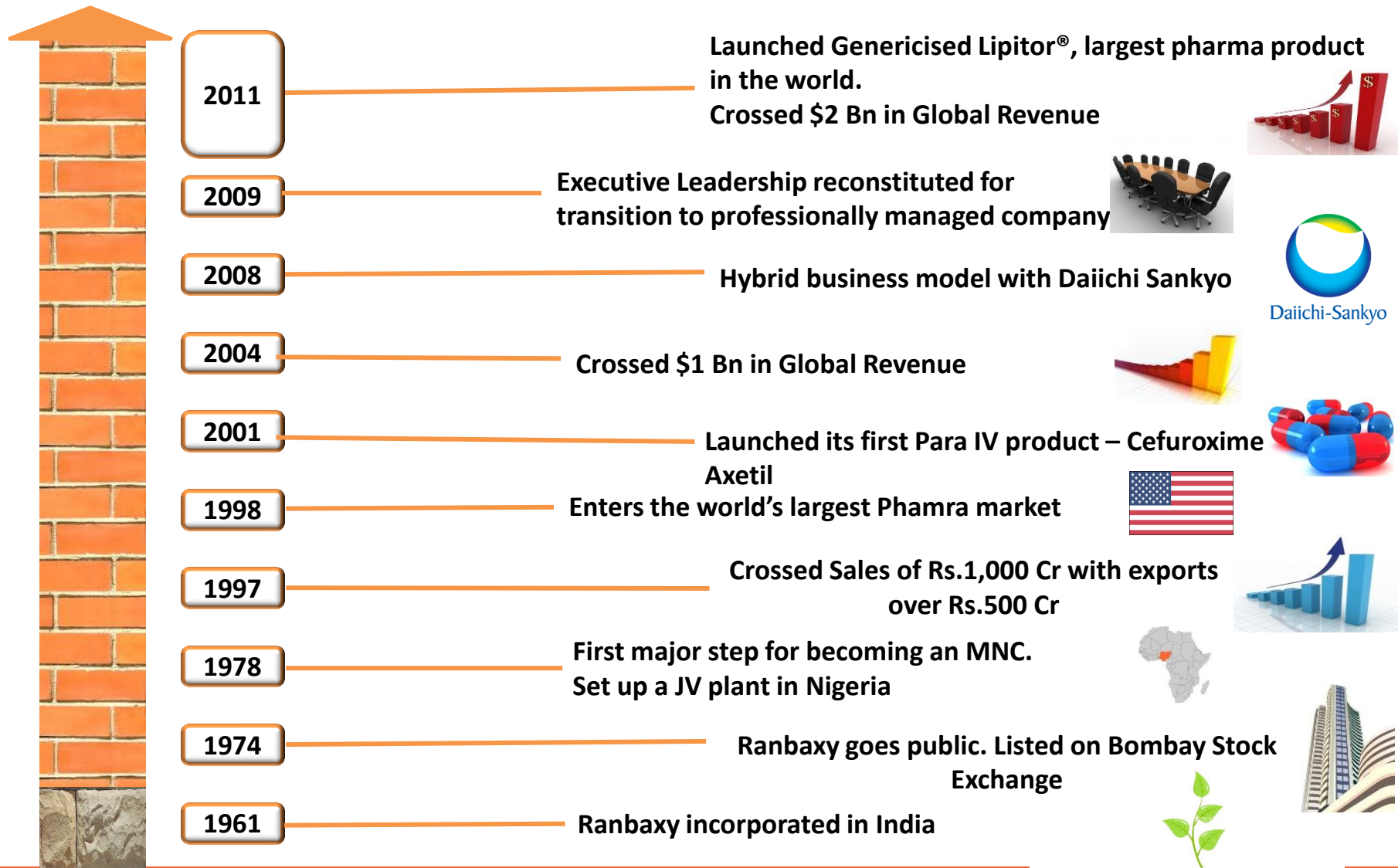
Global Presence



- Amongst the top global Gx companies
- Sales in over 150 countries
 - 2011 Sales: over \$2.1 Bn
 - ~80% International
- Ground presence in 43 countries
- Global team with expertise in multiple markets
- 14,000 employees; over 50 nationalities

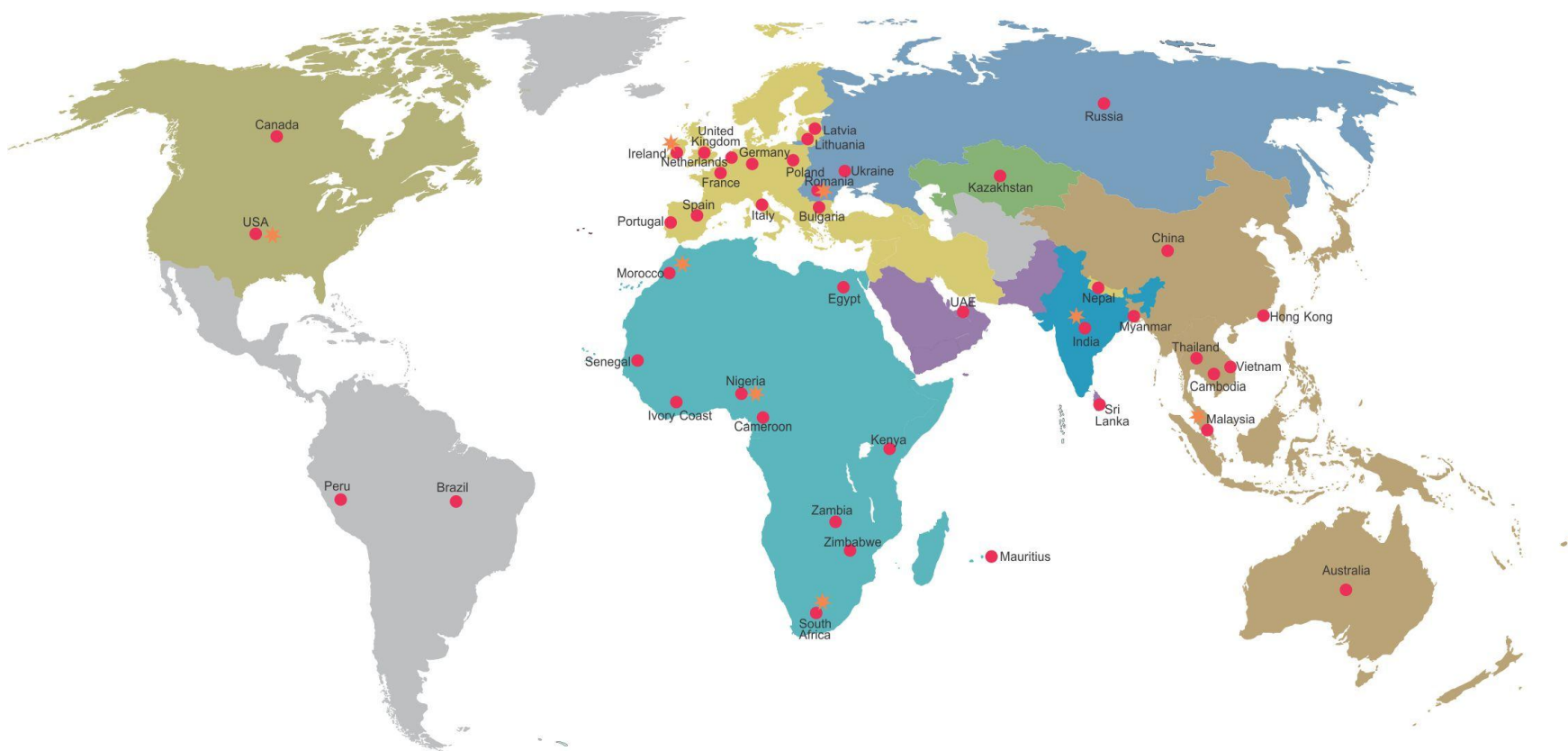
Timelines

Ranbaxy has been a trendsetter for the Indian Pharma Industry



Global Presence

Ground presence in 43 countries and products sold in over 150 countries

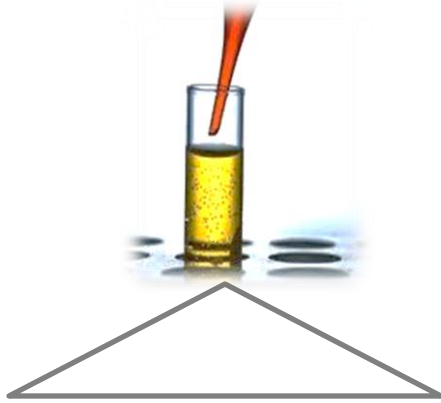


Mohali SEZ, India is the latest manufacturing facility to receive USFDA approval

- Ground Presence in 43 countries
- ★ Manufacturing Facilities in 8 countries

Research & Development - Overview

Ranbaxy has an attractive portfolio of ANDAs and FTF pipeline



Amongst the highest number of regulatory submissions on a cumulative basis internationally

Amongst the highest R&D spend in Indian Cos.

Investment

Over 1,100 R&D personnel with post graduate and scientific background

People

Dedicated facility for Gx Research

Infrastructure

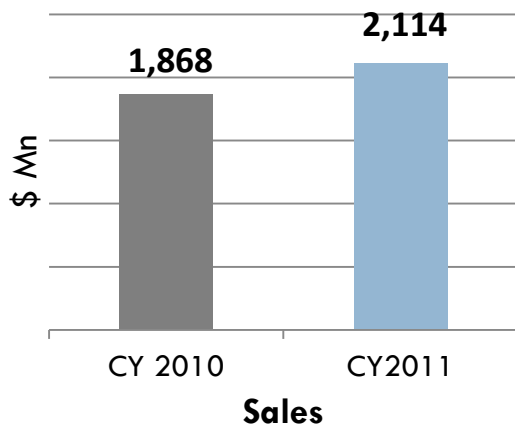
Amongst the most attractive FTF pipeline in the industry → Ability to monetize FTF opportunities in the past

Key Achievements/ Financial Position for 2011

Robust overall business performance; Launched Atorvastatin; Healthy profit margins on base business

Financial

- Strong business performance
- Monetized exclusivity opportunities in the year



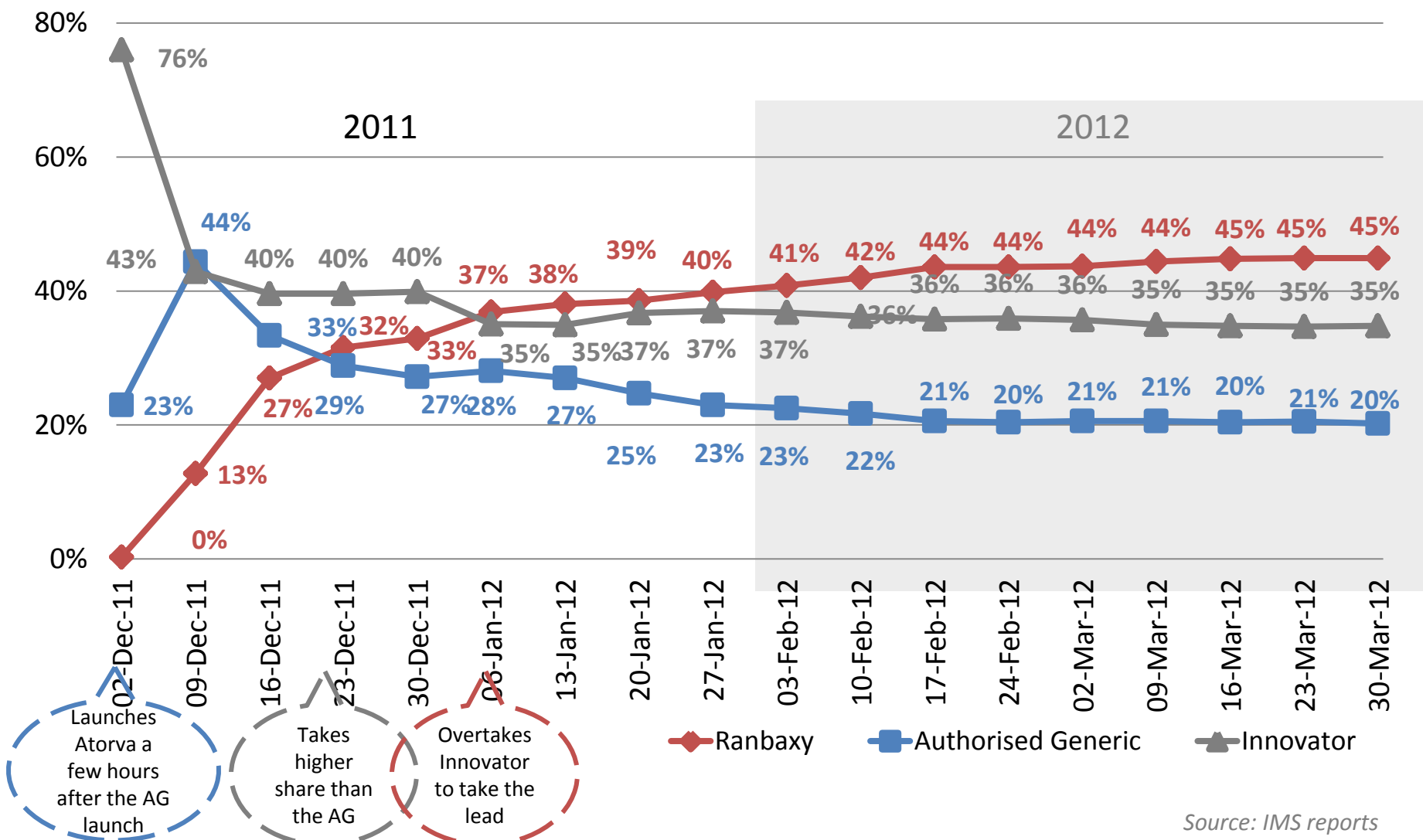
Base business sales and profitability grew year-on-year

- Emerging market sales \$1,003 Mn for CY 11
- Developed market sales \$966 Mn for CY 11

Strong Emerging markets sales, Developed markets supported by FTFs in the year

Atorvastatin (Lipitor®) Market Share

Robust marketing capability; demonstrated through successful launch of FTFs & strong OTC and Rx brands in key markets



Source: IMS reports

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Forex

Ranbaxy has forex exposure on (1) Net Exports and (2) Foreign currency denominated loans

Trade

- Exports (non-India) sales: 75%-80%
- Imports: 20%-25%

Net export earner
Majority of the exposure
in US\$/Rs.

Derivatives Position

Current Position

- ~\$1.5Bn “Calls” sold @ Rs.44/\$1
 - Maturity by 2016
- Marked-to-Market @ Rs. 51/\$1 as at 31 Mar 2012

Future Impact

- Marked-to-Market change on INR depreciation > Rs. 51
- Actual Loss on maturities (2012 maturity \$350 Mn)

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Agenda

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Overview &
Current Status

2

Mid-term
Growth Strategy

3

Collaboration
with Daiichi
Sankyo

Ranbaxy Organizational Priorities

Build a sustainable, profitable & growing business across the world based on quality



Business

- Focus on sustainable, profitable growth in base business
- Successfully monetize high value opportunities



R&D and Manufacturing

- R&D to be innovative, competitive and commercially viable
- Deliver service excellence and enhance productivity/capability



Quality

- Effectively fulfill Consent Decree obligations
- Highest standard of compliance



Focus on sustainable, profitable growth in base business and capitalize on high value opportunities



Business

- Focus on sustainable, profitable growth in base business
- Successfully monetize high value opportunities in Developed markets

Base Business

Strengthen business across Emerging Markets/ Invest in growth

- India (sales growth faster than Indian Pharmaceutical Market in 2011)
 - First Indian Company to launch an NCE: Anti-malaria molecule for *P. Falciparum* Malaria.
 - Strengthen under-represented market segments.
 - Focus on consolidation of products launched and productivity of field force.
- Eastern Europe & CIS focus, Africa
 - Build on Branded Gx and OTC businesses

High Value Niche/Exclusive Product

Leverage and monetize on high value opportunities in Developed Markets

- Atorvastatin post exclusivity
- FTFs
- Products with High value exclusivity

Focused approach on high Emerging and value added markets.

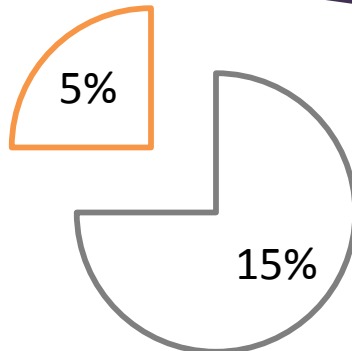
Emerging Market/ Brand Focus

- India
- Malaysia
- South Africa
- Nigeria
- Morocco
- Egypt
- Romania
- Poland
- Russia
- Ukraine
- Brazil
- Venezuela
- Mexico

Developed/ Opportunity Market Focus

- Canada
- USA
- W. Europe
- Scandinavia
- Australia
- New Zealand
- Japan

Market Growth Rate



■ Pharma/ Emerging Market ■ Developed Market

Emerging markets expected to grow 3 times faster than Developed markets

Focused approach on Brand building and monetization of market opportunities

R&D and Manufacturing

Innovative, competitive and commercially viable; Deliver service excellence and enhance productivity/ capability



R&D and Manufacturing

- R&D to be innovative, competitive and commercially viable
- Deliver service excellence and enhance productivity/ capability

R&D: Harmonize product development and work to effectively utilize technology platforms

- Differentiated product development
- Work towards global leadership on key products globally
- Strengthen processes, improve productivity
- Continue to work on better technologies & capabilities
- Quality by Design

Manufacturing: Optimum capacity utilization and productivity improvement

- Plan for manufacturing in strategic locations and based on local strategies and compulsions
- Create flexibility in manufacturing
- Highest standards of compliance
- Quality by Design

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Daiichi Sankyo Partnership: Strategic Synergies

Ranbaxy-Daiichi Sankyo synergies run across the entire value chain of each Company



Daiichi-Sankyo

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**Innovator
Company**

1. Access to high growth, high volume markets
2. Access to low cost R&D and Manufacturing

**Generic
Company**

1. Access to advanced competencies and capabilities
2. Access to proprietary products

Hybrid Business

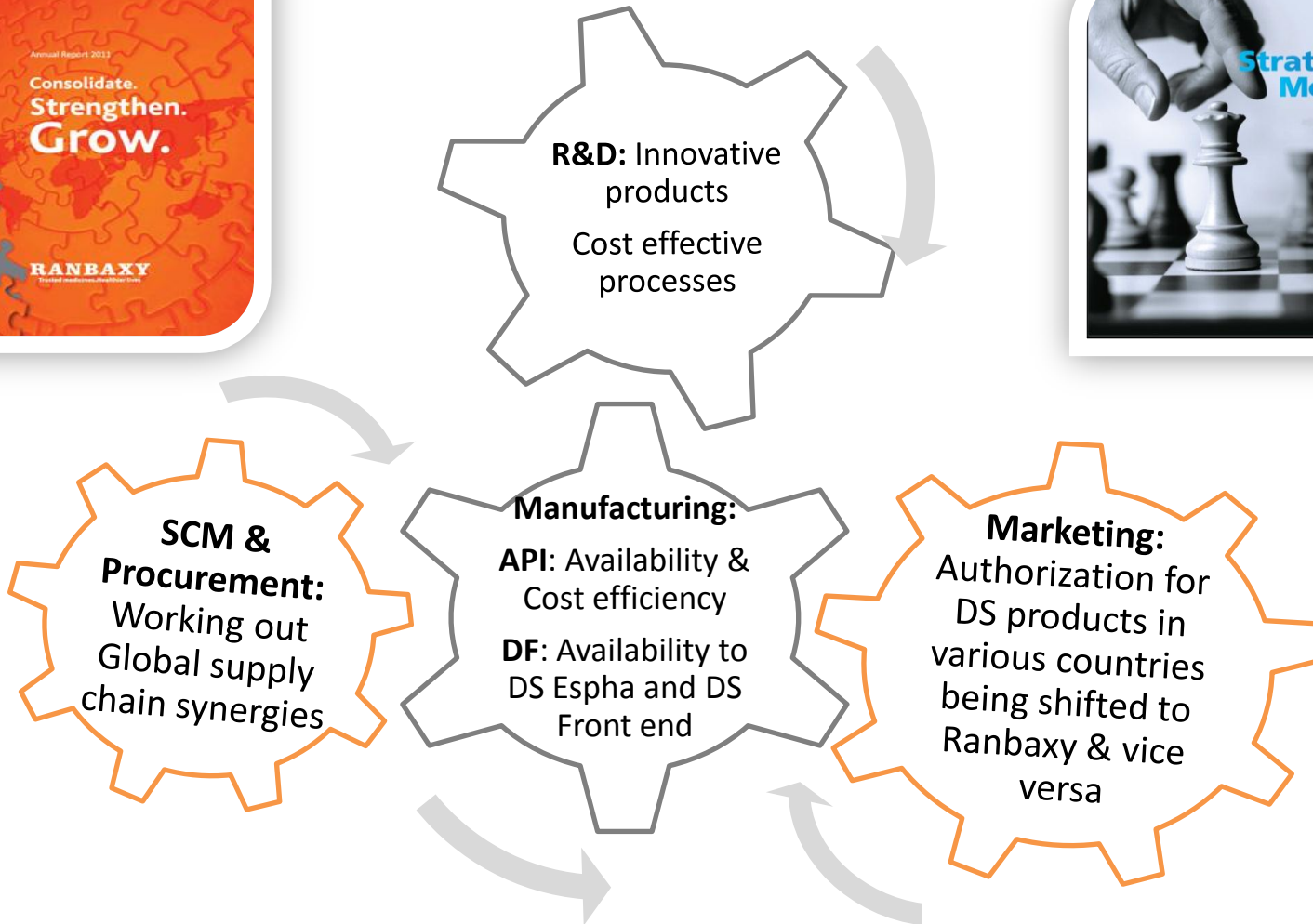
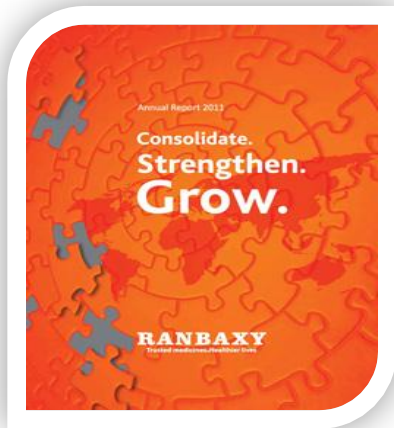
Strategic combination creates an Innovator and Generic Pharmaceutical Powerhouse

'Global Hybrid Business Office' ensures sustained operational and strategic synergies across the globe

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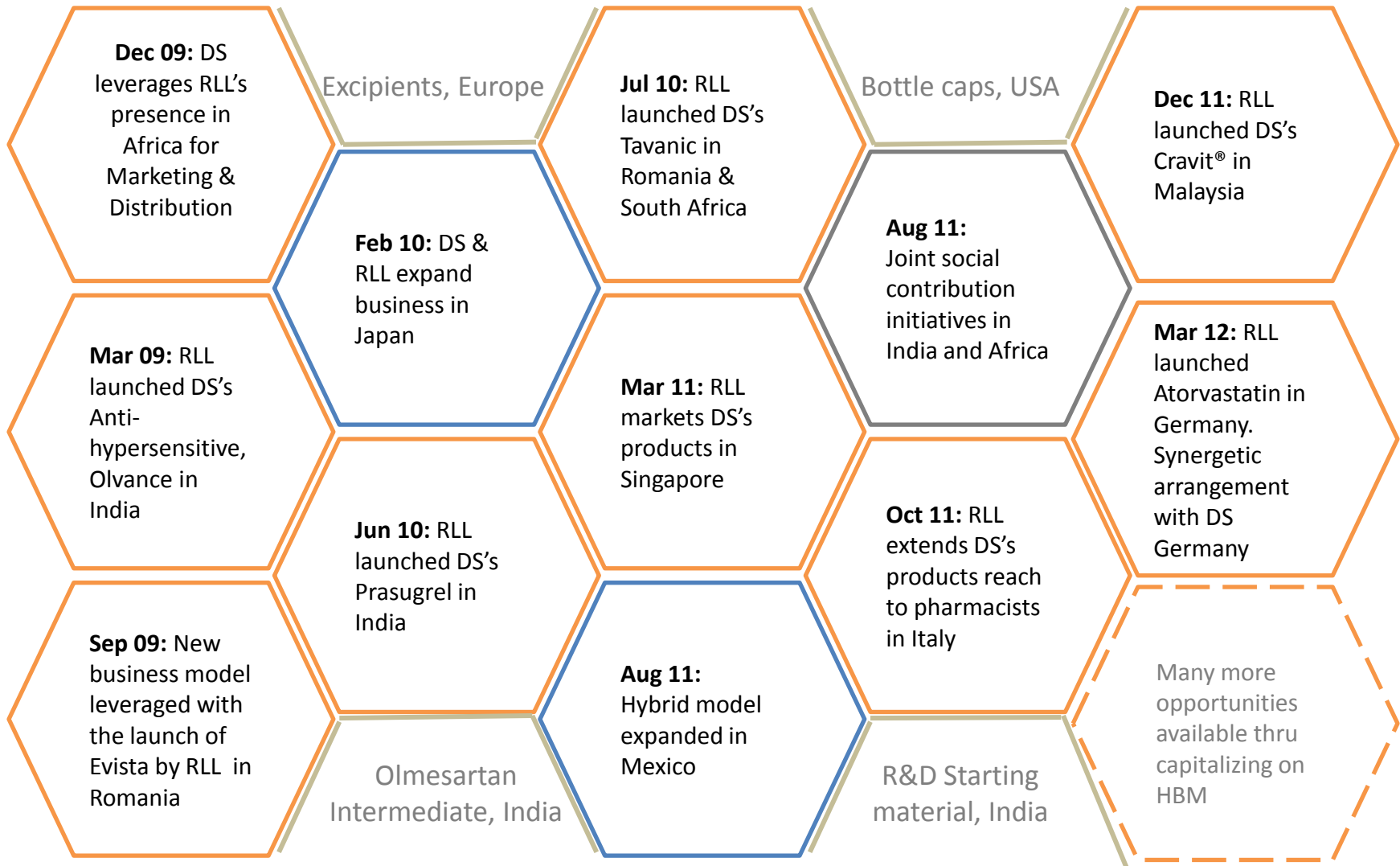
Daiichi Sankyo Partnership – Functional Synergies

Hybrid Business Model: Some examples of synergies delivered thus far



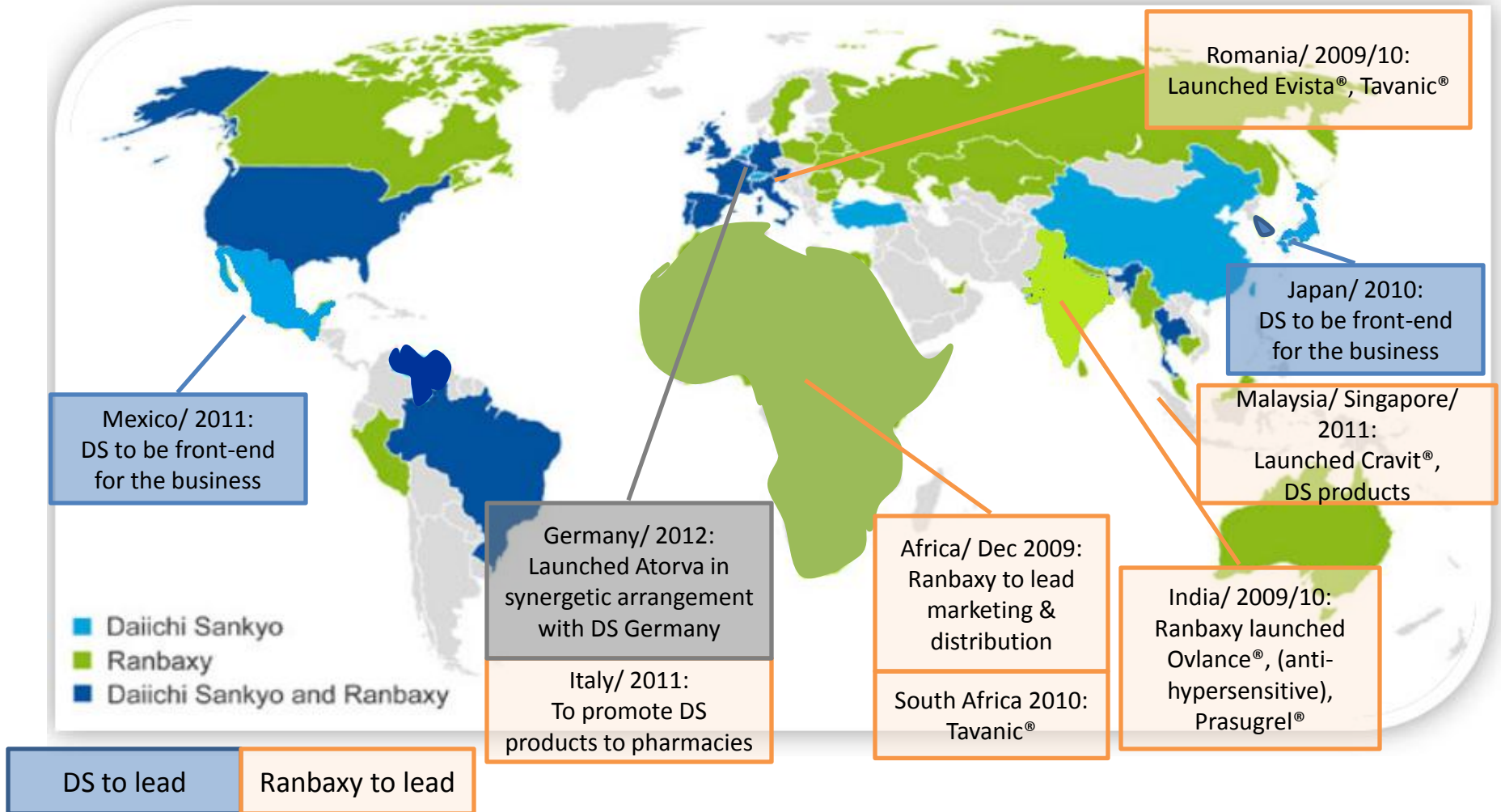
Daiichi Sankyo Partnership

Hybrid Business Model: Examples of synergies



Daiichi Sankyo Partnership

Hybrid Business Model: Examples of marketing synergies



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Thank You

NSE: RANBAXY

BOM: 500359

Reuters: RANB.NS / RANB.BO

Bloomberg: RBXY:IN

Website: <http://www.ranbaxy.com>

Some of the major Analysts that track Ranbaxy

Barclays

Citigroup

Daiwa

ICICI Securities

Morgan Stanley

Nomura

SBI Capital Markets

Standard Chartered
