Ranbaxy Laboratories Limited

FINANCIAL RESULTS:
January – March 2011 (Q1 '11)

ARUN SAWHNEY
Managing Director

10 May 2011

Post Results Conference Call

Safe Harbor

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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.

Key Achievements for Quarter 1, 2011

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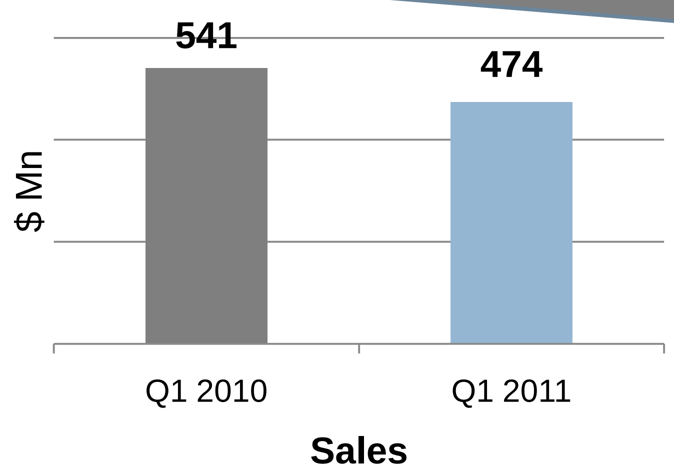
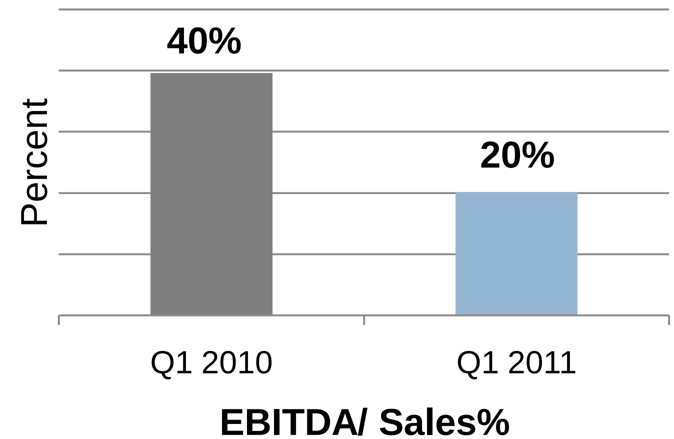
Financial

- Sales across businesses continued robust performance
  - Base business sales and margins improved
  - Q1'10 margins higher, aided by higher FTF contribution
- Sale of FTF launched (Donepezil) continued in the Quarter





Key Achievements for Quarter 1, 2011

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Business

- Emerging market sales $237Mn
  - Growth 12%; 53% of DF sales
- Developed market sales $212 Mn
  - 47% of DF sales

- India: Project Viraat helped market share improvement: Rural segment, New product launches
- Africa: Multiple ongoing activities- new manufacturing facility, ARV Tender to initiate, entry in Morocco

- Europe: Romania performance robust despite liquidity concerns; France improvement in performance apparent with better growth, market share
- USA: Vala vs. Donepezil impact

Functional Performance

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Manufacturing

- Be-Tabs manufacturing (RSA) started
- Outsourcing, a manufacturing strategy alternative
- Remain positive about Company’s preparedness for audit by regulators

Research & Development

- Improvement in filings and approvals
  - DF filings: 54; DF approvals: 29
- Anti-malarial drug in H2 2011

Hybrid Business Model

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Synergy with Daiichi Sankyo

- Study businesses of both DS and Ranbaxy in various geographies to evolve to a better business model
- Front end:
  - Singapore: Marketing 4 DS products as innovator
- Back end:
  - Multiple opportunities pursued in API manufacturing, cost reduction etc.
- Ongoing:
  - Successful launch of innovator products, R&D collaboration, cost efficiencies

Other Areas

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Foreign Currency Convertible Bond

- Redeemed the FCCB on time

Derivatives Position

- Exposure of $1.7Bn in 2007. Down to $799 Mn in Q1 2011
- Expire by 2015-16

Regulatory

- Multiple regulatory approvals received
- Continue to work together for a comprehensive resolution with the USFDA/ DOJ

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Financial Performance

Investors Call

Sales Performance

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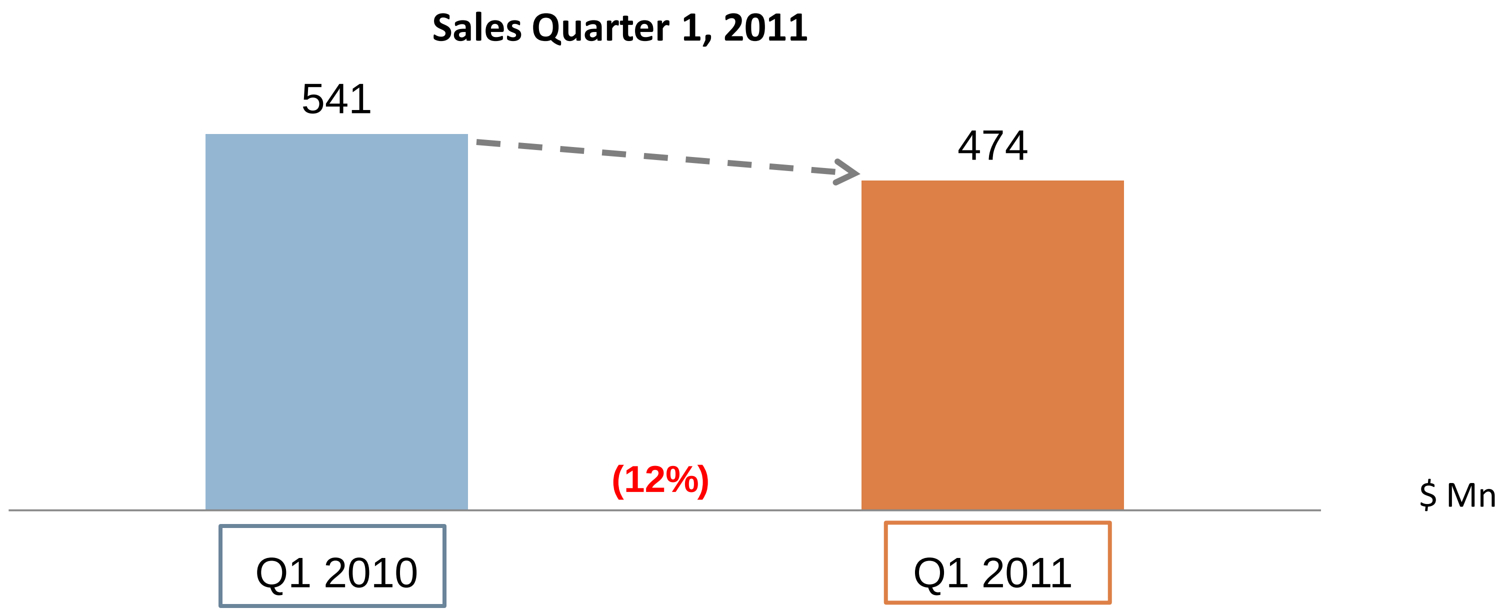
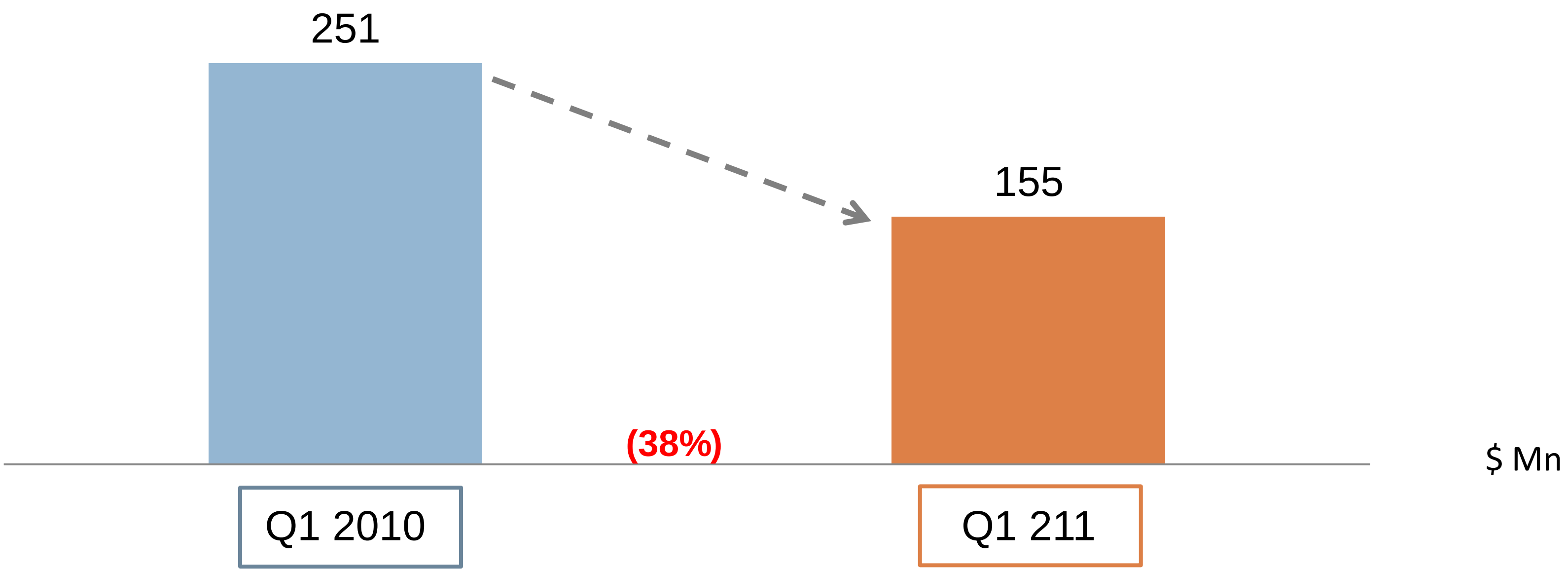


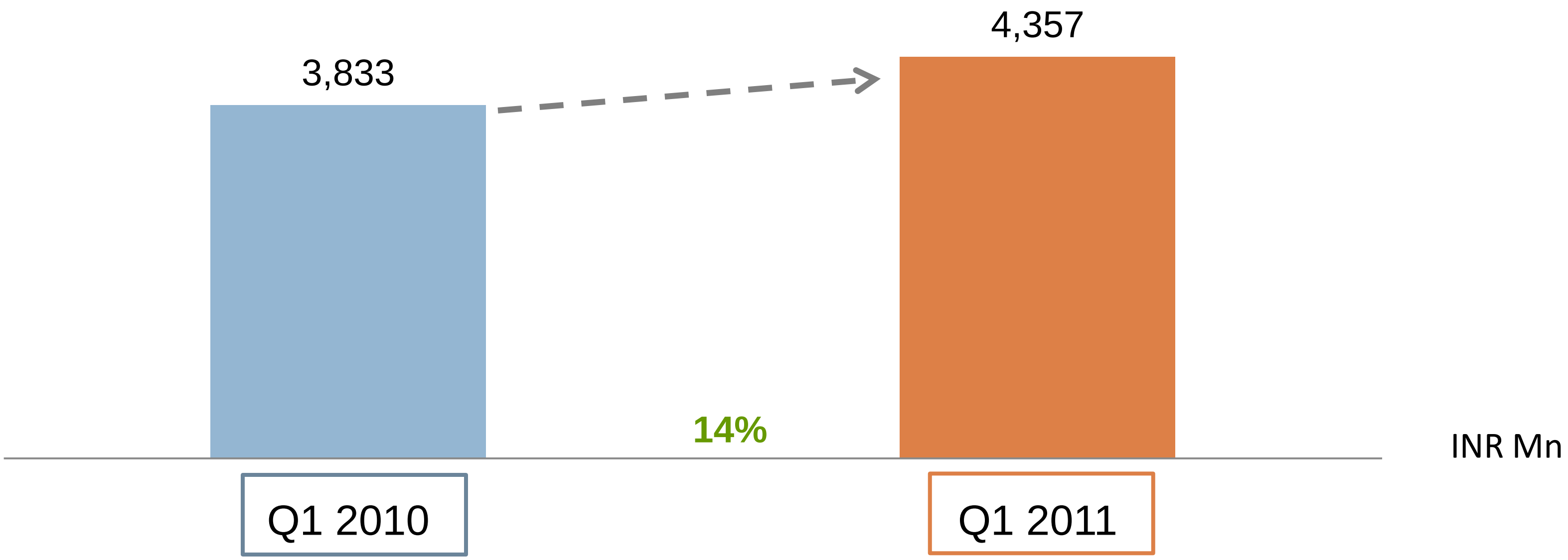
- Q1 2010 sales higher than Q1 2011 sales due to higher FTF contribution in Q1 2010
- Healthy improvement in base business sales across all key geographies

USA



- Base business growth continued
- Q1 2010 performance higher, included comparatively large exclusivity of Valacyclovir vs. Donepezil exclusivity in Q1 2011

India



- Project Viraat has started to show results: healthy double digit growth, faster than the Indian Pharma market

- CHC, ranked number 1 in its represented market, also outperformed the market

Europe

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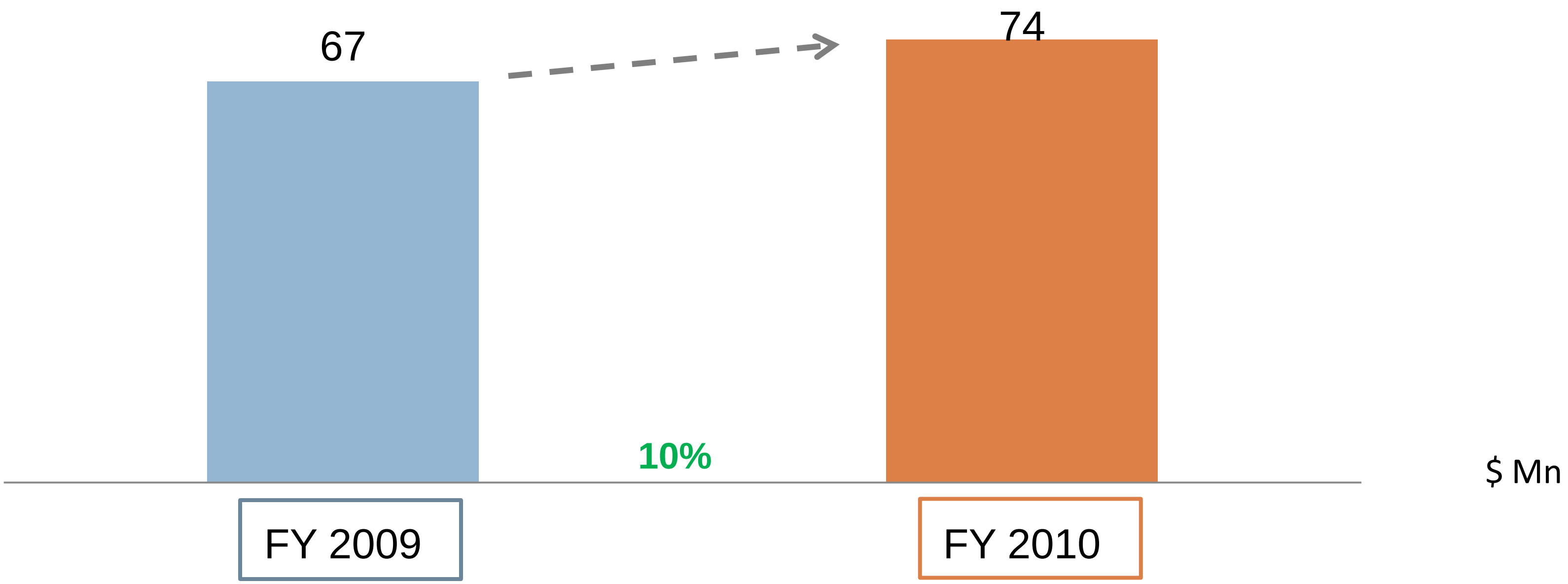
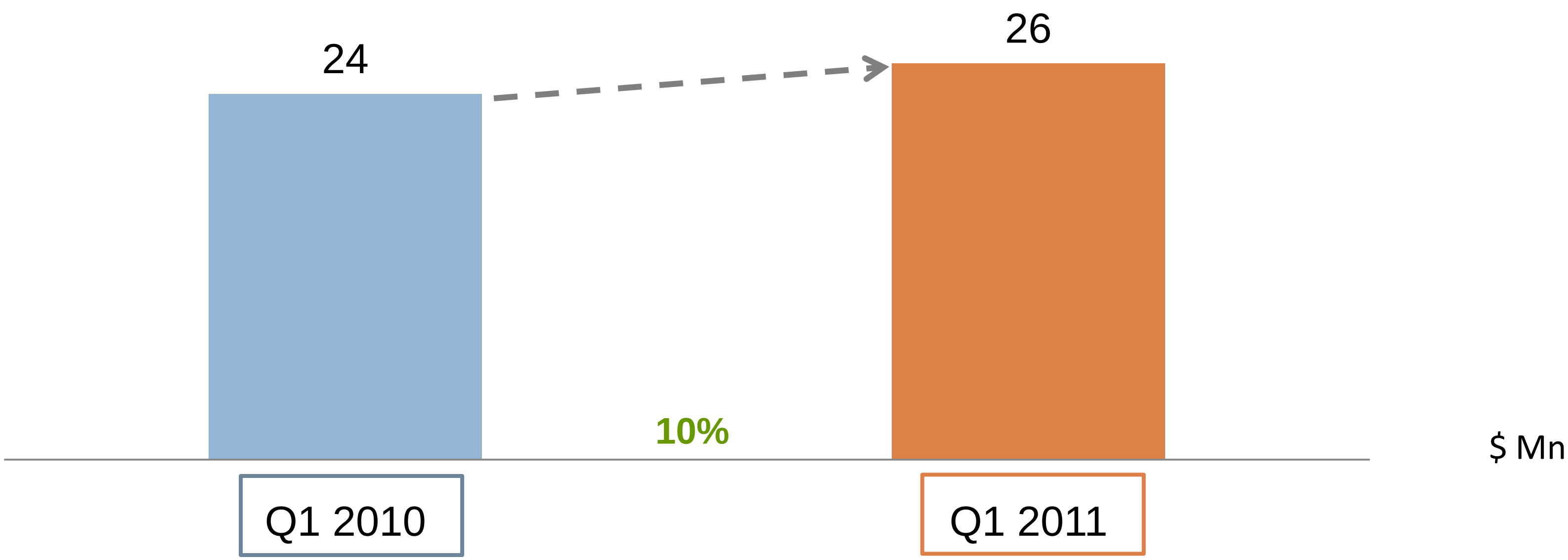


- Macro-areas of concern: liquidity, debt crisis, forex volatility etc.

- Strong performance in Romania, improvement in France

CIS



- Clear direction from macro-issues yet to evolve
- In Russia, the largest CIS market; Ranbaxy continued to be ranked number 1 in its represented market

Asia Pacific

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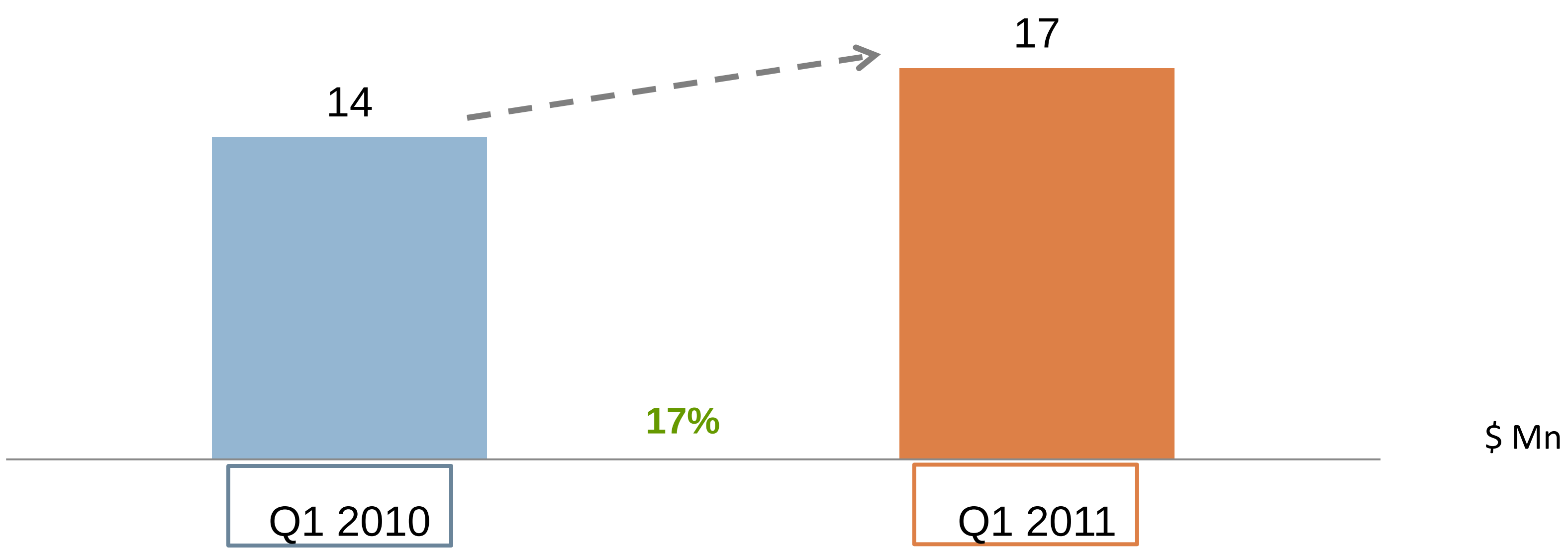

- Consistent performance in larger markets
- Smaller markets led growth in the region

Africa

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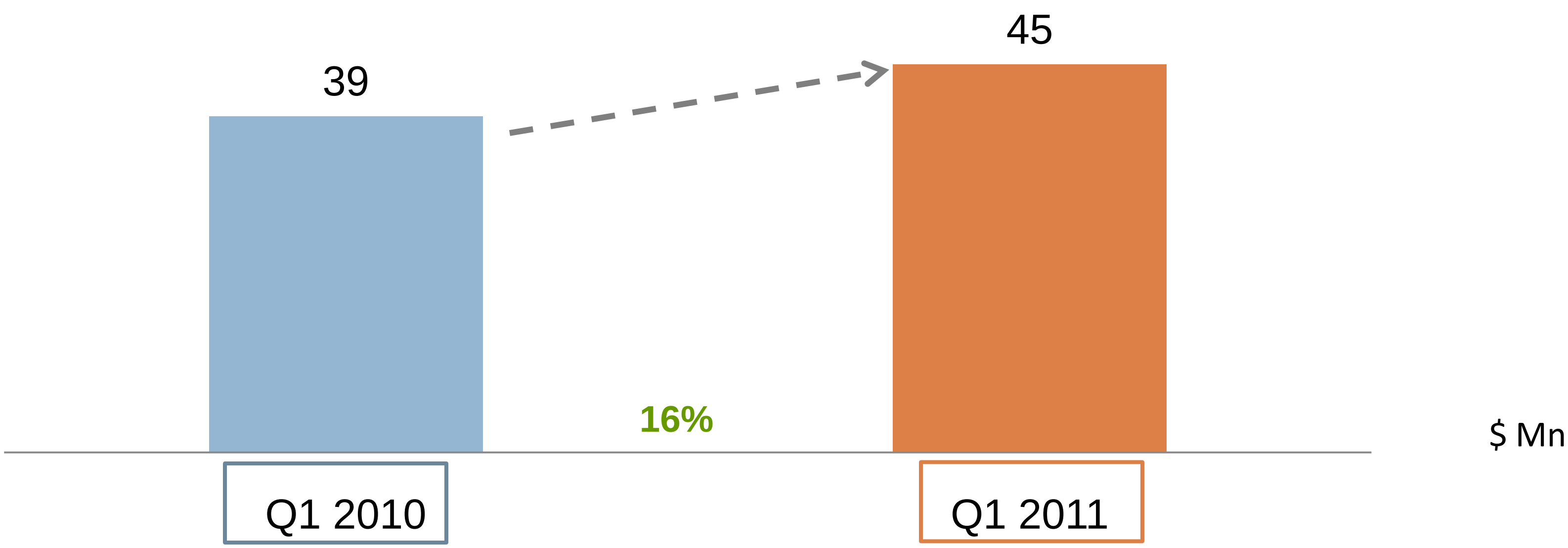
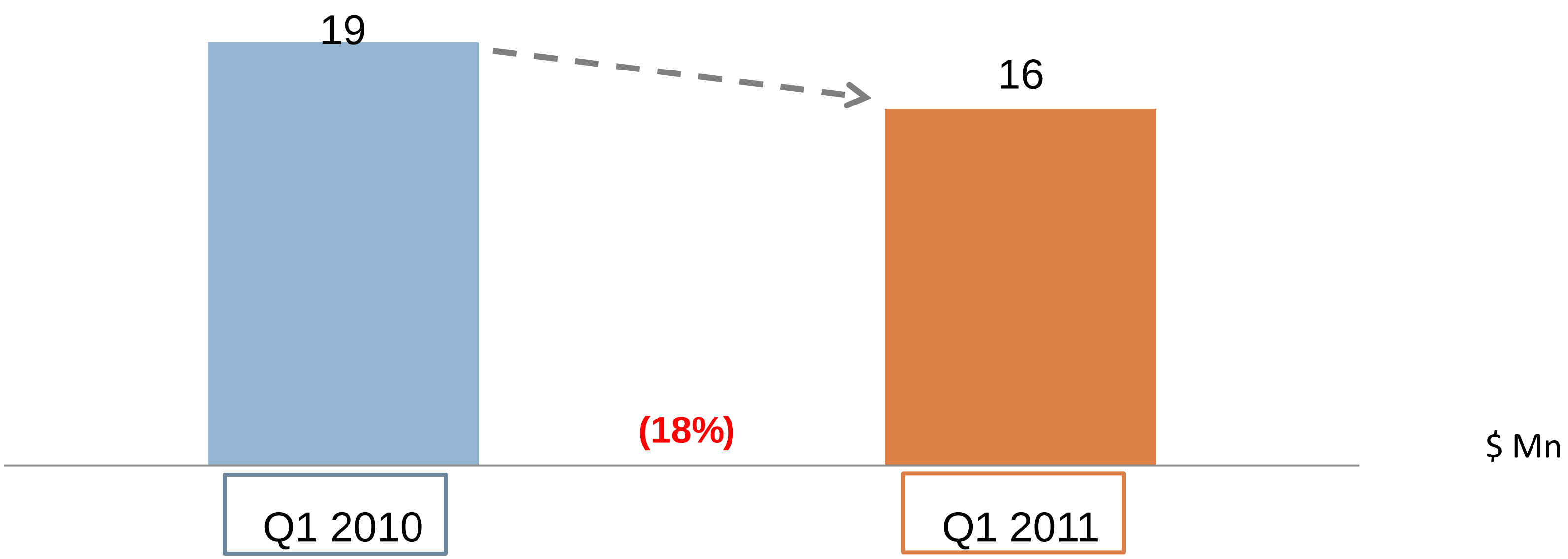


- ARV sales have aided growth
- Growth in the region will come from
  - New manufacturing facility in South Africa
  - Tender sales (ARV) to follow over the next 2 years

Latin America



- Completion of Tender supplies to the government of Brazil
  - Donepezil Tender: ~$3 Mn over a year

Financials Q1 2011: USD

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Q1 2010	Particulars in $ Mn	Q1 2011
541	**Sales**	**474**
1	Less : Excise duty	1
540	**Net sales**	**473**
61	Other operating income	8
601	**Total Operating Income**	**482**
162	**Total Consumption**	**166**
15	**Operating Forex expense**	-
83	Employee cost	92
127	Other Operating expenses	134
387	**Total other expenditure**	**393**
214	**EBITDA**	**89**
22	Depreciation and amortization	16
3	Interest (Cost)/Income & Other Income (including Operating Forex Income)	17
(28)	Foreign exchange (gain)/ loss on loans	5
224	**Profit/(loss) from ordinary activities before tax**	**84**
	Exceptional Items	
84	Forex (loss)/ gain on foreign currency option derivatives	0
308	**Net EBT**	**85**
209	**Net profit/ (loss) from ordinary activities after tax**	**68**
39%	*PAT%*	*14%*
209	**Net profit/ (loss) from ordinary activities after tax and minority interest & Share in (loss)/ profit of associates**	**67**
39%	*PAT% (after minority interest & Share in (loss)/ profit of associates)*	*14%*

Operational Performance (excluding Forex and Excep items)

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Q1 2010	Particulars in $ Mn	Q1 2011
541	**Sales**	**474**
214	**EBITDA**	**95**
40%	*% to Sales*	*20%*
308	**EBT**	**85**
57%	*% to Sales*	*18%*
214	**EBITDA**	**95**
(15)	**Forex Gain/(Loss)**	6
229	**Operational EBITDA**	**89**
42%	*% to Sales*	*19%*
308	**EBT**	**85**
28	**Forex Gain/(Loss) on FC Borrowings**	(5)
70	**Other Forex Gain/(Loss) (incl. Derivatives)**	6
210	**Operational EBT**	**84**
39%	*% to Sales*	*18%*

Financials Q1 2011: INR

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Q1 2010	Particulars in Rs. Mn	Q1 2011
24,847	**Sales**	**21,468**
34	Less : Excise duty	38
24,812	**Net sales**	**21,430**
2,803	Other operating income	379
27,615	**Total Operating Income**	**21,809**
7,441	**Total Consumption**	**7,523**
678	**Operating Forex expense**	-
3,812	Employee cost	4,171
5,846	Other Operating expenses	6,084
17,776	**Total other expenditure**	**17,778**
9,839	**EBITDA**	**4,032**
1,005	Depreciation and amortization	736
151	Interest (Cost)/Income & Other Income (including Operating Forex Income)	752
(1,298)	Foreign exchange (gain)/ loss on loans	226
10,283	**Profit/(loss) from ordinary activities before tax**	**3,823**
	Exceptional Items	
3,872	Forex (loss)/ gain on foreign currency option derivatives	20
14,155	**Net EBT**	**3,842**
9,631	**Net profit/ (loss) from ordinary activities after tax**	**3,060**
39%	*PAT%*	*14%*
9,606	**Net profit/ (loss) from ordinary activities after tax and minority interest & Share in (loss)/ profit of associates**	**3,044**
39%	PAT% (after minority interest & Share in (loss)/ profit of associates)	14%

Questions & Answers