

Press Release

Half 1 Turnover up 28%, PAT up 41%

Company continues to outpace industry growth Mumbai, 19 October

Sun Pharmaceutical Industries Ltd, the speciality pharmaceutical company announced second quarter results with PAT increased 50% to Rs. 482 mill (Q200/01-Rs. 322 mill) and turnover increased 29% to Rs. 1962 (Q200/01-Rs. 1519 mill). A domestic formulation sale for the quarter was up 28% to Rs. 1268 mill (last year Rs 994 mill)

For the first half PAT increased 41% to Rs. 889 mill (H100/01-Rs. 633 mill) and turnover increased 28% to Rs. 3634 mill (H100/01-Rs. 2845 mill). Domestic formulation sale backed by internal growth and increasing acceptance of new speciality brands was up 25% to Rs. 2379 mill (H100/01 Rs 1905 mill).

Exports have been substantially higher this quarter compared to the first quarter, driven by a mix of both formulation and bulk active sales. Total Exports crossed Rs. 659 mill up by 21% as against Rs. 547 mill in the first half in 00-01.

The merger of Pradeep Drug Company with Sun Pharma is awaiting approval of BIFR and is expected to be completed by March 2002.

These results were taken on record at a board meeting held in Mumbai today. The statutory auditors, M/s Price Waterhouse, have carried out a limited review of the results.

Rankings:

The company continues to be ranked 5Th by domestic prescription product sales. Market share has moved to 2.72% from 2.42% last year. (ORG Retail Chemist Audit, August 2000 and August 2001). 6 brands continue to feature among the country's top selling 300 prescription brands.

New products:

Across Sun Pharma's 9 divisions a number of new products were launched in the first half, important among which were: the anticlotting agent Clopilet (clopidogrel), the anticancer Letroz (letrozole), the smoking cessation treatment Smoquit SR/Bupron SR (bupropion SR), the knee injectable antiarthritic Hyflex (sodium hyaluronate prefilled), the antidepressant Citopam (citalopram) and the parkinson's disease treatment Topirol (topiramate). 6 of these product used a non -conventional delivery platform (aerosol/SR/rapitabs)- such as Oleanz rapitabs (olanzapine rapidly dissolving), Odphyllin (once a day theophylline), Combitide MDI (fluticasone with salmeterol metered dose inhaler). Among the speciality products launched after 1998, Repace, Cardivas, Encorate chrono, Pantocid, Rofact and Celact have quickly moved to ranks among the top 15 for the company. Leading among products launched last year were the pure progesterone pessary brands (Susten/puregest) and mosapride (Mozex, Mosasef).

Customer focus:

Sun Pharma continues to build on its ranks with specialists: Sun Pharma continues to hold no 1 rank with psychiatrists and neurologists. The company continues to be featured at no 3 with cardiologists, gastroenterologists, orthopedicians and ophthalmologists. With chest physicians, the company is ranked 5th. (Cmarc audit Mar01- Jun01)

R&D:

The company continued to invest in R&D at about 4% of turnover. The R&D expense for the quarter was Rs. 81mill and that for the half year was Rs.132 mill.

Outlook:

According to Mr. Dilip Shanghvi, Chairman and Managing Director, " We are satisfied with our progress in research and continue to make investments in ndds platform technologies, such as proprietary biodegradable systems. "

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