

# **RANBAXY**

**Trusted medicines. Healthier lives**



**FINANCIAL RESULTS:  
January – March 2013 (Q1 2013)**

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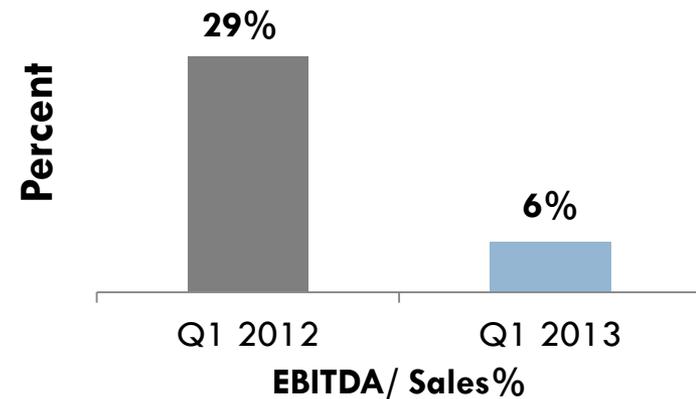
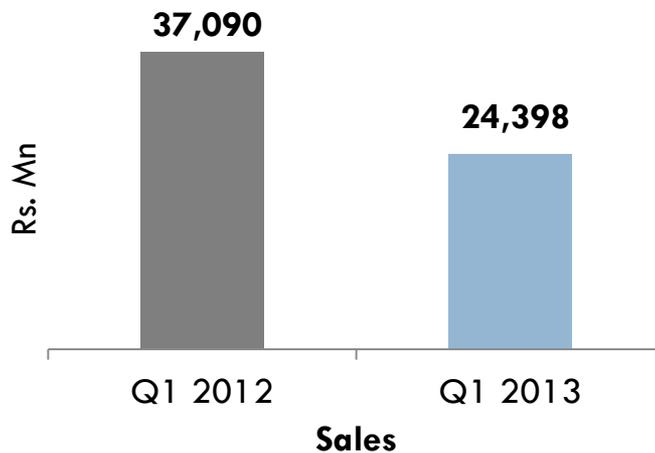
# Safe Harbor

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.

# Highlights: Quarter 1, 2013

## Financial

- Base business sales grew by >10% over the corresponding quarter
- EBITDA margins on base business continue to improve



# Highlights: Quarter 1, 2013

## Business

In-licensing agreement for Desvenlafaxine in USA

- Branded and OTC category sales Rs.12,238 Mn
  - 50% of sales for the Quarter
- Generic including API category sales Rs. 12,160 Mn

- India:
  - Performance in represented segment better than market growth rate
- EMs showed good growth
  - Africa, Eastern Europe and CIS

- USA:
  - Strong base business sales Encouraging by prescription growth in Absorica™

# Functional Performance

## Manufacturing

- Supplies of Atorvastatin resumed for the USA market

## Research & Development

- Regulatory Filings and approvals
  - DF filings: 43; DF approvals: 22
  - 3 ANDAs filed in USA (2 potential FTFs)

# Hybrid Business Model

## Synergy with Daiichi Sankyo

- Front end:
  - Ranbaxy and DS launch Hybrid Business in Brazil to expand business of both Companies
  
- Ongoing:
  - R&D collaborations continue to address various markets and cost efficiencies

# Other Areas

## Regulatory

- Consent Decree: satisfactory progress

## Derivatives Position

- Exposure down to ~\$962 Mn as on 31 Mar 2013 from ~1.07 Bn in Q4 2012. Maturity: ~\$36 Mn/Month

## Debt

- Total Debt \$824 Mn; Cash & Bank Bal \$658 Mn → Net Debt \$167 Mn

# RANBAXY

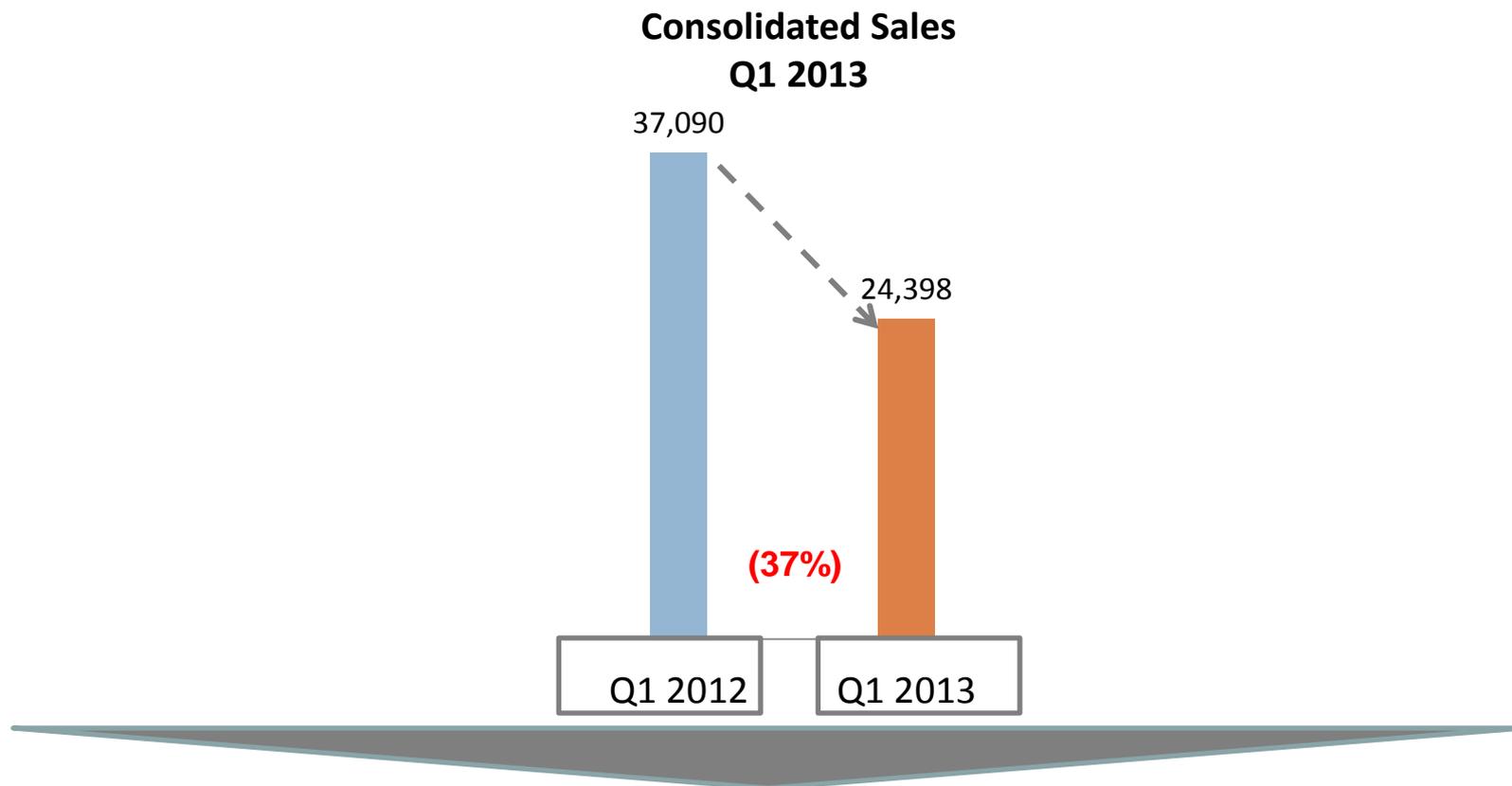
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## FINANCIAL RESULTS: January – Mar 2013 (Q1)

# Sales Performance

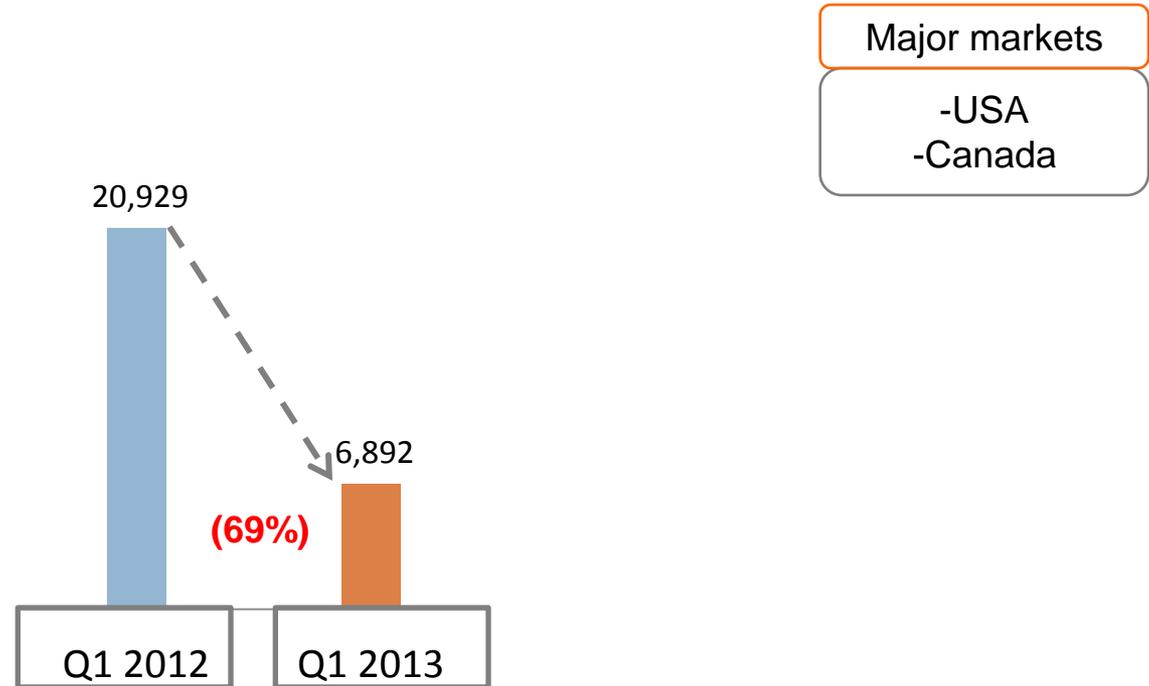
Rs. Mn



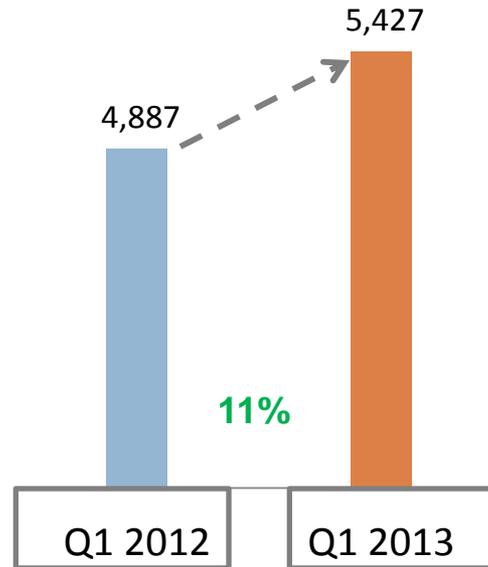
- Base business sales grew by >10% over the corresponding quarter
  - Sales grew across key emerging markets during the Quarter

# North America

Rs. Mn



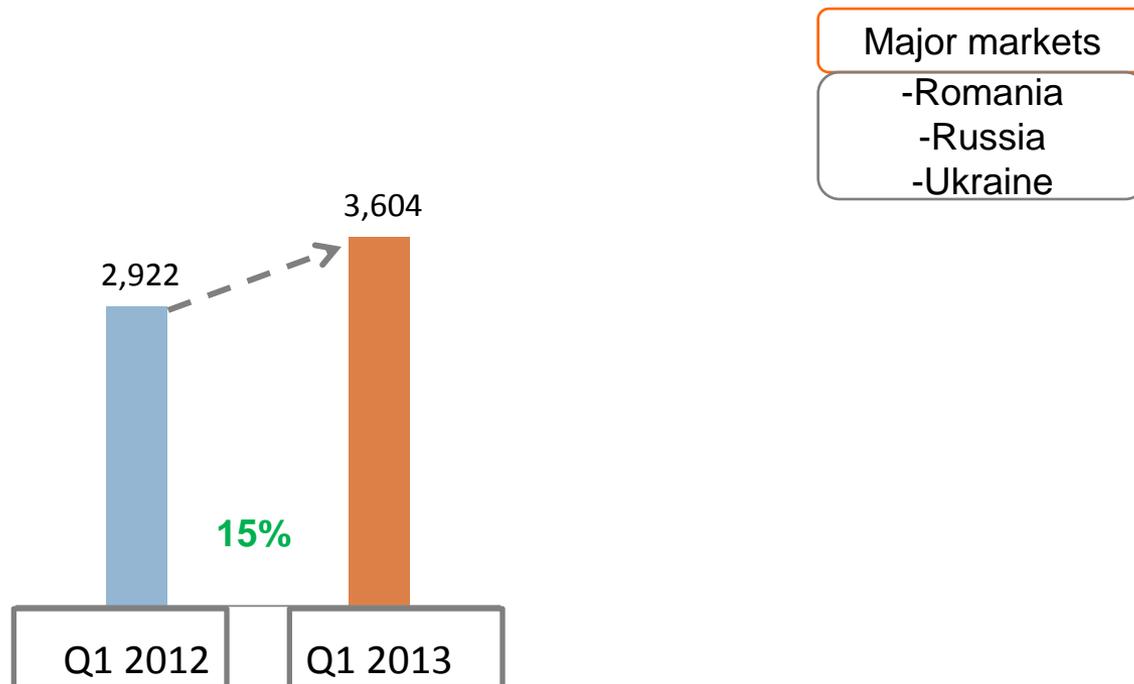
- Sales in the USA impacted due to absence of large exclusivity sales compared to the corresponding quarter
- Encouraging prescription trend in Absorica™



- Sales growth better than the IPM
- Continued strong performance in the OTC part of the business

# East Europe & CIS

Rs. Mn



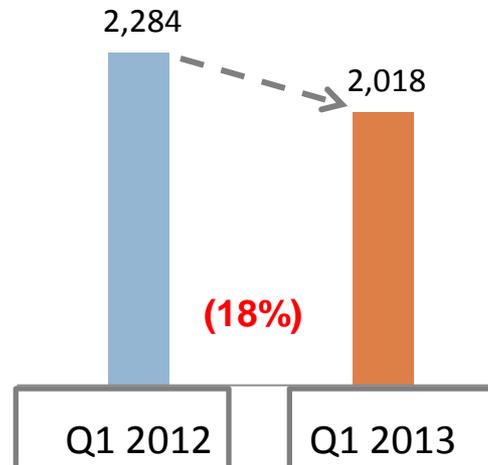
- Overall strong sales performance
- Maintained leadership position in Romania and Russia

# West Europe

Rs. Mn

## Major markets

- France
- Germany
- UK

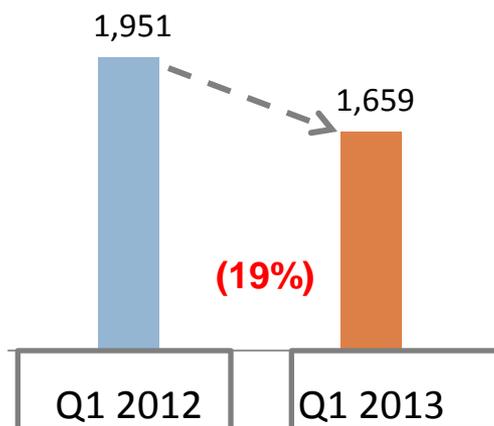


- Market conditions continued to impact business performance

# Asia Pacific & Latin America

Rs. Mn

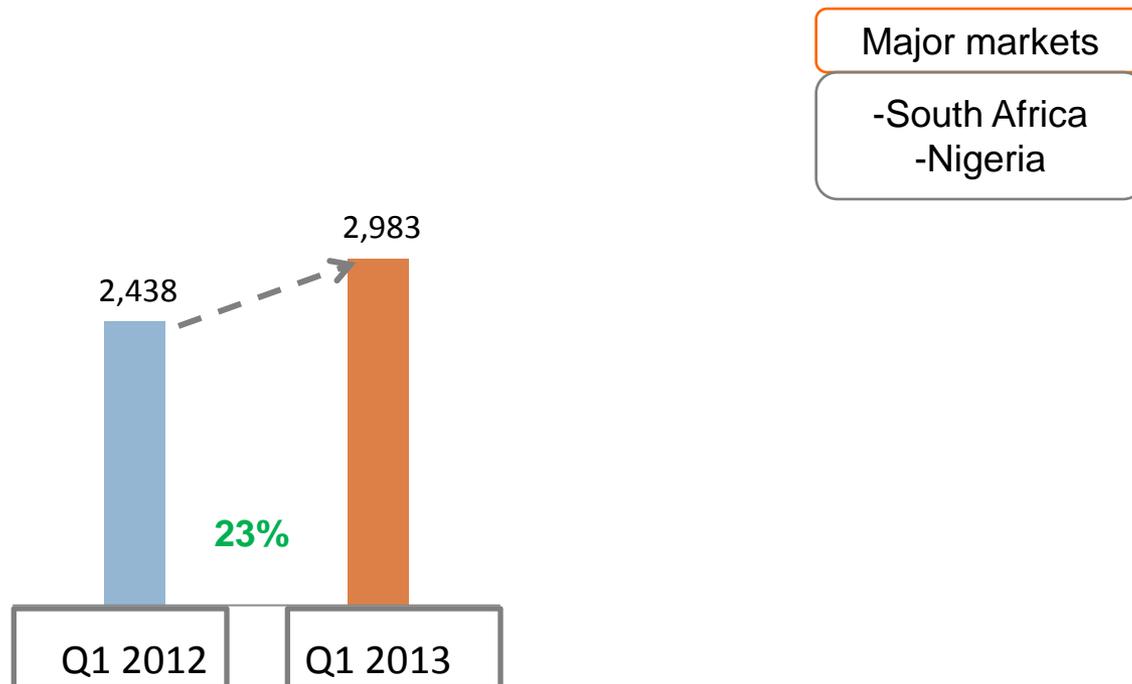
Major markets  
-ANZ  
-Malaysia  
-Brazil



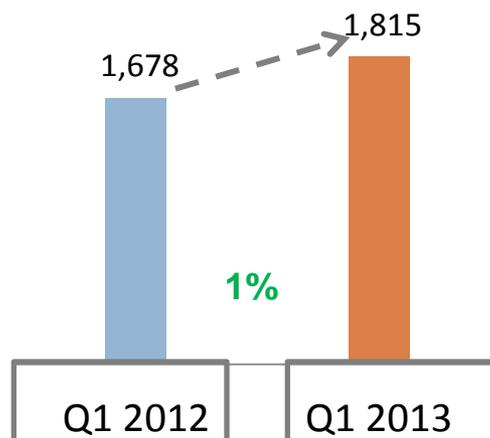
- New business region
- Sales in Australia impacted by absence of Atorvastatin during the Quarter

# Africa & Middle East

Rs. Mn



- Strong sales performance due to contribution from the Sonke plant
- Plan to strengthen infrastructure, specifically in Nigeria and Egypt



- Continued focus on profitability

# Financials Q1 2013 INR Mn

Q1'12	Particulars	Q1'13
	5,037 - Within India	5,611
	32,053 - Outside India	18,787
<b>37,090</b>	<b>Sales</b>	<b>24,398</b>
	723 Other operating income	607
<b>37,813</b>	<b>Total Operating Income</b>	<b>25,006</b>
	8,445 Total Material Consumption	8,979
	4,739 Employee cost	4,862
	6,948 Claims and contractual payments	23
	7,721 Other Operating expenses	9,236
	(950) Exchange loss/ (gain) others, net	357
<b>26,902</b>	<b>Total expenditure</b>	<b>23,456</b>
<b>10,911</b>	<b>EBITDA</b>	<b>1,549</b>
	29% Sales	6%
	799 Depreciation, amortization and Impairment	797
<b>10,113</b>	<b>Profit/(loss) from operations before other income and interest</b>	<b>752</b>
	27% Sales	3%
	607 Interest and other income	624
<b>10,720</b>	<b>Profit/ (loss) from ordinary activities before finance cost and exceptional items</b>	<b>1,377</b>
	377 Interest expense	512
	(190) Foreign exchange (gain)/ loss on loans	13
<b>10,533</b>	<b>Profit/(loss) from ordinary activities before tax</b>	<b>851</b>
	3,447 Foreign exchange (gain)/loss on foreign currency option derivatives	818
<b>13,980</b>	<b>Profit/(loss) after exceptional items before tax</b>	<b>1,670</b>
<b>1,374</b>	<b>Tax expense/ (benefit) -current period</b>	<b>353</b>
	12,606 Net profit/ (loss) from ordinary activities after tax	1,317
	122- Share in loss/ (profit) of associates, net	17
	17- Minority interest	42
<b>12,468</b>	<b>Net profit/ (loss) from ordinary activities after tax &amp; minority interest &amp; Share in (loss)/ profit of associates</b>	<b>1,258</b>

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## Questions & Answers

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