



Ranbaxy Laboratories Limited

**FINANCIAL RESULTS:
Full Year 2010**

**ARUN SAWHNEY
Managing Director**

22 Feb 2011

Post Results Conference Call

Safe Harbor

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2

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Golden Jubilee Year: 50 years

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3

46 countries \ 50 nationalities \ 14,000 people

- Ranbaxy is a pioneer in the Industry; geographies and therapies
- Made affordable medicine available across the world, with particular interest in Emerging Markets
- On our 50th year, we are humbled by all the support and love of our investors, partners, suppliers, buyers and employees

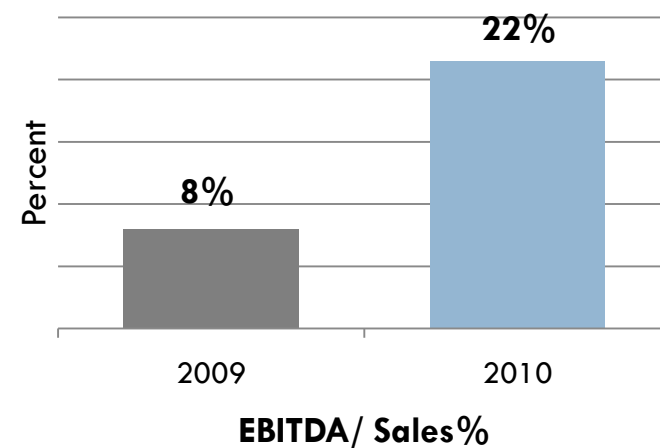
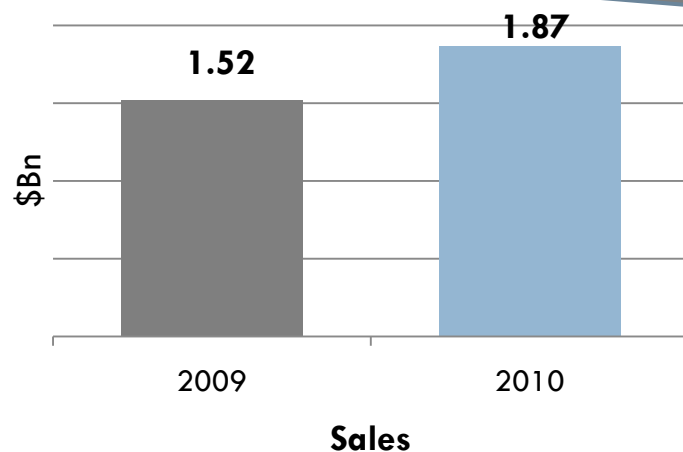
Key Achievements for the Year

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4

Financial

- Best ever financial performance
 - Total Operating Income close to \$2Bn
- Capitalized on FTF Opportunities



Key Achievements for the Year

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5

Business

- Adapting Business Models that addresses diverse markets
- Pro-actively respond to changes in environment

- APAC: Divested entities in Japan, Vietnam and China. Continue to do business, with sharper focus, lower cost base
- India: Project Viraat, a multi-pronged strategy aimed at leadership in the home market

- Romania: Rationalization of extra capacity and Expansion of R&D and manufacturing for EU
- UK cost optimization

Manufacturing

- Ohm, USA facility expanded to meet US demand, and to capitalize on FTFs
- New Manufacturing Facility in South Africa to cater to regional requirements

Research & Development

- ANDA filings back on track
- NDDR exit: to aid focused R&D attention on Generics research

Synergy with Daiichi Sankyo

- Front end:
 - India
 - Romania
 - Japan
 - Others

- Back end: Multiple opportunities being pursued

Foreign Currency Convertible Bond

- Geared for redemption

Derivatives Position

- Exposure of \$1.7Bn in 2007. Now down to \$847Mn
- To expire by 2015-16

Regulatory

- Continue to work together for a comprehensive resolution with the USFDA/ DOJ

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Financial Performance

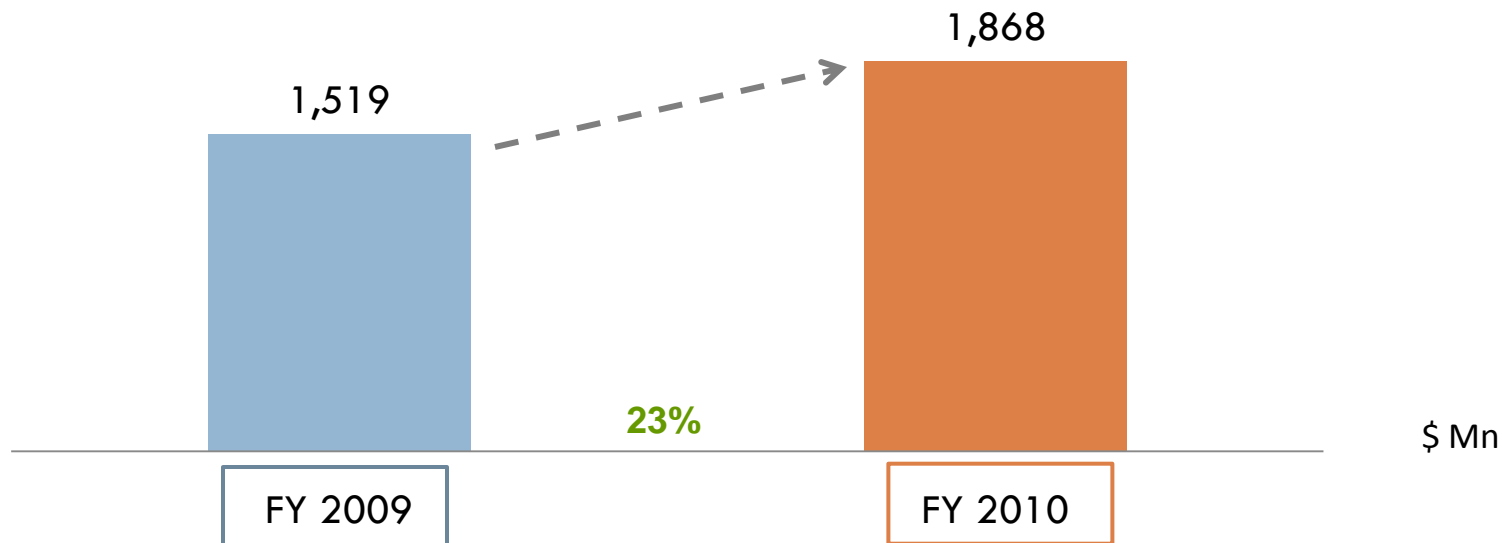
Investors Call

Sales Performance

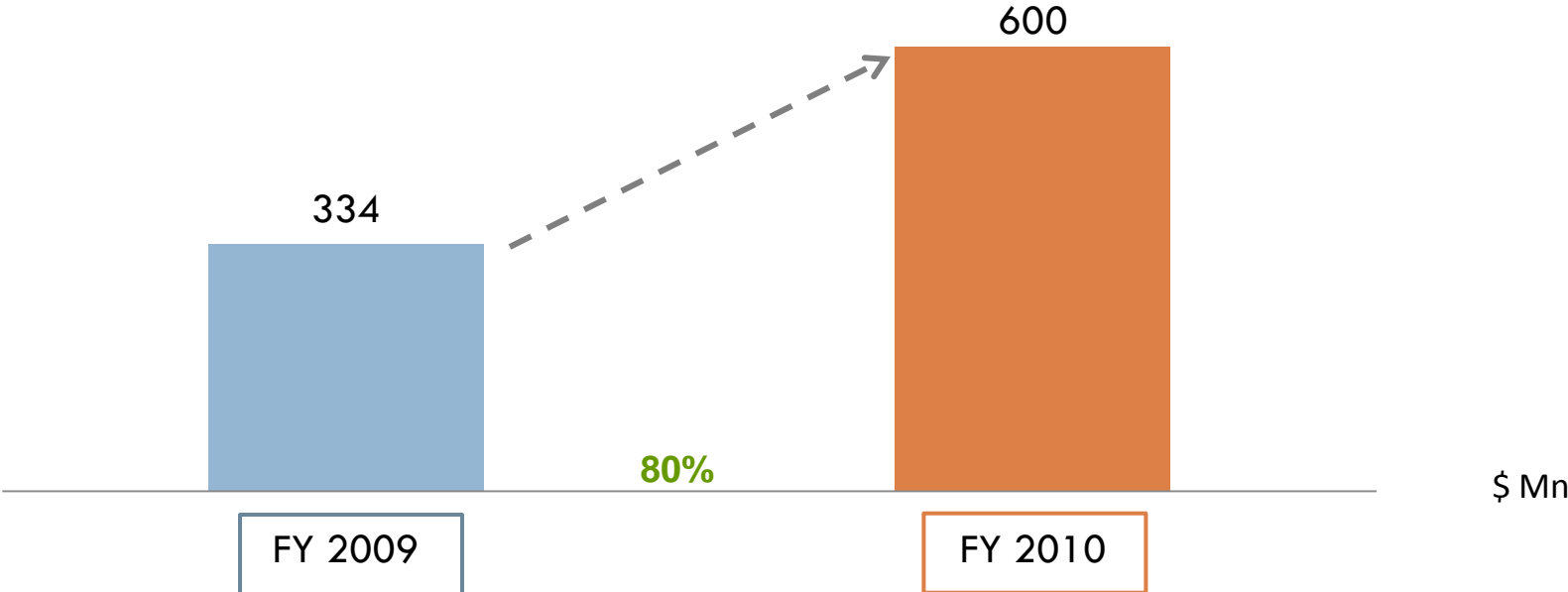
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10

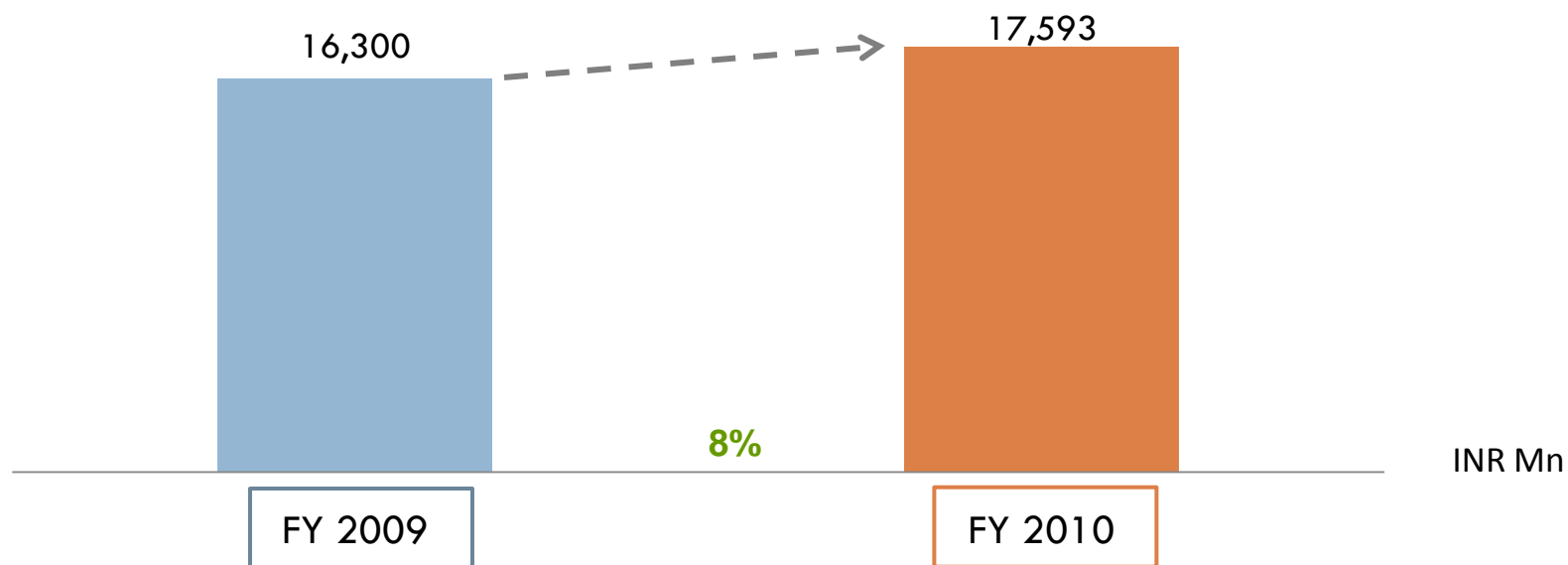
Consolidated Sales Full Year 2010



- Best ever Financial results complement Ranbaxy entering its Golden Jubilee
- Growth for the year helped by improvement in business performance, product mix and aided by FTFs



- Overall improvement in Base business
- Highest ever value created through successful monetization of FTFs

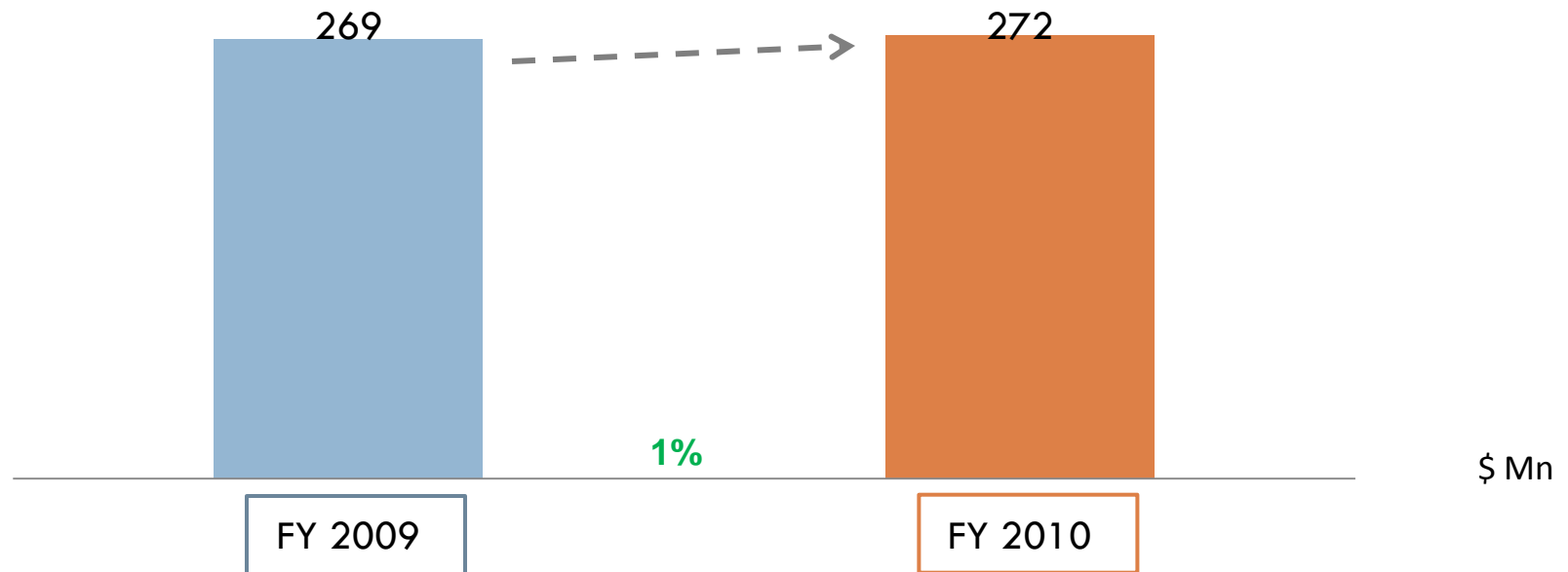


- India market growth to continue aided by Project Viraat and natural growth in the Indian Pharmaceutical Market
- CHC ranked No. 1 in its represented market

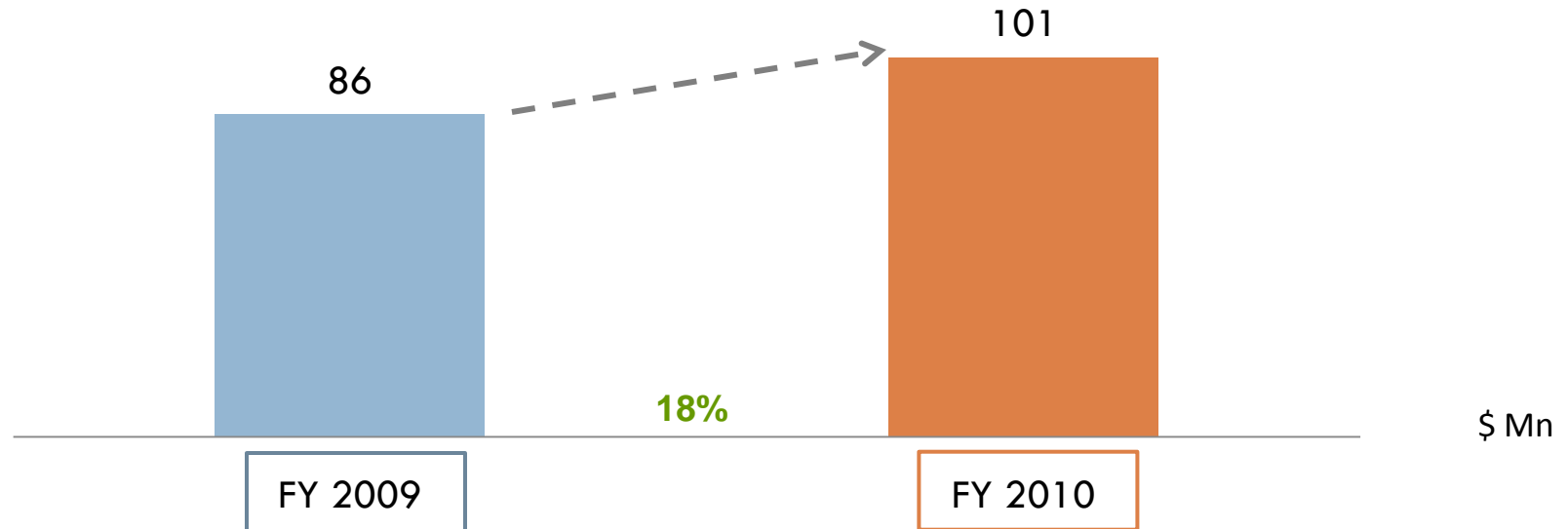
Europe

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13



- Channel issues and volatile forex movement had a negative impact on the region performance
- Pro-actively faced the challenges in the economy and Pharma market in Romania: Ranked number 1 in the Generics industry

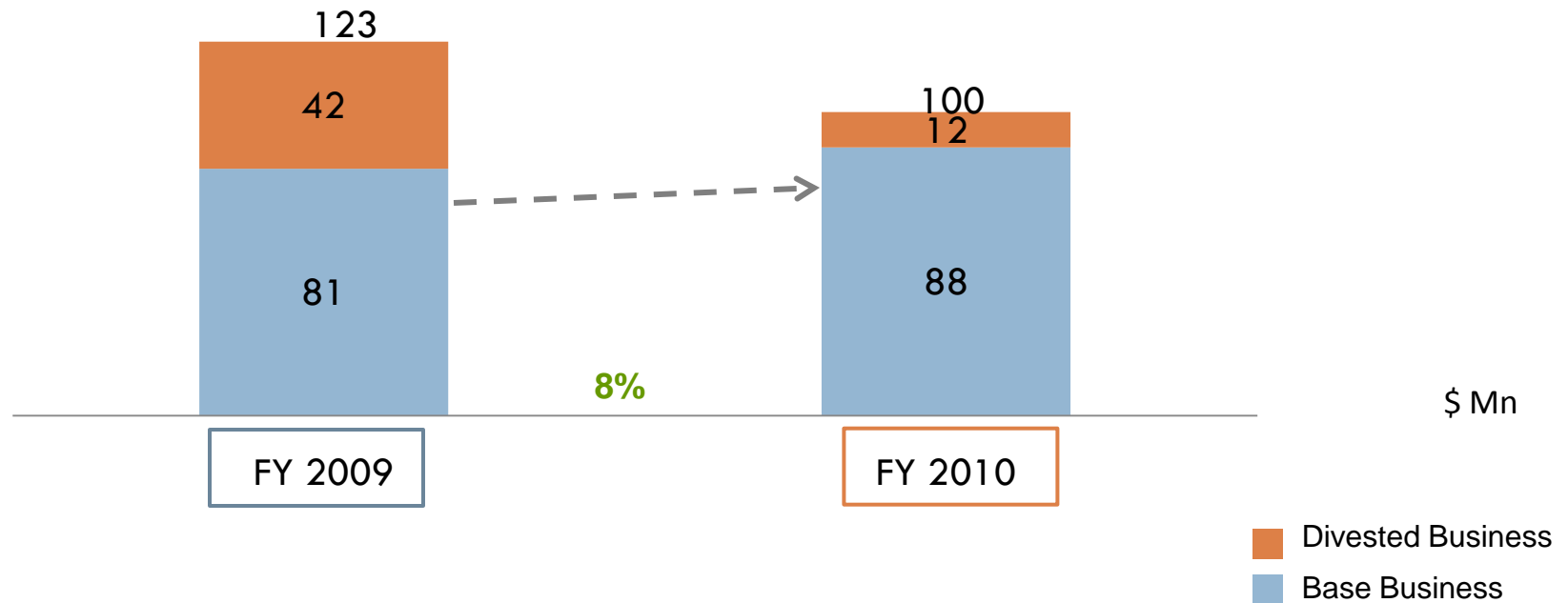


- Important region for the Company, undergoing policy and other changes
- In Russia, Ranbaxy is ranked number 1 in its represented market

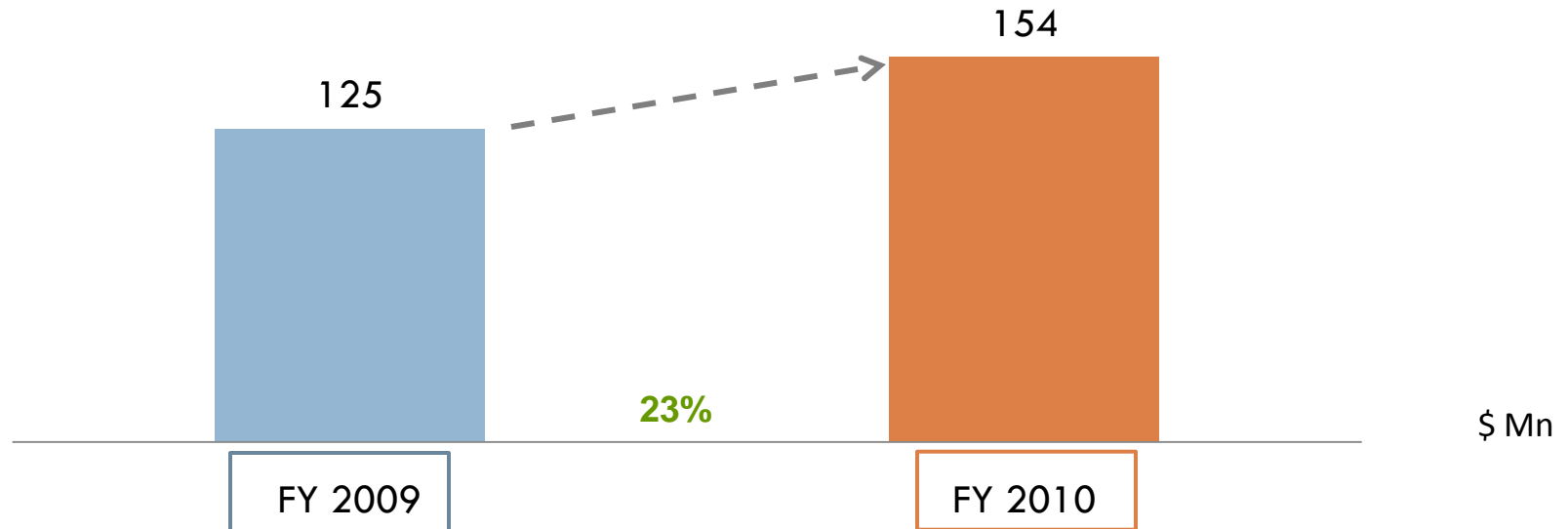
Asia Pacific

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15



- During the year Ranbaxy changed its businesses models for Japan, China and Vietnam
- Base business in the APAC market has grown

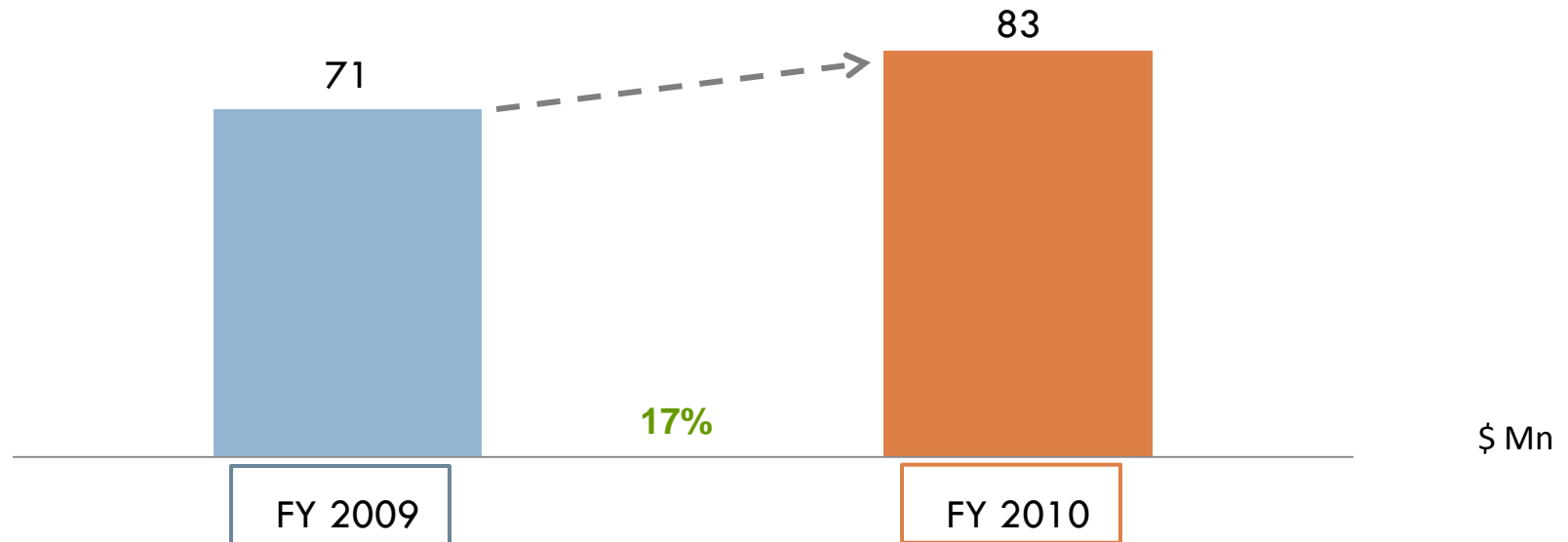


- ARV tender win a milestone in Ranbaxy Africa performance
- High growth, underpenetrated market. Growth opportunity to be capitalized upon as it evolves as 'Branded Generics' market

Latin America

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17



- Performance impacted by volatile currency and lack of sale of a key molecule for the region

Financials FY 2010 – USD

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18

FY 2009	Particulars in \$ Mn	FY 2010
1,519	Sales	1,868
3	Less : Excise duty	3
1,516	Net sales	1,865
55	Other operating income	93
1,571	Total Operating Income	1,958
663	Total Consumption	689
27	Operating Forex expense/ (gain)	6
293	Employee cost	329
467	Other Operating expenses	532
1,450	Total other expenditure	1,556
121	EBITDA	402
55	Depreciation and amortization	81
35	Interest and other income	48
(31)	Foreign exchange (gain)/ loss on loans	(31)
131	Profit/(loss) from ordinary activities before tax	399
	Exceptional Items	
11	Exceptional Items	13
66	Forex (loss)/ gain on foreign currency option derivatives	95
209	Profit/(loss) after exceptional items	507
	Prov for diminution in the value of investment in associates	(48)
209	Net EBT	459
64	Net profit/ (loss) from ordinary activities after tax	331
4%	PAT%	18%
61	Net profit/ (loss) from ordinary activities after tax and minority interest & Share in (loss)/ profit of associates	327
4%	PAT% (after minority interest & Share in (loss)/ profit of associates)	18%

Operational Result (excluding Forex and Exceptional Items) FY 2010

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19

FY 2009	Particulars	Act FY 2010	Gr%	Ach %
1,519	Sales	1,868	23%	108%
122	EBITDA	402	228%	171%
8%	% to Sales	22%		
209	EBT	459	120%	324%
14%	% to Sales	25%		
122	EBITDA	402	228%	171%
27	Operating Forex expense/ (gain)	6		
149	Operational EBITDA	408	174%	174%
10%	% to Sales	22%		
209	EBT	459	120%	324%
(20)	USFDA Provision (reversal)	(2)		
27	Operating Forex expense/ (gain)	6		
(31)	Foreign exchange (gain)/ loss on loans	(31)		
(66)	Forex loss/(gain) on foreign currency option derivatives	(95)		
(10)	Loss/ (Gain) on disposal of long-term investments	(53)		
0	Goodwill Impairment & Diminution of Investments	88		
109	Operational EBT	372	242%	263%
7%	% to Sales	20%		

Financials FY 2010 – INR

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20

FY 2009	Particulars in INR Mn	FY 2010
73,441	Sales	85,507
147	Less : Excise duty	152
73,294	Net sales	85,355
2,676	Other operating income	4,253
75,970	Total Operating Income	89,608
32,080	Total Consumption	31,528
1,283	Operating Forex expense/ (gain)	265
14,175	Employee cost	15,060
22,591	Other Operating expenses	24,366
70,129	Total other expenditure	71,219
5,842	EBITDA	18,389
2,676	Depreciation and amortization	3,717
1,692	Interest and other income	2,181
(1,493)	Foreign exchange (gain)/ loss on loans	(1407)
6,351	Profit/(loss) from ordinary activities before tax	18,260
	Exceptional Items	
533	Exceptional Items	589
3,214	Forex (loss)/ gain on foreign currency option derivatives	4,369
10,098	Profit/(loss) after exceptional items	23,217
	Prov for diminution in the value of investment in associates	(2,216)
10,098	Net EBT	21,001
3,107	Net profit/ (loss) from ordinary activities after tax	15,152
4%	PAT%	18%
2,965	Net profit/ (loss) from ordinary activities after tax and minority interest & Share in (loss)/ profit of associates	14,968
4%	PAT% (after minority interest & Share in (loss)/ profit of associates)	18%



Questions & Answers
