

Press Release

Half 1 Turnover up 32%, PAT up 48%

Company continues to outpace industry growth

Mumbai, October 18th

Sun Pharmaceutical Industries Ltd, the speciality pharmaceutical company announced second quarter results with PAT increased 41% to Rs.32.20 crs (Q299/00-Rs.22.79 crs) and turnover increased 35% to Rs.151.86 (Q299/00-Rs.112.88 cr) . Domestic formulation sales for the quarter was up 19% to Rs 99.40 cr (last year Rs 83.54 cr).

For the first half PAT increased 48% to Rs.63.26 cr (H199/00-Rs.42.82 cr) and turnover increased 32% to Rs.284.52cr (H199/00-Rs.215.81 cr). Domestic formulation sales, backed by internal growth and increasing acceptance of new speciality brands was up 20% to Rs.190.49 cr (H199/00Rs 158.25 cr).

Additionally Sun Pharmaceutical Exports Ltd., a 99.28% subsidiary posted profit of Rs.3.49 Crs for the quarter ended September-2000 (Previous quarter Rs.2.38 Crs.) and Rs.6.26 Crs for the half year ended September-2000 (Previous half-year Rs.4.48 Crs.)

Total Exports (including those through Sun Pharma Exports) crossed Rs.54.69 cr up by 18% as against Rs.46.45 cr in the first half in 99-00, . The proposed merger of Sun Pharmaceutical Exports Ltd with Sun Pharma is awaiting approval of High court of Gujarat, and is expected to be completed by the third quarter.

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

The results of the current period are not strictly comparable with that of corresponding previous period, as the result of erstwhile Gujarat Lyka Organics Ltd was not included in the corresponding previous period.

The company is now ranked 5th by domestic prescription products sales, up from 9th last September. Market share has moved to 2.42%, up from 2.18% last year. (ORG Retail Chemist Audit, August 2000 and September 1999). 6 brands now feature among the country's top selling 300 prescription brands, up from 5 last year.

Across Sun Pharma's 8 divisions 17 new speciality products developed at the research centre in Baroda were launched in the first half, important among which were Rofact (rofecoxib), Glypride (glimiperide), Rezult (rosiglitazone), Irovel (irbesartan). Among the best performing 5 new products launched in the period Jan- June, two Sun Pharma brands are featured: Celact (celecoxib) and Oleanz (olanzapine). (Market Intelligence Report , ORG).

Sun Pharma continues to build on its ranks with specialists: In addition to being the top rated company with psychiatrists, neurologists, cardiologists and gastroenterologists, the company has also reached a leading position with orthopedicians (3rd, up from 4th last November), and physicians (3rd, up from 4th last November).

At the company's R&D centre SPARC in Baroda, projects in NCE commenced in 1998 in addition to work ongoing in process synthesis, dosage form and analytical development. The progress of projects in three specific therapy areas is fairly satisfactory. The company's plans for the new research campus earmarked entirely for new drug discovery, are also proceeding.

According to Mr. Dilip Shanghvi, Chairman and Managing Director, "We've always emphasised strong customer relationships. Two achievements this half underline this fact: the increase in market rank to 5th and the leadership position that two new brands have reached."

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