

SUN PHARMA - Strong Base Business; Protonix Liability Not A Major Concern

<https://marketpublishers.com/r/SA21C4C8E3FEN.html>

Date: February 2012

Pages: 6

Price: US\$ 140.00 (Single User License)

ID: SA21C4C8E3FEN

Abstracts

We reiterate Sun Pharma as our Top Pick in the Indian pharma space after it's higher than expected Q3 FY12 result with sales and net profit growing by 45% and 91% respectively. This was largely aided by robust increase in Taro's sales and profitability and partly due to the ramp up of low competition launches like generic Imitrex autoinjector and Cardizem CD. Apparently, the company did not benefit much from a favorable forex at the net earnings level. It is important to note that FY12 performance represents purely the base business with no one off upsides.

Future growth will be driven by (1) resolution of USFDA warning letter on Caraco (2) launch of Para IVs like Prandin, Comtan and Stalevo under 180-day exclusivity in FY12 and (3) a full impact of Taro profitability after acquisition of 100% stake.

We increase our FY12 earnings by 13% and FY13 by 20%. We derive our new target price by applying a PE of 20x on FY13 base business earnings, valuing upcoming Para IVs at Rs. 25 per share, cash at Rs. 43 per share and adjusting for the Protonix liability by Rs. 15 per share. We reiterate our Outperform rating with new target price of `641 per share.

Contents

COMPANIES MENTIONED

SUN PHARMA

I would like to order

Product name: SUN PHARMA - Strong Base Business; Protonix Liability Not A Major Concern

Product link: <https://marketpublishers.com/r/SA21C4C8E3FEN.html>

Price: US\$ 140.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:

info@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page <https://marketpublishers.com/r/SA21C4C8E3FEN.html>

To pay by Wire Transfer, please, fill in your contact details in the form below:

First name:
Last name:
Email:
Company:
Address:
City:
Zip code:
Country:
Tel:
Fax:
Your message:

****All fields are required**

Customer signature _____

Please, note that by ordering from marketpublishers.com you are agreeing to our Terms & Conditions at <https://marketpublishers.com/docs/terms.html>

To place an order via fax simply print this form, fill in the information below and fax the completed form to +44 20 7900 3970