

Regd. Office :
'Zydus Tower',
Satellite Cross Roads,
Ahmedabad 38 015, India.
Phone : +91-79 2686 8100 (20 Lines)
Fax : +91-79 2686 2368
www.zyduscadila.com
CIN:L24230GJ1995PLC025878

BSE Limited 1 st Floor, P.J. Towers Dalal Street <u>Mumbai – 400 001</u>	National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) <u>Mumbai – 400 051</u>
Kind Attn.: Mr. Sanjay Golecha / Mr. Gopalkrishnan	Kind Attn.: Famroze Pochara Asst. Vice President
Date: February 21, 2017	
Re.: Intimation for Investors' Presentation.	

Dear Sir / Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Company is going to participate in IIFL Investor Conference scheduled to be held on February 22, 2017.

We attach herewith the presentation to be made to the investors for your kind ready reference.

Please bring the aforesaid news to the notice of the members of the exchange and the investors' at large.

Thanking you,

Yours faithfully,
For **Cadila Healthcare Limited**


Upen H. Shah
Company Secretary



Encl.: As above.



Cadila Healthcare Limited

Investor Presentation

February 2017



Well integrated pharma player with global footprints

> 60 years

Operational experience

10th largest

Generic co. in US in terms of prescriptions

1st Indian Company

To discover & develop an NCE in-house : Lipaglyn (Saroglitazar)

~ \$ 1.5bn

Global Revenues

Among top 5

Pharmaceutical companies in India

1st Company

To launch biosimilar of Adalimumab anywhere in the world

>16% CAGR

In global revenues and net profits (FY'11-FY'16)

17 brands

Among top 300 brands in India

25 Biosimilars

In pipeline, including 7 novel biologics

~20% CAGR

In net worth (FY'11-FY'16)

20000+ employees

Across the globe, with 1200+ for R&D

1225+ patents

Filed globally

\$ 6.5 bn+

 Market Cap

30 mfg. sites

Producing > 15bn pills annually

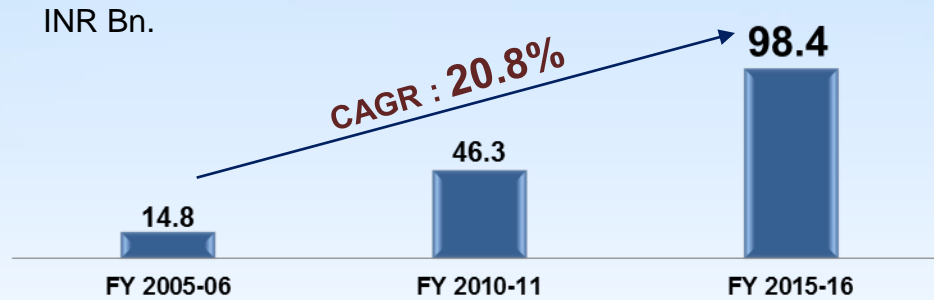
8 R&D Centers

For NCE, APIs, Generic formulations, Biosimilars and Vaccines



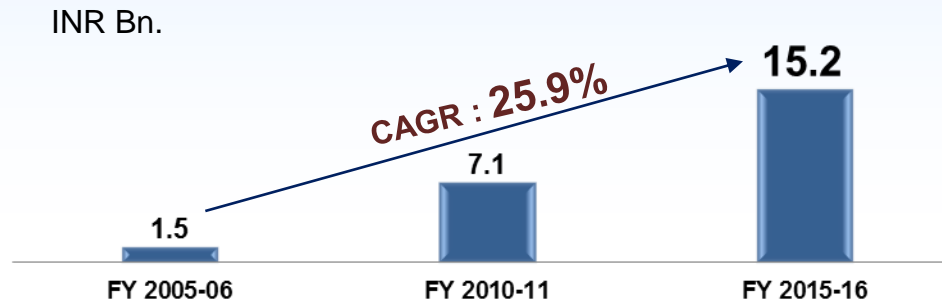
Track Record of Value Creation...

Total Income from Operations



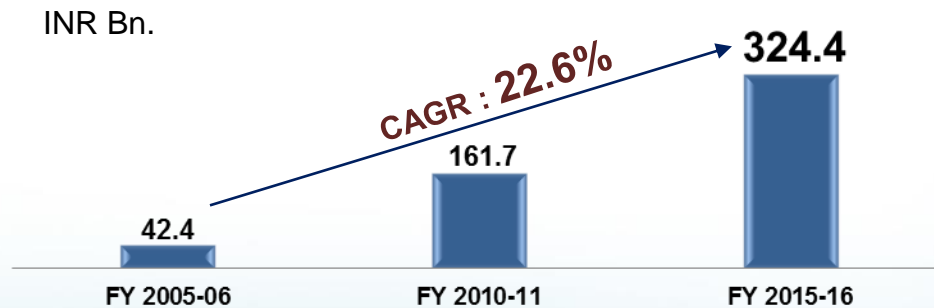
... which gave us significant external recognition

Net Profit



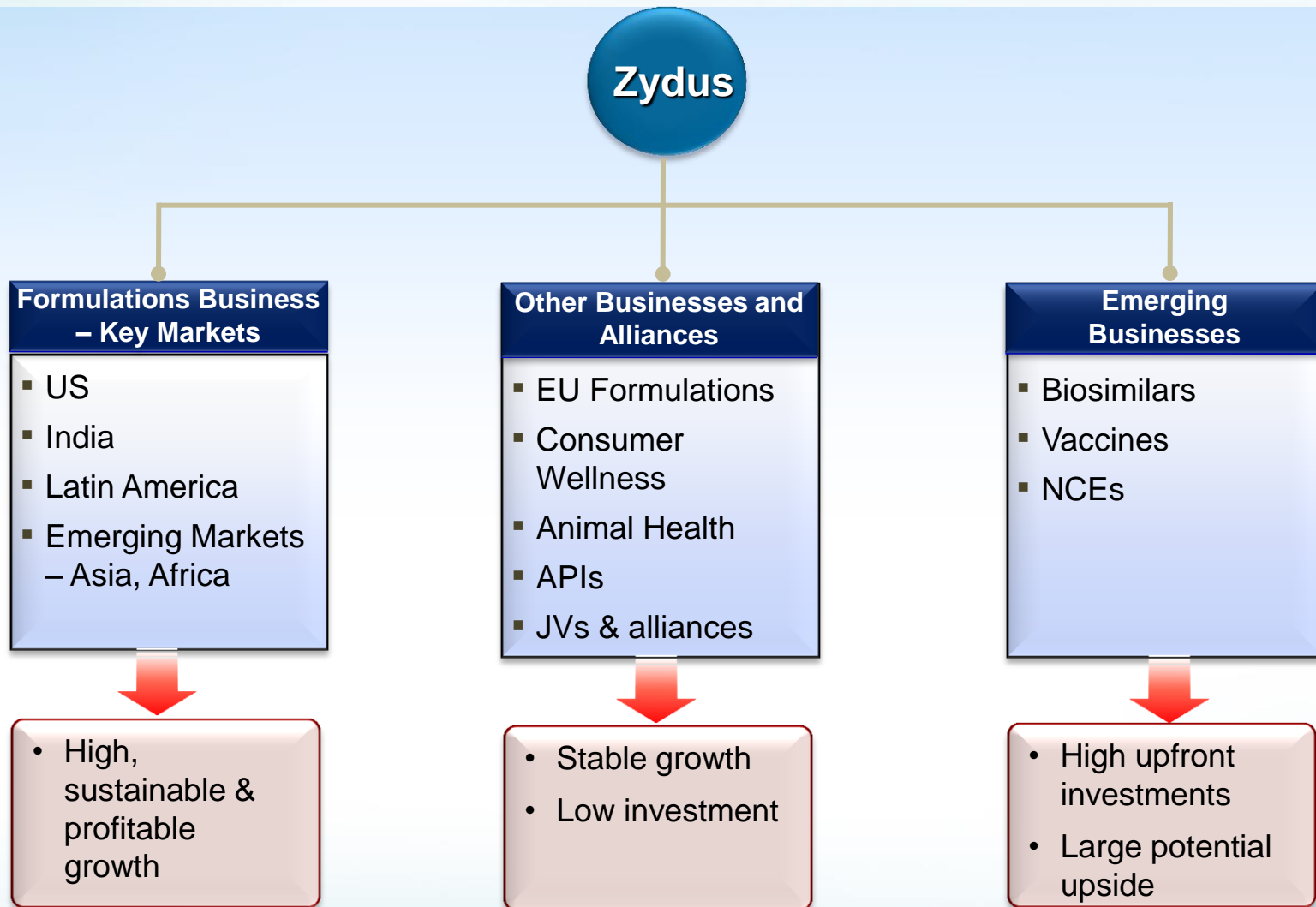
CII Industrial Innovation Awards 2015

Market Capitalisation*



CNBC – TV 18 India Innovator Award 2013

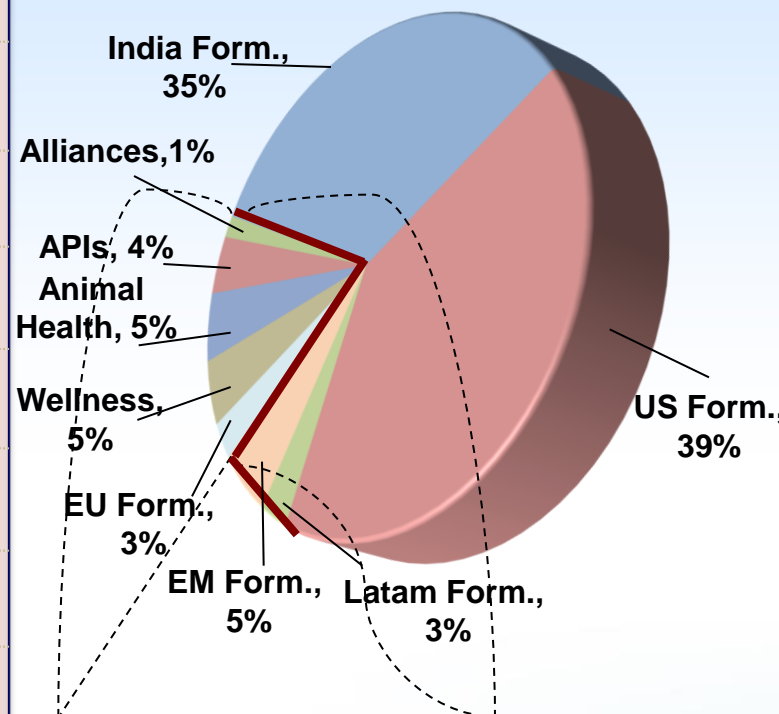
Key businesses for ZyNext journey



Key Financial Numbers – Apr-Dec 16

Consolidated (Rs. Mio.)	Amount	Gr.%
Total Income from Operations	71,004	-1.8%
EBIDT	14,400	-19.1%
EBIDT % to Income from Ops.	20.3%	
Profit before tax	11,995	-25.1%
PBT % to Income from Ops.	16.9%	
Net Profit	9,753	-28.6%
Net Profit % to Income from Ops.	13.7%	
R&D Spend % to Income from Ops.	7.5%	
Debt net of cash (as at 31-Dec-16)	24,709	
Capex (Apr-Dec 16)	16,195	

Segment-wise Gross Sales *



Other Businesses and Markets, 18% of total, Up 10% y-o-y

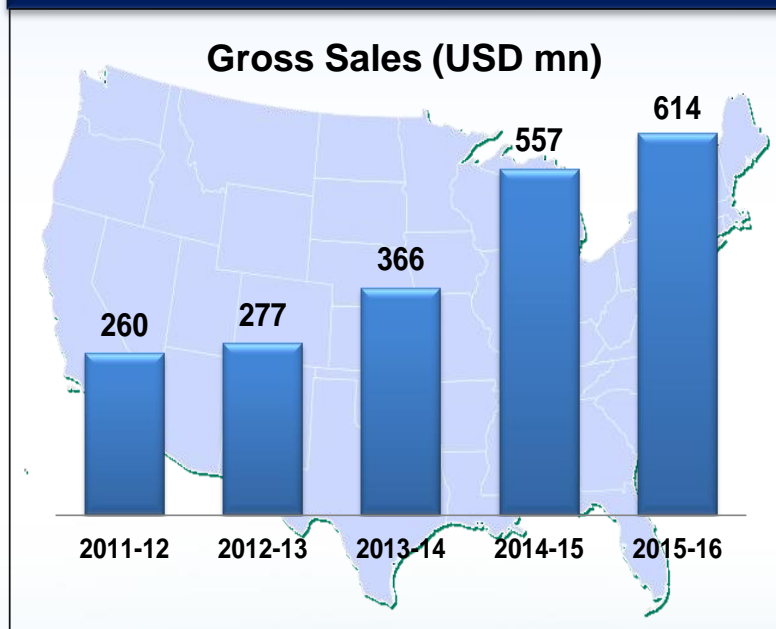
Form. Business - Key Markets, 82% of total, Down 2% y-o-y

* Gross Sales = Rs. 69,515 Mio.

US formulations – 10th largest generic player (based on scripts)

Market size* : ~\$ 66 bn
Market growth* : -3%
Zydus size** : ~ \$ 547 mn
Zydus growth** : -13%

24% CAGR in Sales (Last 5 years)



Aspirations

- Be amongst the top 10 generic cos. in US with continued strong focus on customer needs
- Build the portfolio in the specialty prescription segment

Strengths to be leveraged

- Sale of generic oral solids and injectable products
- Strong sales and marketing base – long-term relationships with large whole-sellers & retail chains
- Cost efficient manufacturing and supply chain
- Robust regulatory pipeline - 305 ANDA filings, 105+ approvals
- Alliance with innovator pharma companies for sale of authorized generics (AGs)
- 80+ products launched so far (incl. 9 AGs)
- Among top 3 for more than 70% of the products marketed in US
- Recently acquired Sentynl Therapeutics Inc., a US based specialty pharmaceutical company

US formulations – strong product pipeline

Growing Focus on Complex Generics

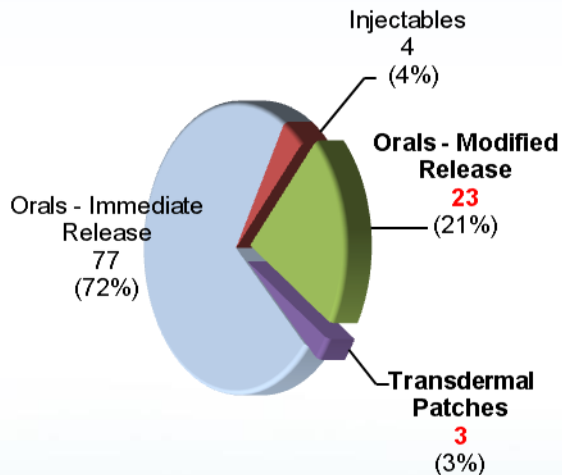
- Immediate Release Oral Solids
- Injectables
- Controlled Substances



- Modified Release Oral Solids
- Transdermals
- Topicals
- Nasal Sprays

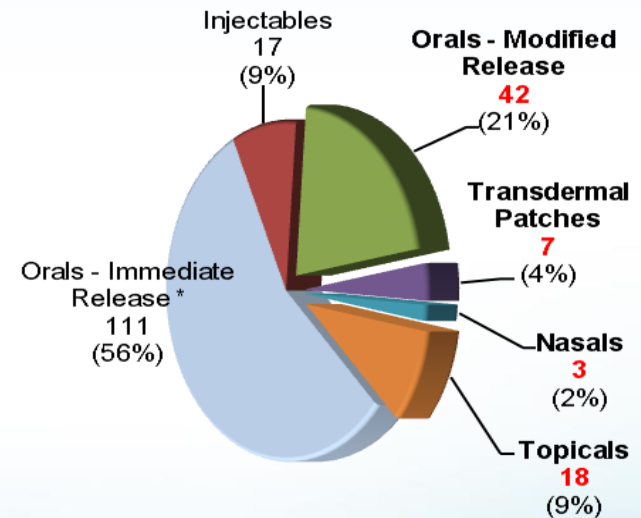
Total Approved ANDAs – 107⁽¹⁾

As on December 31, 2016



Total ANDAs Pending Approval – 198

As on December 31, 2016



1. Including tentative approvals.

73 Para IV filings pending approval.

* Incl. Oral Suspensions (4)

India formulations – 4th largest player

Aspirations

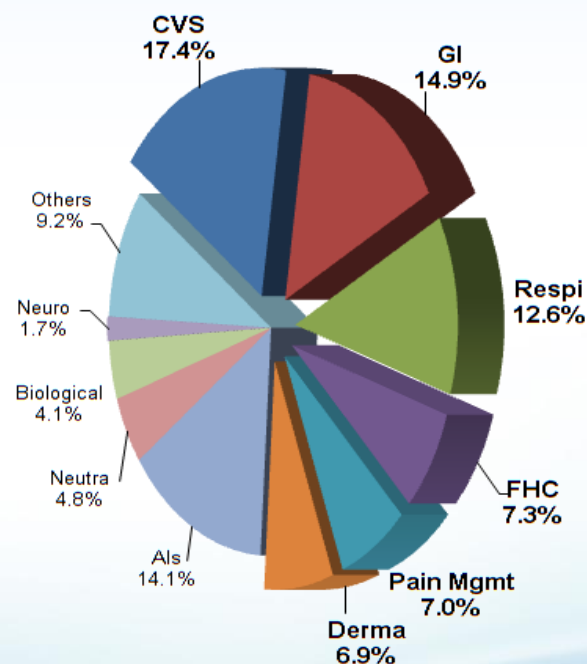
- Leadership in respiratory, female healthcare and pain mgt. area, among top 5 players in GI, CVS and derma
- Continue to be one of the significant contributors to revenues and profits

Strengths to be leveraged

- One of the largest market players with leading positions in key therapy areas
- Strong brand equity : 17 brands among top 300 in India
- New product launches : 50 during Apr-Dec 16 (incl. line extensions), with 13 First-in-India
- Recently acquired brands from MSD and its subsidiaries to complement the existing portfolio
- First company in the world, which launched –
 - Lipaglyn® (Saroglitazar in Q2 FY 14), the first NCE discovered and developed by an Indian company
 - Exemptia® (Q3 FY 15), world's first biosimilar of Adalimumab

Market size*	: Rs. 1075 bn+
Market growth*	: 10.4%
Zydus size**	: Rs. 45.5 bn
Market Share**	: 4.2%
Zydus growth**	: 11.7%

Key therapies : ~66% of total sales#



CVS = Cardiovasculars
 GI = Gastro Intestinals
 Respi = Respiratory
 FHC = Female Healthcare
 Derma = Dermatology
 Als = Anti Infectives
 Neutra = Neutraceuticals
 Neuro = Neurologicals

Latin America formulations

Aspirations : To establish strong base with aggressive product launches

Brazil

Mkt. Size* :
~ **BR\$ 85 bn.**
Mkt. Gr.* : ~ **14%**

- Presence in branded generics and generic generics segments with a continued focus on brand building initiatives
- Robust product pipeline from India - 98 filings, 46 approvals
- Focused segments (Branded) – female healthcare, hepatology, CNS, CVS, Nutraceuticals and Pain Mgt.
- Product launches : 25+ branded, 20+ generic generics

Mexico

Mkt. Size* :
~ **US\$ 8 bn.**
Mkt. Gr.* : ~ **-7%**

- Focus therapy area (Branded) – CNS
- Building product pipeline from India – 40+ filings and 35+ approvals so far
- Commenced commercial operations in 2013 with launch of first product from India
- Launched 20 products in the market so far.

In overall Latin America :

Zydus Size** :
Rs. 2,395 mn
Zydus growth** : **10%**

Emerging Markets formulations

Market size* : ~ \$ 13 bn
Market growth* : ~ 12-13%
Zydus size** : Rs. 4,947 mn
Zydus growth** : 11%

Aspirations

- To strengthen the position in different markets of Asia and Africa

Strengths to be leveraged

- Operations in different markets of Asia Pacific and Africa and Middle East region with leadership position in several of these markets.
- Focus on brand building initiatives and strengthening branded generics portfolio to ensure sustainable growth in topline and bottomline.
- Increased product development activities supported by strong regulatory teams.
- Commenced biosimilars business in emerging markets in FY 2015-16. Launched 2 biosimilars so far.



Other businesses (1/2)

EU formulations

Mkt. Size* : ~Euro 5.4 bn (France + Spain Gx)
Mkt. Gr. : 4%
Zydus Size **: Rs. 2,708 mn
Zydus Gr.** : -9%

Aspirations : To be a relevant player in generic markets of France and Spain

- Among top 10 in France, among top 20 in Spain
- Expansion through new products : launched ~150 molecules in France and ~110 molecules in Spain so far (incl. several 'Day 1')
- Leveraging India cost advantage : 205+ new products and 65+ site transfer filings so far, >50% of sales supplied from India

Consumer Wellness

Sugar Free

Zydus Size **: Rs. 4,562 mn
Zydus Gr.** : 6%

Nutralite **EverYuth**

Healthier than Butter

Aspirations : To create niches in wellness space through innovation

- Leadership in sugar substitutes (~94% market share) and in couple of sub-categories viz. scrub and peel-off of skin care products.
- Continued thrust on different marketing initiatives to grow the categories and market share of different brands.

* Approx. numbers as per GERS and IMS Report for Europe as per MAT December, 16 data.

** Zydus numbers as reported in books for Jan-Dec 16

Nos. of Jan-Mar 16 quarter and corresponding quarter of previous year are as per Indian GAAP

Nos. of Apr-Dec 16 period and corresponding period of previous year are as per Ind AS

Other Businesses (2/2)

Animal Health

Zydus Size *:
Rs. 4,277 mn
Zydus Gr.* : **37%**

Aspirations : To be a comprehensive, global animal healthcare provider

- One of India's leading animal healthcare players.
- Acquired select brands and manufacturing operations in India from Zoetis, a global animal healthcare company so as to expand business in India.
- Presence in key markets across Europe, South America, Asia and Africa through Bremer Pharma, Germany.

APIs

Zydus Size *:
Rs. 3,783 mn
Zydus Gr.* : **5%**

Aspirations : To be a 'reliable' service provider to customers

- Backward integration capabilities to meet captive API requirements.
- Operations in India, US and select markets of Europe, Latin America, Asia Pacific and Middle East regions.
- Continuous endeavour to improve service levels by improving cost competitiveness and continuous process improvement.

Joint Ventures and Alliances – leveraging strengths

Aspirations : Value creation through win-win alliances and be a partner of choice

Zydus Takeda JV

- State-of-the-art mfg. facility for APIs of Takeda
- Expanded the facility to manufacture complex high-end APIs
- Commercial supply of 10 products (incl. 1 for validation)

Zydus Hospira JV

- State-of-the-art cytotoxic facility approved by leading authorities like MHRA, USFDA, TGA, Health Canada
- Commercial supply of 12 products for EU market and 9 products for US market

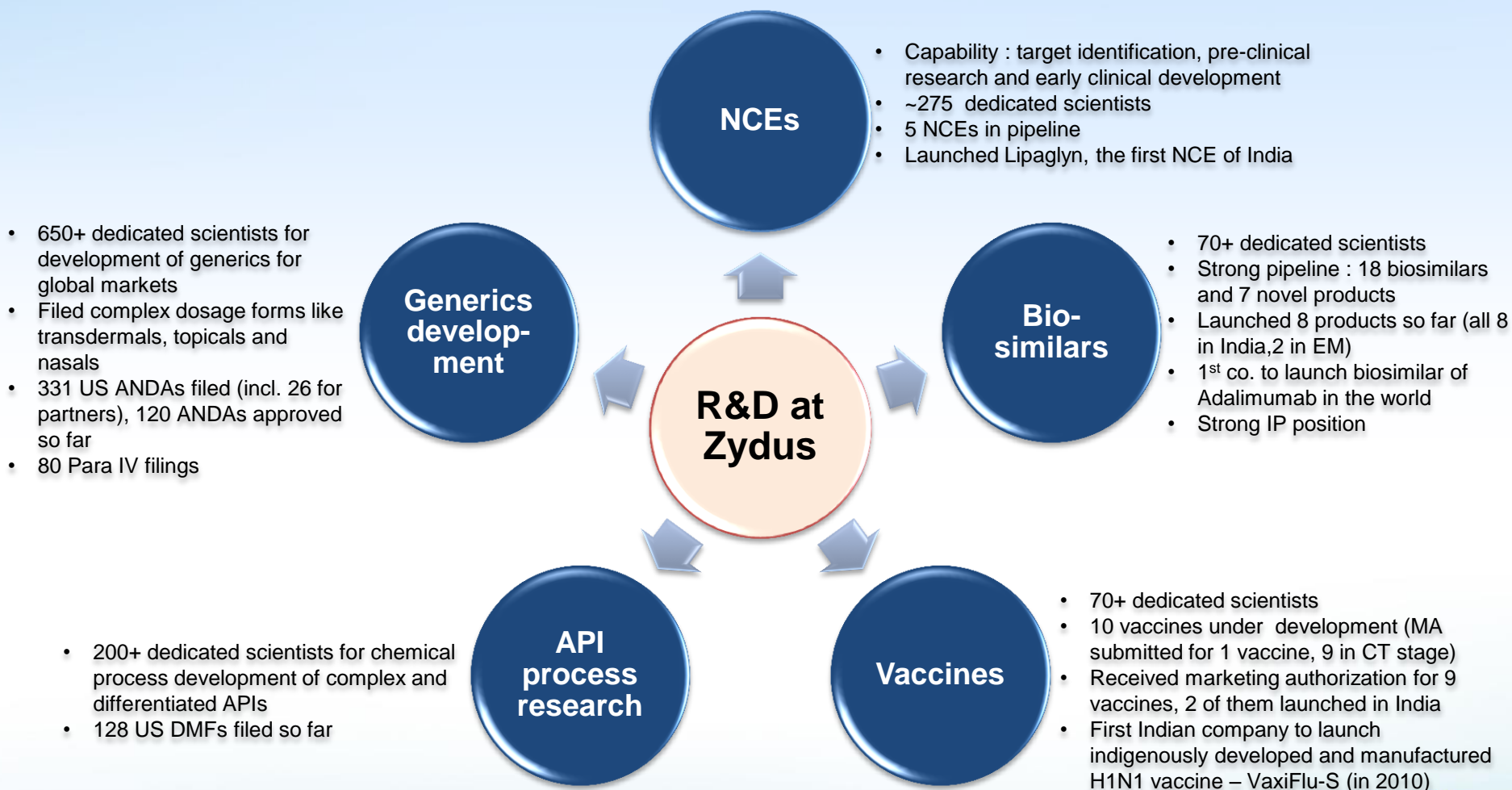
Bayer Zydus JV

- Operates in female healthcare, metabolic disorders, diagnostic imaging, CVS, diabetes and oncology segments in India
- Leveraging strengths of Bayer's optimized product portfolio and Zydus' marketing and distribution capabilities
- JV scope covers launch of innovator products of Bayer

Alliances with other partners

- 26 ANDAs filed for various partners, 13 approved, 11 commercialised.
- Received the first NDA approval from US FDA which was filed on behalf of a partner.
- Commercial supply of 15 products so far under the out-licensing deal with Abbott

Strong focus on R&D



Biosimilars and Vaccines – emerging businesses

Aspirations : Leverage technological edge to unlock substantial value and create pillars for future growth.

Strengths to be leveraged

Biosimilars

- Dedicated facilities for bulk and finished formulations
- 70+ experienced scientists
- Strong pipeline: 18 biosimilars and 7 novel products
- Strong IP position either through own patent or non-infringing processes

Vaccines

- Dedicated R&D and mfg. facilities
- 70+ experienced scientists
- 9 vaccines under different stages of clinical development
- Received MA for 9 vaccines in India, 1 vaccine submitted for MA

Biosimilar pipeline

No	Product	Indication	Cloning	Process Devp.	Pre-Clinical Devp.	Regulatory Permission	Clinical Devp.	Mktg. Authorisation
1	G-CSF	Oncology						
2	Peg G-CSF	Oncology						
3	IFN α -2b	Infectious diseases						
4	Teriparatide	Osteoporosis						
5	Adalimumab	Inflammation						
6	Trastuzumab	Oncology						
7	Peg IFN α -2b	Infectious diseases						
8	EPO	Oncology/Nephrolog						
9	MAB 1	Oncology/RA						
10	MAB 2	Oncology						
11	Prod 1	AMI						
12	Prod 2	Fertility						
13	MAB 3	Rabies						
14	Prod 3	Oncology						
15	Prod 4	Nephrology						
16	MAB 4	Osteoporosis						
17	MAB 5	Oncology						
18	MAB 6	Ophthalmology						
19	MAB 7	Oncology						
20	MAB 8	Infect. Dis.						
21	Prod 5	Oncology						
22	Prod 6	Oncology						
23	Prod 7	Infect. Dis.						
24	Prod 8	Oncology						
25	Prod 9	Complement mediated disease						

LAUNCHED
(in India)

Launched in India and EM (Myanmar)

NCE Research

Aspirations : Add more NCEs in pipeline to drive towards becoming a research based pharma co. by 2020

Key strengths

- State-of-the art research facility
- Capability of target identification to pre-clinical research / early clinical development
- ~275 scientists dedicated for NCE research
- Strong scientific advisory board comprising of world's renowned scientists, academicians and clinicians



Zydus
dedicated to life

NCE Pipeline

Project	Target	Indication	Drug Discovery	Lead optimisation	Pre-clinical Development	IND	Phase I	Phase II	Phase III	NDA
Saroglitazar	PPAR- α , γ	Dyslipidemia	First glitazar to be approved in the world. Launched in India as "LIPAGLYN"							
Saroglitazar	PPAR- α , γ	Hypertriglyceridemia	First glitazar to be approved in the world. Launched in India as "LIPAGLYN"							
Saroglitazar	PPAR- α , γ	Lipodystrophy								
Saroglitazar	PPAR- α , γ	Nonalcoholic Steatohepatitis								
Saroglitazar	PPAR- α , γ	Type 2 Diabetes								
Saroglitazar	PPAR- α , γ	Hypertriglyceridemia	Clinical trials going on in US							
Saroglitazar	PPAR- α , γ	Nonalcoholic Steatohepatitis	Clinical trials going on in US							
ZYH7	PPAR- α	Dyslipidemia								
ZYDPLA1	DPP-IV inhibitor	Type 2 Diabetes	Clinical trials going on in US							
ZYAN1	HIF - inhibitor	Anemia								
ZYTP1	PARP - inhibitor	Oncology								

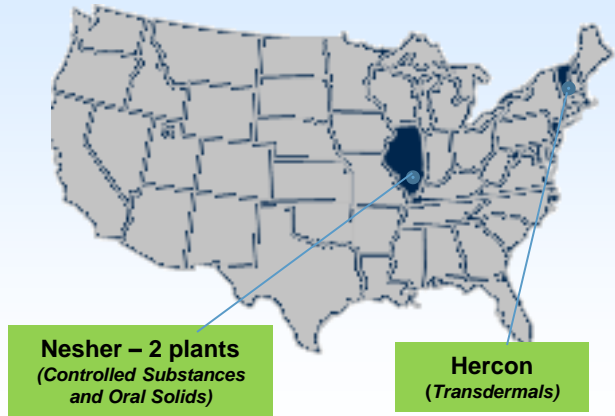
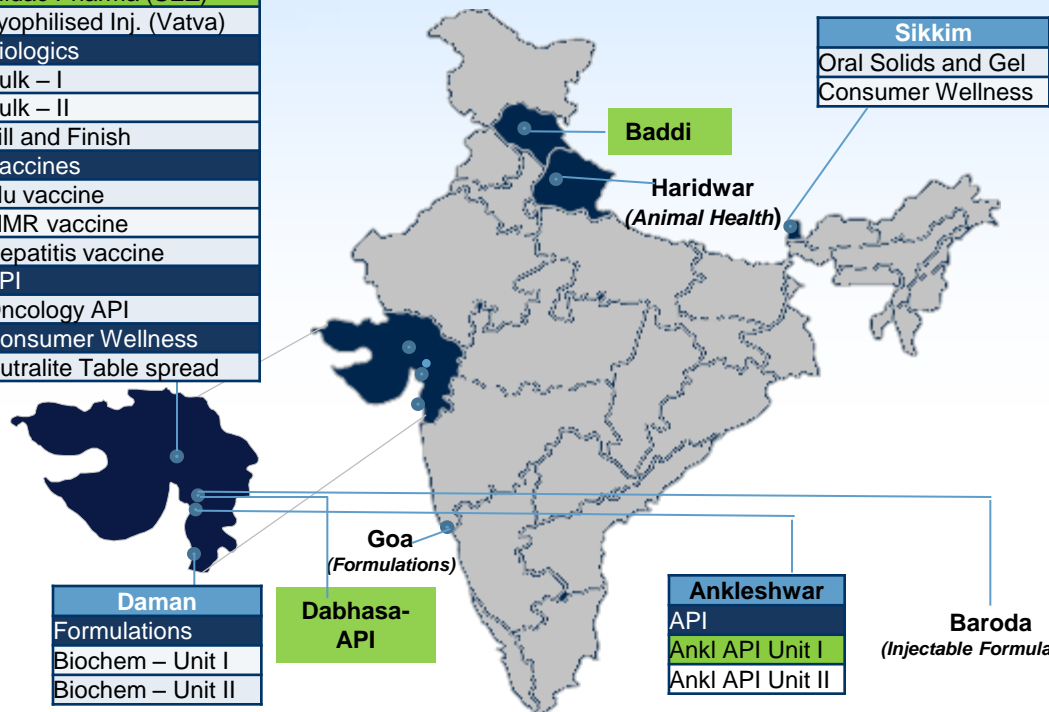


World class infrastructure to support ZyNext journey

Ahmedabad
Formulations
Oral Solids (Moraiya)
Oral Solids (SEZ)
Topicals
Transdermal (SEZ)
Alidac Pharma (SEZ)
Lyophilised Inj. (Vatva)
Biologics
Bulk – I
Bulk – II
Fill and Finish
Vaccines
Flu vaccine
MMR vaccine
Hepatitis vaccine
API
Oncology API
Consumer Wellness
Nutralite Table spread

India

U.S.



Brazil

Germany



Total facilities – 30 (Formulations – 16, APIs – 4, Vaccines – 3, Biosimilars – 3, Consumer – 2, Animal Health – 2)

Total facilities inspected by US FDA – 11 (Formulations – 9, APIs – 2)

Capabilities across delivery platforms – Oral Solids, Controlled Substances, Injectables, Topicals, Lyophilized Injectable, Sprays and Transdermals



Key strategies for ZyNext journey

1

Strong execution focus for the U.S. market; drive growth with continuous focus on product launches

2

Focus on difficult to develop and manufacture and specialty products to improve margins

3

In India, focus on high growth Therapeutic Areas, outperform the domestic market and improve operational efficiency through increasing sales force productivity and technological advancement

4

Leverage strong platform of biosimilars and vaccines business

5

Select inorganic growth to expand in India, U.S. and Emerging Markets, acquire capability platforms and move forward in value chain on specialty and branded business



Thank You.

Safe Harbour Statement

This presentation may include certain “forward looking statements”, based on current expectations, within the meaning of applicable laws and regulations. Actual results may differ and the company does not guarantee realization of these statements. The Company also disclaims any obligation to revise any forward-looking statements. The readers may use their own judgment and are advised to make their own calculations before deciding on any matter based on the information given herein.

No part of this presentation may be reproduced, quoted or circulated without prior written approval from Cadila Healthcare Ltd.