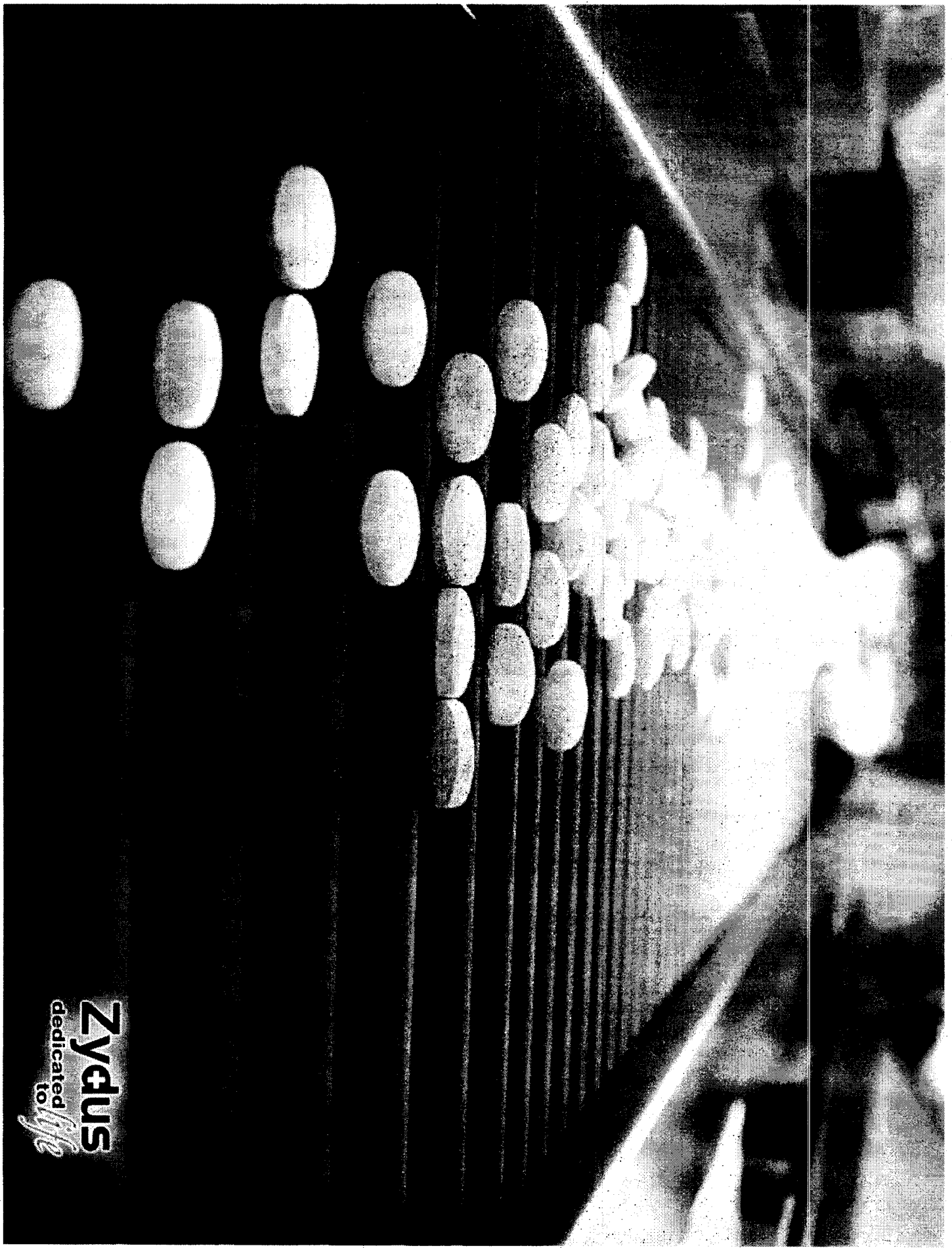




Zyklus
dedicated
to *life*

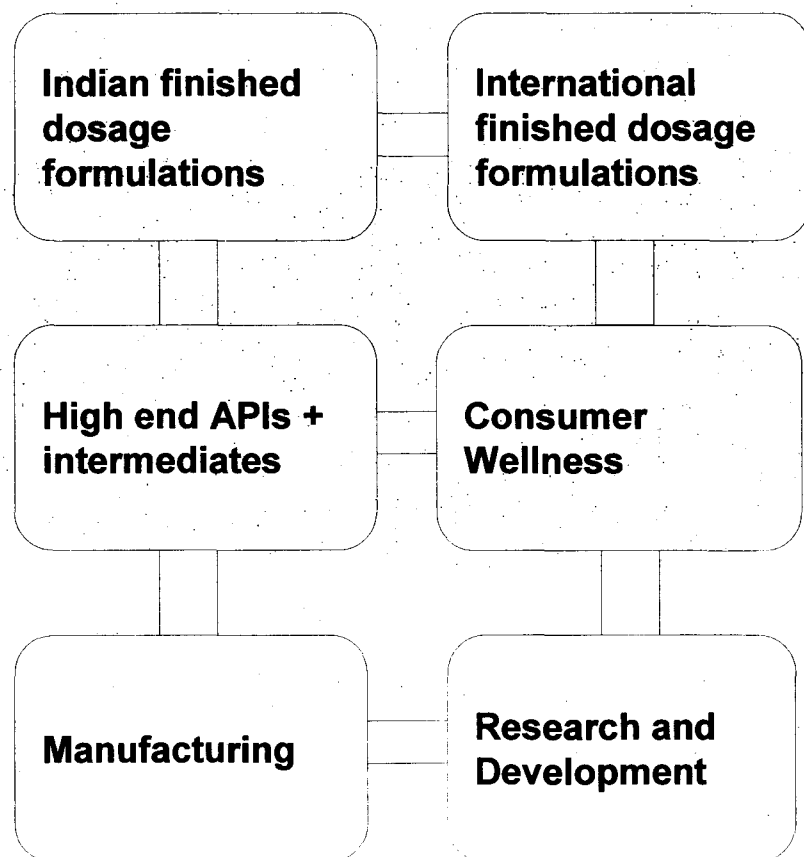
Our Vision

Zydus shall be a leading global healthcare provider with a robust product pipeline and sales of over \$1 bn by 2010; we shall achieve sales of over \$3 bn by 2015 and be a research-based pharmaceutical company by 2020...

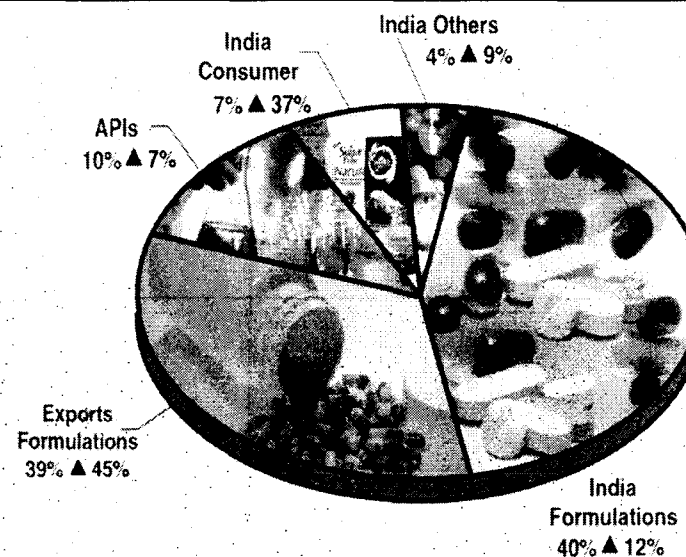


- One of the oldest and the 5th largest in the Indian formulations market worth over Rs. 460 bn (*Source : ORG IMS MAT Dec-10*)
- Operations in US, Europe, Japan, Latin America, Asia Pacific, Africa and Middle East regions
- International sales in generic markets contribute to ~39% of revenues, with > 70% growth in formulation exports in last 5 years
- Market leader in niche Indian consumer wellness market with strong brands
- Innovation driven – investing ~6% of revenues p.a. on NME, Biological and NDDS research and Generics development
- Dedicated team of > 12,000 Zydans across 18 countries
- Market Cap : Cadila Healthcare Ltd. > Rs. 155 bn (~ \$ 3.5 bn)
(14-Feb-10) Zydus Wellness Ltd. > Rs. 22 bn (~ \$ 500 mn) (72% ownership)
- Declared the Emerging Company of the year by 'ET Award for Corporate Excellence 2010'

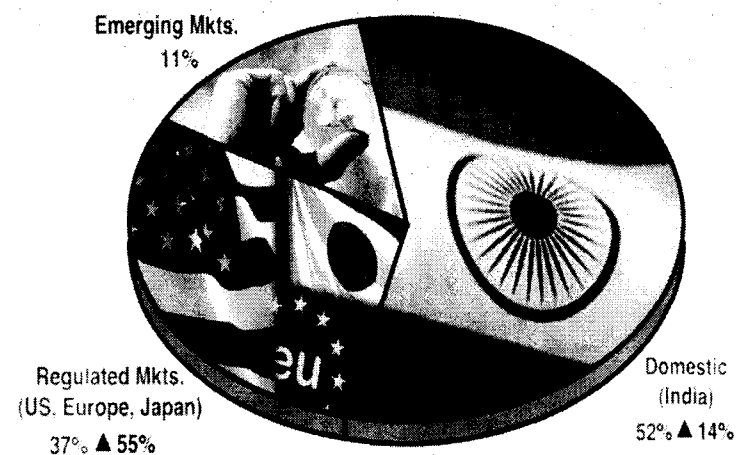
Well integrated company and expanding Globally



Revenue break up (%) by segment (FY 09-10)



Revenue break up (%) by region (FY 09-10)

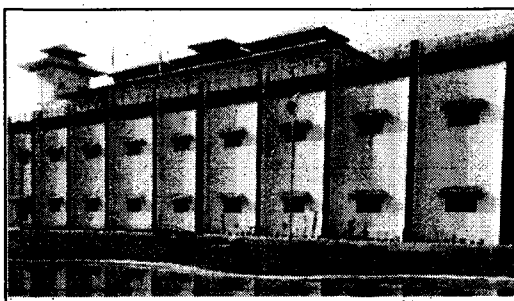


State of the art facilities and infrastructure (1/2)

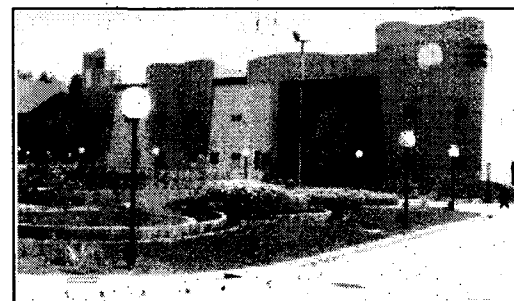
Formulations



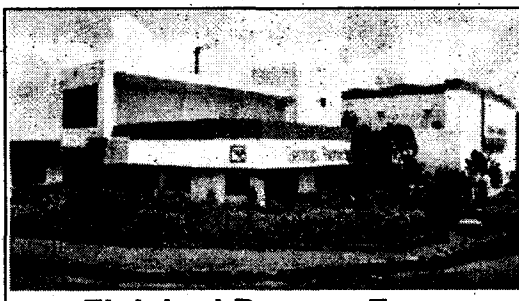
**Finished Dosage Form,
Moraiya (USFDA Approved)**



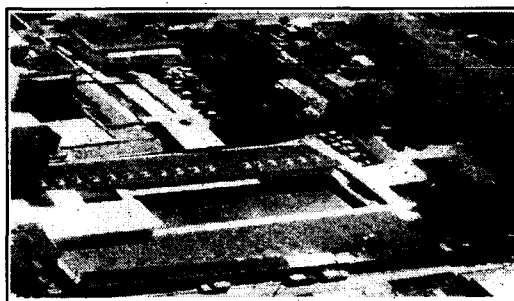
**Finished Dosage Form,
Sikkim**



**Finished Dosage Form,
Baddi**



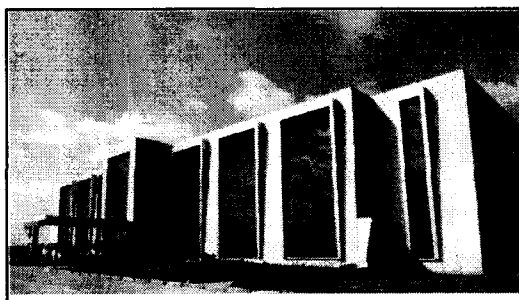
**Finished Dosage Form,
Goa**



**Finished Dosage Form,
Brazil**



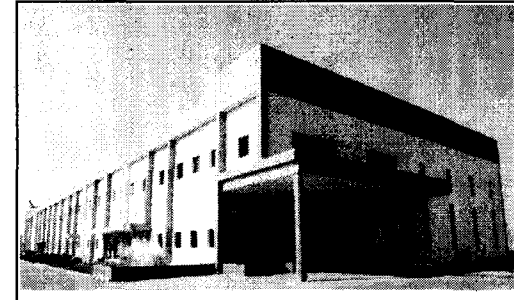
Agiolax (for Madaus), Goa



**Cytotoxic Injectables for
Hospira JV (MHRA, USFDA)**



**Cytotoxic Injectable
For BSV JV**



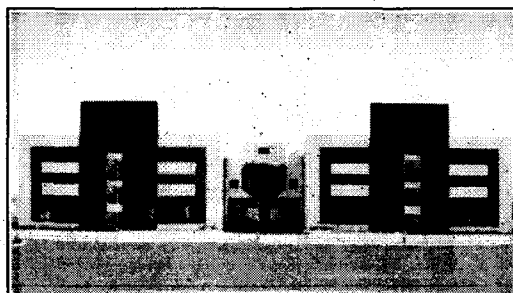
Transdermals Mfg., Moraiya

State of the art facilities and infrastructure (2/2)

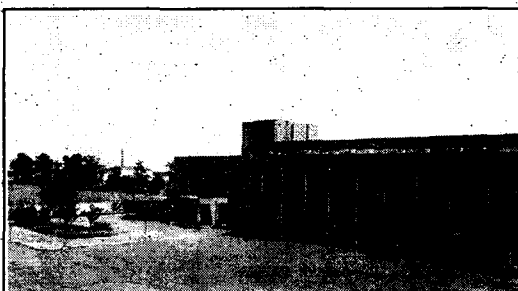
APIs and Fine Chemicals



**API, Ankleshwar
(USFDA Approved)**



**API, Dabhasa
(USFDA approved)**



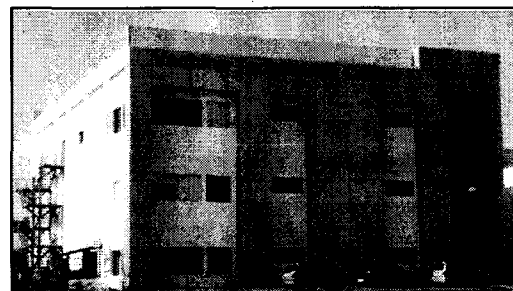
**Fine Chemicals, Moraiya
(USFDA Approved)**



**Biologics Active Substances,
Changodar**

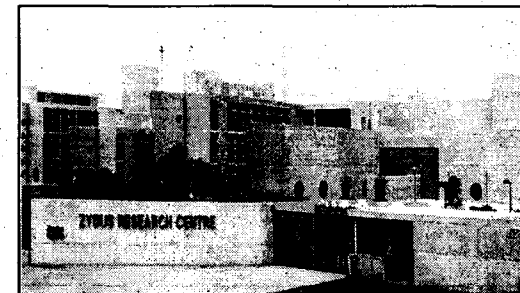


**Pantoprazole Intermediates
for Nycomed JV**



**Vaccine Technology Center,
Moraiya**

R&D



**Zydus Research Center,
Moraiya**



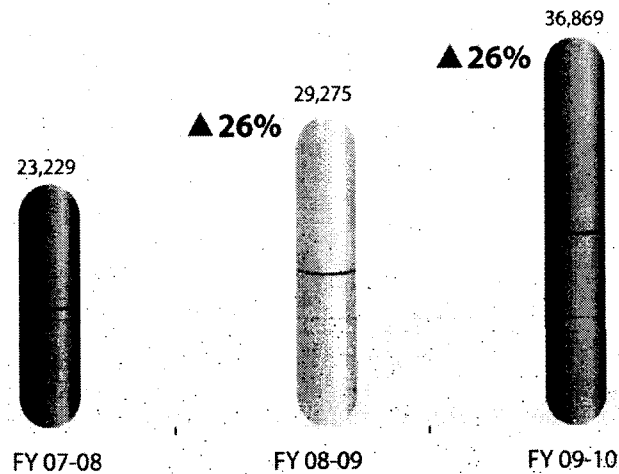
**Pharmaceutical Technology
Center, Moraiya**



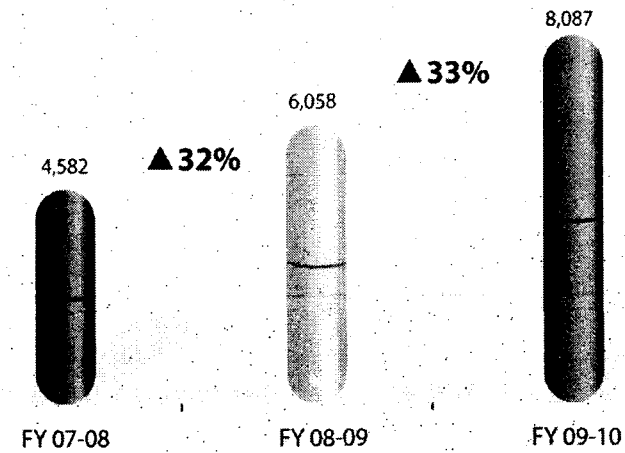
**API Process Research Center,
Dabhasa**

Financial highlights

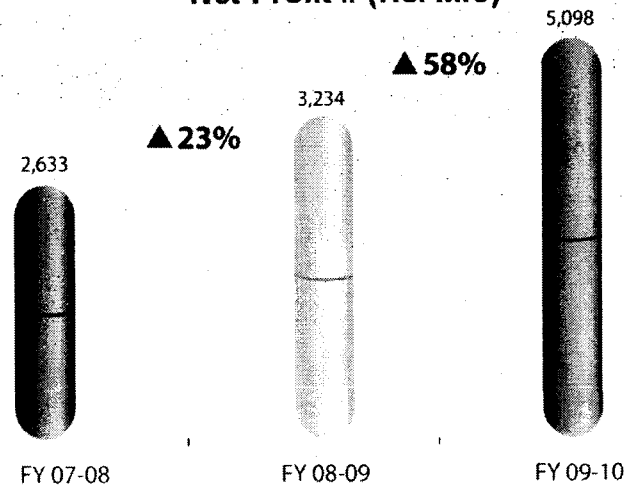
Income from Operations (Rs. Mio)



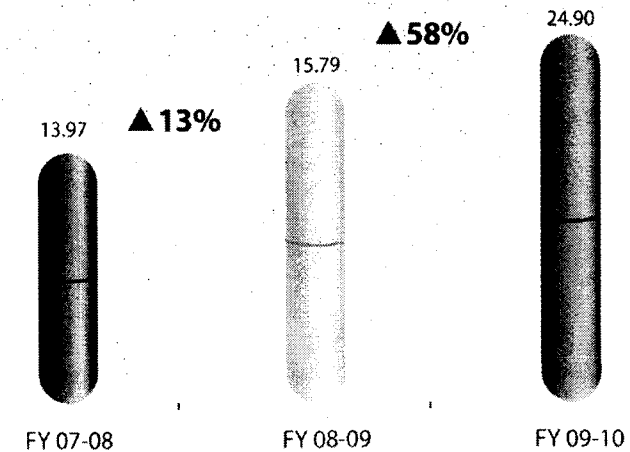
EBIDTA (Rs. Mio)



Net Profit # (Rs. Mio)



EPS # (Rs.)

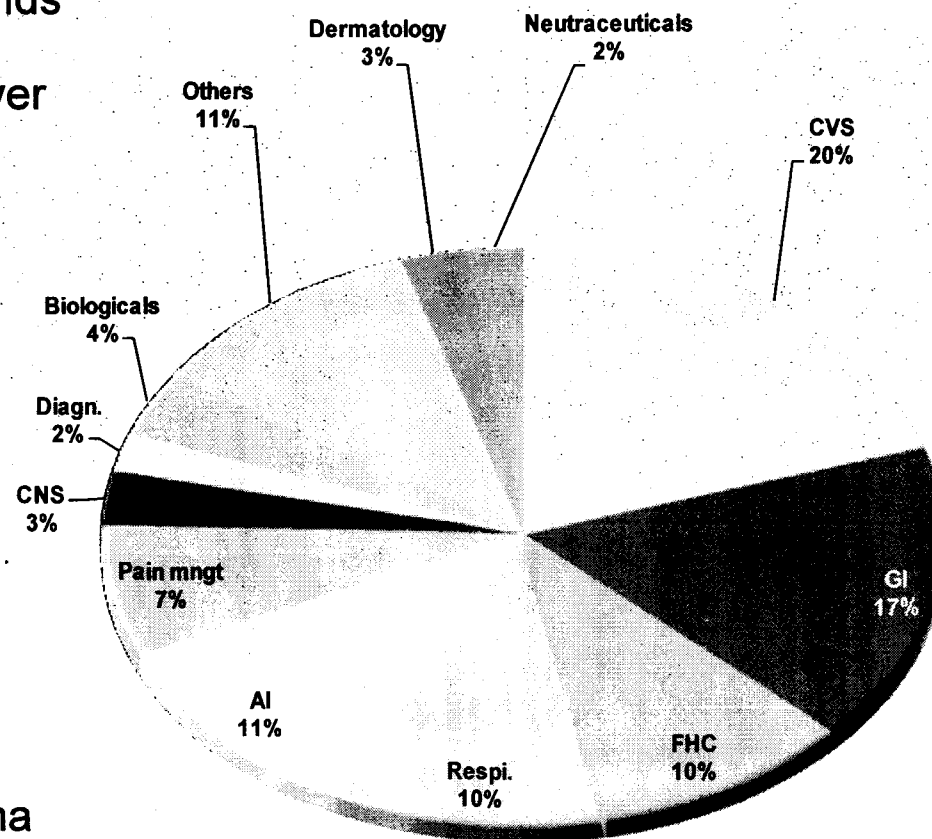


Net Profit and EPS exclude Exceptional Items.

5th largest in Indian Pharma market with ~ Rs 17 bn sales

- Leading positions in key segments – CVS, GI, Female Healthcare and Respiratory
(participated market segments)
- 15 brands amongst country's top 300 brands
- New product launches – a key growth driver
 - Launched >50 new products and line extensions during Apr-Sep 10
 - 19 were first in India
- Dedicated task force of > 4400 people with therapeutic focus
- In-licensing arrangements with Bayer Schering Pharma, Boehringer Ingelheim, Nycomed, Baxter, Genzyme Inc.
- Recently entered into JV with Bayer Healthcare for sales and marketing pharma products in different therapeutic areas

Therapeutic Area-wise Sales Break-up of Branded Formulations (FY 09-10)

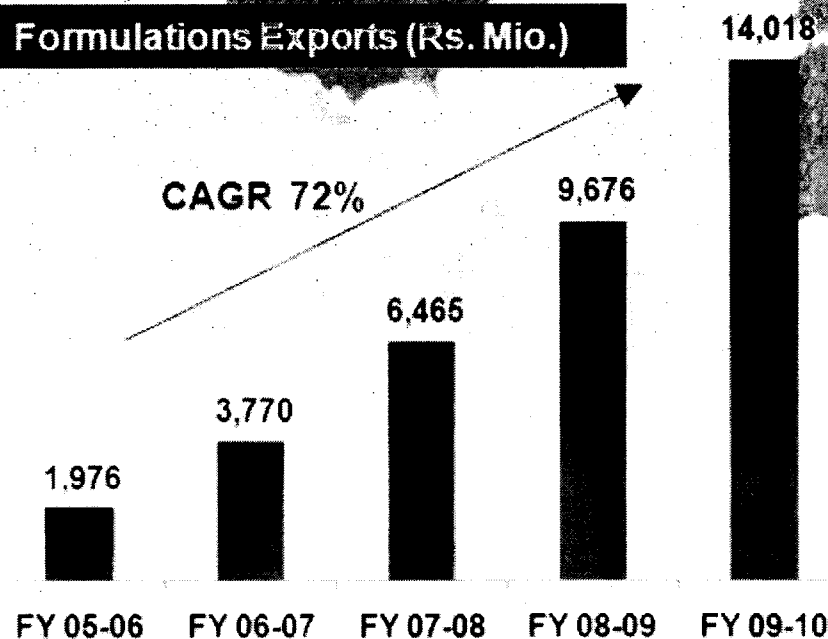


International formulations : two-fold focus

Focusing on developed generic markets (~29% of global sales)

- ✓ US - Zydus Pharmaceuticals USA Inc.
- ✓ Europe
 - France - Zydus France SAS
 - Spain - Laboratorios Comibix
- ✓ Japan - Zydus Pharmaceuticals Japan Co. Ltd.

Formulations Exports (Rs. Mio.)



Driving growth in emerging markets (~10% of global sales)

- ✓ Brazil –
 - Branded - Quimica e Pharmaceutica Nikkho Do Brazil Ltda.
 - Generics – Zydus Healthcare Brazil Ltda.
- ✓ Mexico - Zydus Pharmaceuticals Mexico S.A.
- ✓ Emerging Markets
 - Asia Pacific - Sri Lanka, Myanmar, Taiwan, Philippines
 - South Africa - Smayla Pharma. Pty. Ltd.
 - Africa, Mid East - Sudan, Uganda, Algeria

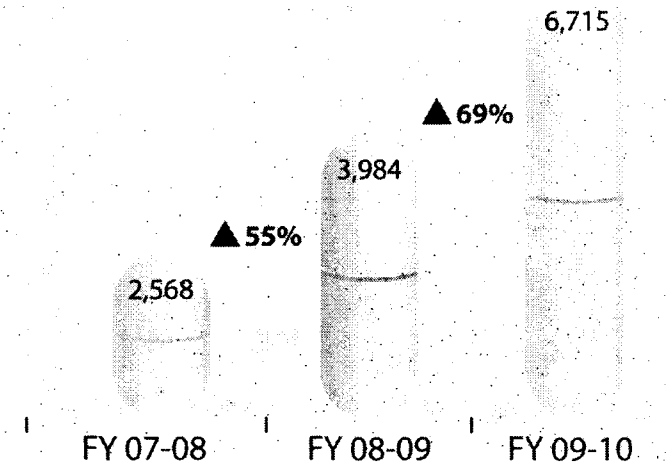
Product Portfolio

- ✓ Robust pipeline of new products across markets
- ✓ Initiatives to add specialty and niche dosage forms in the portfolio

Among the top 20 and one of the fastest growing generic companies in US

- Started operations in 2005 and adopted a "Customer Centric Model"
- 39 products launched. 8 -10 products to be added every year
- 15 products enjoy >20% market share
- "Preferred Supplier" for many customers
- Focusing on delivery based, difficult to make products, the next growth driver

Gross Sales - US (Rs. Mio)



DMF Filings

96

ANDA Filings

118

ANDA Approvals

59

Products
Launched

39

KEY REGULATORY STRENGTHS

- A robust regulatory pipeline
- Over half of the products use own API
- Started filing ANDAs for Nasal (7 so far) and Parenterals (15 so far)
- Plan to file 12 -15 ANDAs p.a.

Over 2.65 % market share in participated French market; 30 product launches in Spain

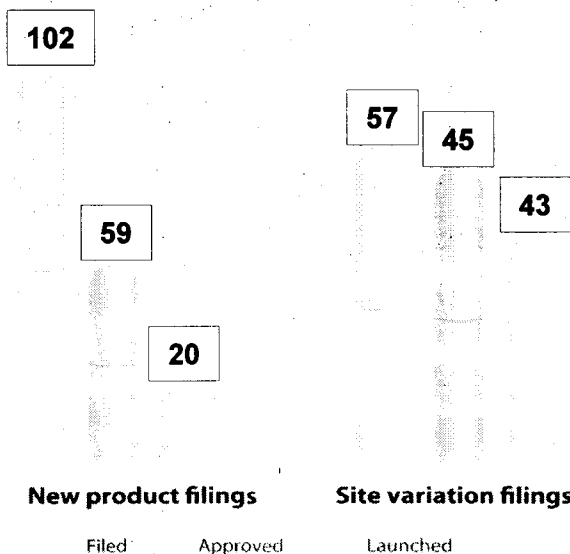
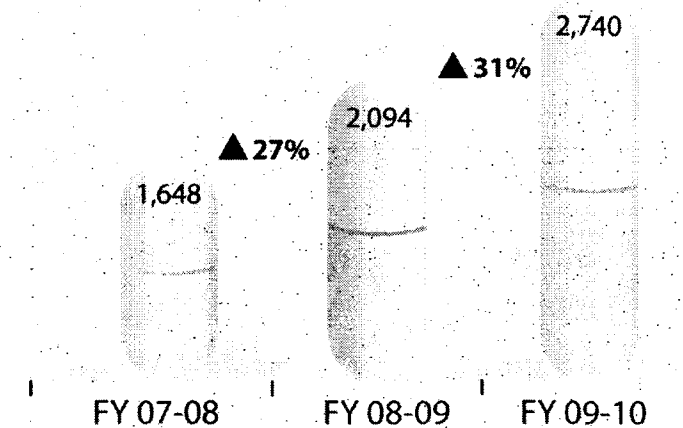
Among top 10 in Euro 3 bn French generics market

- Launched >200 presentations (>90 molecules) in France
- Focusing on expanding market coverage thru new product launches incl. Day 1 opportunities
- Continuous focus on enrichment of customer relations and portfolio expansion thru new launches

Acquired Laboratorios Combix in 2008 to enter Euro 0.7 bn Spanish market

- Launched 30 molecules in Spain so far
- Plan to increase portfolio to tap less penetrated market

Gross Sales - Europe (Rs. Mio.)



KEY STRENGTHS

- Leveraging India's low cost base – started supplying over 35% of France sales from India
- New product filings include 39 products for Spanish market

Strategies for Japan :

World's 2nd largest pharma market

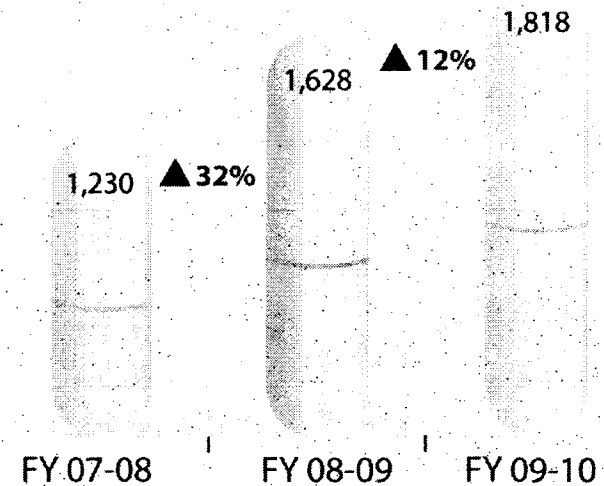
- Generic market valued at >\$ 3.5 bn, growing at ~12%, with very low generic penetration of ~6% in value terms, 19% in volume terms (*Source : IGPA*)
- Acquired Nippon Universal Pharma. Ltd. (NUP, now Zydus Pharma Japan) with a marketing set-up and a small manufacturing facility in FY 07-08
- Plans to establish NUP as a generic player in Japan by introducing new products through in-licensing route as well product registrations from India
- Launched >25 new in-licensed products in last two years
- Dedicated field force of >30 people to address the requirements of the customers
- Sales of Rs. 316 Mio. in FY 09-10, up 44%



Strategies for \$ 13bn Brazilian pharma market

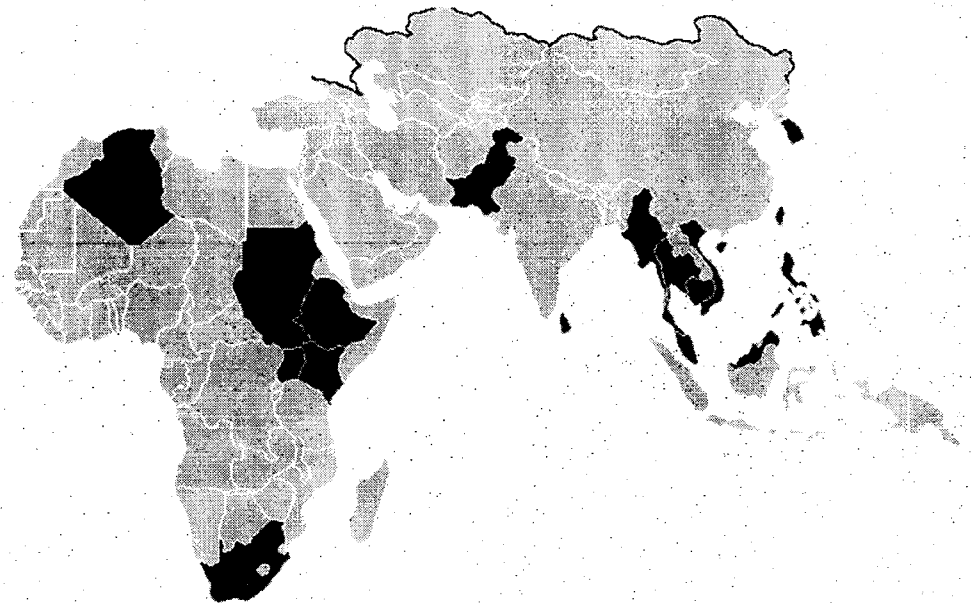
- Set up Zydus Healthcare Brazil Ltda (100% subsidiary) to enter generics market in 2005-06
- Filed 63 dossiers so far for generic and branded products from India, of which 20 have been approved.
- Launched 14 generic products so far
- Acquired Nikkho in 2007-08 to foray into the fast growing, profitable and sustainable branded generics segment
- A profit-making co., Nikkho has a mfg. facility and strong marketing and distribution network in Brazil
- Expanded the branded basket to over 25 products with launch of several new brands from India and a few acquired brands
- Planning to increase product portfolio in both branded and generics market with 8-10 launches every year

Gross Sales - Brazil (Rs. Mio.)



Achievements in the fast growing emerging markets

- Operations in ~20 semi / non regulated emerging markets of Asia Pacific, Africa and Middle East regions
- Focusing on rapidly growing markets of South Africa, Taiwan and Philippines
- No.1 Indian company in Uganda and Sudan and amongst top 3 Indian pharma cos. in Sri Lanka and Myanmar
- Acquired Simayla Pharma of South Africa, Africa's largest and only regulated market
- Plan to launch several new products in South Africa from the group's strong pipeline built from India and leverage Simayla's marketing capabilities
- Only Indian company to start operations in Taiwan successfully
- Registered CAGR of >20% over last 3 years with sales of Rs. 1590 Mio. in FY 09-10



Strong brand equity in highly potential consumer wellness segment in India

- Zydus Wellness Ltd. – spearheading operations in consumer wellness segment
- Strong presence in niche categories

Sugar Free

- India's largest selling sugar substitute with >80% market share (*Source : AC Nielsen*)
- Growing at CAGR of >25% in last 3 years, crossed sales of Rs. 1 bn in FY 09-10

EverYuth

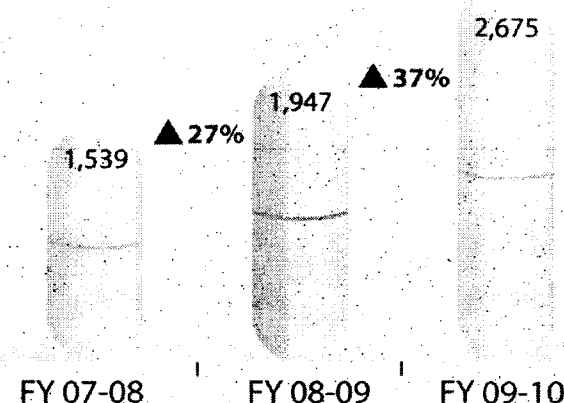
- Skincare product range with leadership in peel-offs, scrubs and face wash categories
- Growing at CAGR of > 35% in last 3 years

Nutralite
Healthier than Butter

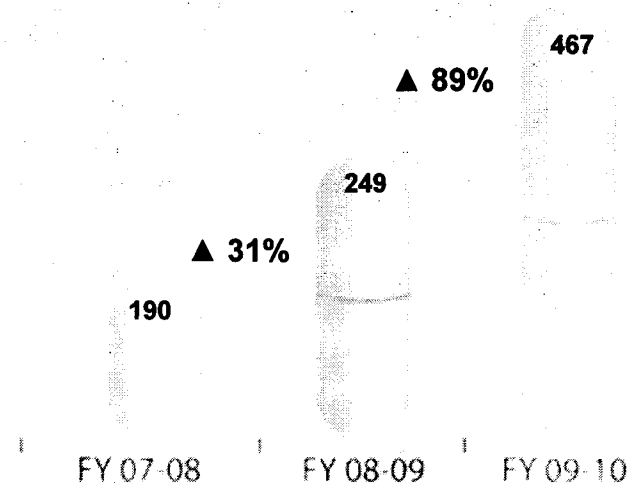
- India's largest selling margarine growing at CAGR of >25% in last 3 years

- Continuous thrust on category expansion through launch of newer variants, also exploring possibilities of launching new categories in wellness domain
- Aim to cross sales of Rs. 500 cr. by 2013

Gross Sales - Wellness (Rs. Mio.)



Net Profit # - Wellness (Rs. Mio.)

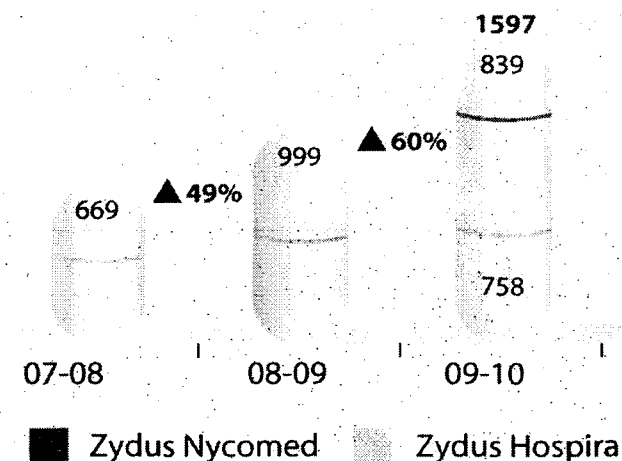


Excludes Exceptional Items

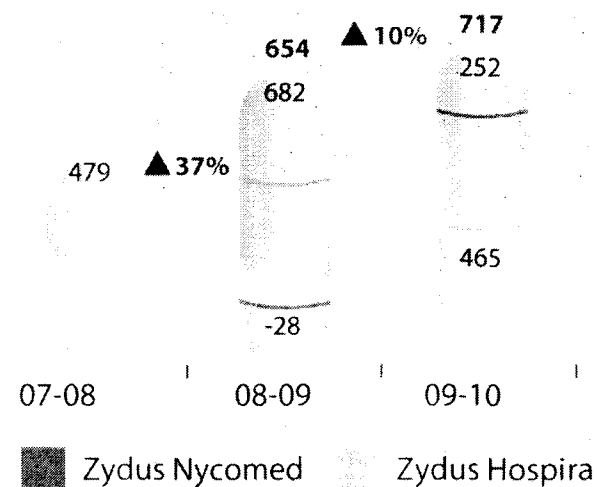
Unlocking value through win-win alliances

- **Zydus Nycomed JV – most successful contract manufacturing JV in India**
 - State-of-the-art mfg. facility for Pantoprazole key intermediates
 - Commissioned the expanded facility to manufacture complex high-end APIs for Nycomed
- **Zydus Hospira - JV for oncology injectables**
 - State-of-the-art cytotoxic facility in SEZ – approved by MHRA, USFDA, TGA and Health Canada
 - Plan to manufacture 6 oncology products
 - Commercial supplies for EU market commenced
- **Zydus BSV - JV for oncology NDDS**
 - State-of-the-art mfg. plant in SEZ near Ahmedabad
 - Launched NDDS product in India as *Nudoxa*
- **Strategic out-licensing deal with Abbott Labs**
 - To license 24 products for 15 key emerging markets
 - Option to include 40 additional products

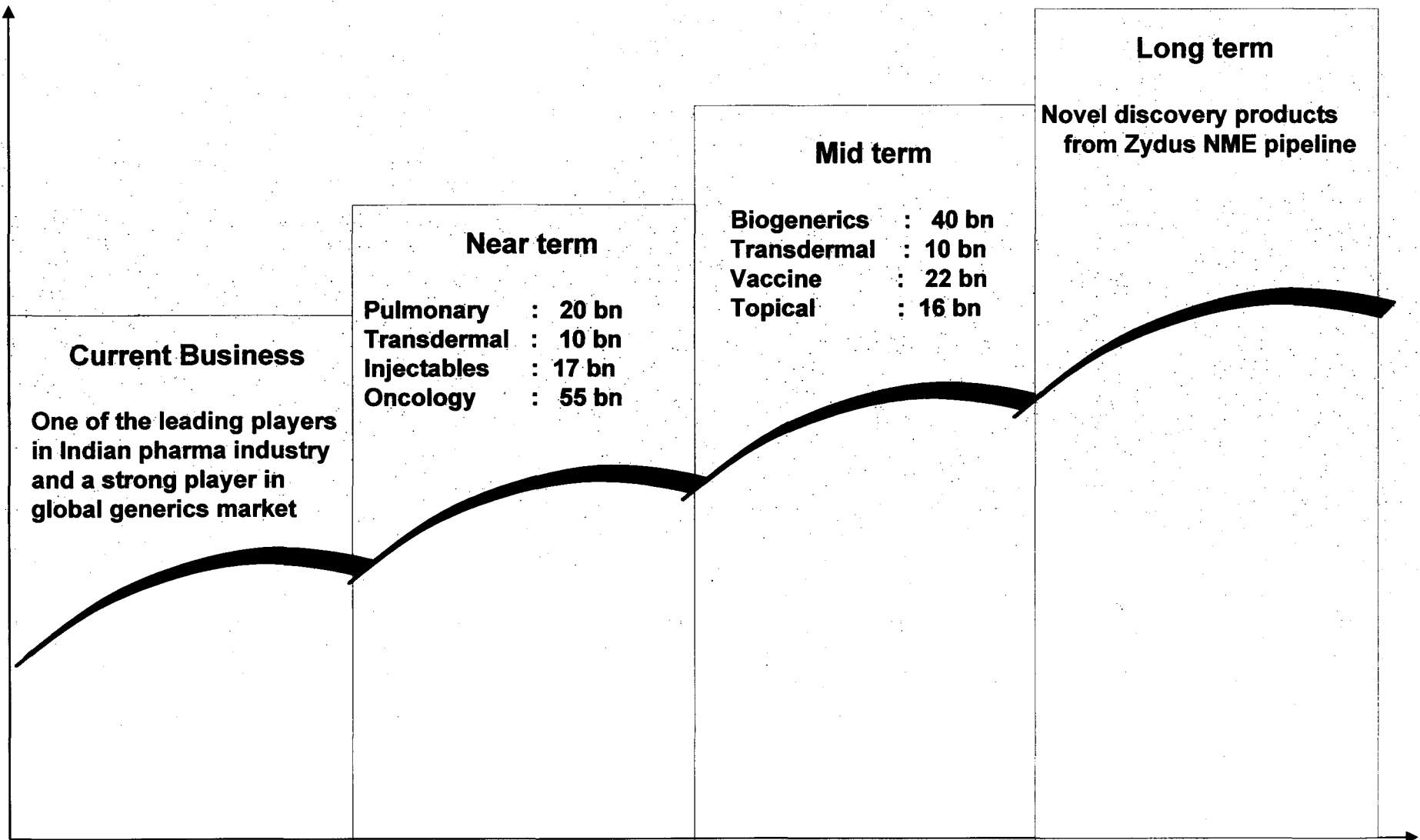
Sales Contribution from JVs (Rs. Mio.)



Net Profit Contribution from JVs (Rs. Mio.)



Ongoing Investment in Newer Portfolios Worth over \$ 180 bn



Note: Value indicated is estimated brand sale (\$)

A scientific talent pool of ~1050 and investing over 5.5% of the turnover on research

Zybus Research Centre (ZRC)

- Located in Ahmedabad
- Focus on NME Research, Biologicals & NDDS

Pharmaceutical Technology Centre (PTC)

- 2 centers – one located in Ahmedabad, another in Mumbai
- Focus on Finished Dosage Form Development & NDDS

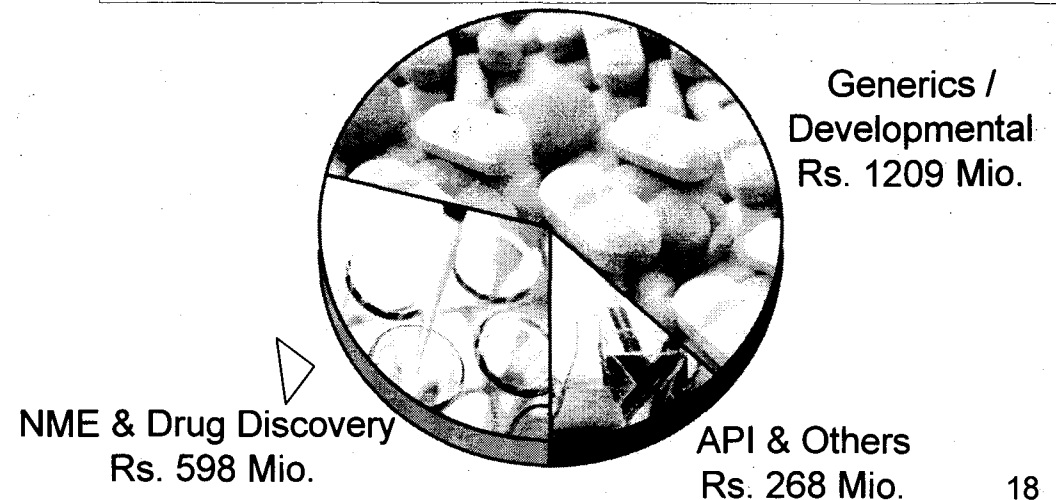
API Process Research

- Located in Dabhasa, Gujarat
- Focus on Process Development

Talent Pool of ~1050 Scientists



R&D Investment : Rs. 2075 Mio. in FY 09-10



Dedicated facility for NME research : Zydus Research Centre

- Areas of focus:
Dyslipidemia, Diabetes,
Obesity, Inflammation
- Facility for target
identification to pre-
clinical research / early
clinical development
- Signed a new drug
discovery and
development pact with Eli
Lilly and Co., focused on
cardiovascular research
- Joint research with Karo
Bio, Sweden for non-
steroidal glucocorticoids
- Initiated NDDS product
development based on
Nanotechnology

Project	Target	Indication	Drug Discovery	Lead Optimis- ation	Preclinical Develop-ment	IND	Phase I	Phase II	Phase III	NDA
ZYH1	PPAR alpha: gamma	Dyslipidemia								
ZYI1	Multi-model	Pain								
ZY01	CB-1 antagonist	Obesity; Diabetes								
ZYH2	PPAR alpha: gamma	Diabetes								
ZYH7	PPAR alpha	Dyslipidemia								
ZYT1	TR beta agonist	Dyslipidemia								
ZYD1	GLP-1 agonist	Diabetes								
	GLP-1 agonist	Diabetes								
ZY0G1	Undisclosed	Diabetes								
	Undisclosed	Atherosclerotic Plaque								
Collaborative program	Selective GR agonist	Inflammation								
Collaborative program	Undisclosed	CVS								

Biosimilars and Vaccines – The Next Big Opportunity

Biosimilars :

- Strong pipeline: 15 biosimilars and 2 novel products
- Strong IP position either through own patent or non-infringing processes
- 120 experienced scientists dedicated to Biosimilars programme
- End to end product development and manufacturing to be done in-house

Product	Expression Host	Development	CT	Launch
G-CSF	E. coli			
Peg G-CSF	E. coli			
IFN-a 2b	P. pastoris			
Peg IFN-a 2b	P. pastoris			
IFN-b 1b	E. coli			
EPO	CHO			
Prod 1	CHO			
Prod 2	E. coli			
Prod 3	E. coli			
Prod 4	CHO			
MAB 1	CHO			
Tenecteplase	CHO			
MAB 2	CHO			
MAB 3	CHO			
MAB 4	CHO			
Peg EPO	CHO			
Rabies Mabs	Murine			

Vaccines :

- Acquired Etna Biotech, Italy, engaged in vaccine research and development
- State-of-the-art Vaccine Technology Center under construction
- Developed high quality vaccine for H1N1 in-house
- 1st Indian co. to launch H1N1 vaccine
- Several other vaccines under different stages of development

Key Financial Numbers – Apr-Dec 10

	Rs. Mio.		
Consolidated Profitability	Apr-Dec 10	Apr-Dec 09	Growth y-y%
Domestic Sales	17,197	14,561	18.1%
Exports Sales	16,169	13,321	21.4%
Total Gross Sales	33,366	27,883	19.7%
Total Income from Operations *	33,699	28,403	18.6%
EBIDT *	7,534	6,193	21.6%
EBIDT % to Total Income	22.4%	21.8%	
Net Profit *	4,955	3,864	28.3%
Net Profit % to Total Income	14.7%	13.6%	
EPS - not annualised (Rs.) *	24.20	18.87	28.3%
Consolidated Financial Position	Dec-10	Dec-09	Change
Net Worth	21,599	16,285	32.6%
Net Debt (Ex Cash)	7,717	8,398	-8.1%
Net Fixed Assets	21,427	19,326	10.9%
Net Current Assets (Ex Cash)	9,443	6,581	43.5%

* Excluding dossier licensing fees received from Abbott Labs.

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