

Regd. Office :

'Zydus Tower',
Satellite Cross Roads,
Ahmedabad 380 015. India.
Phone : +91-79-2686 8100 (20 Lines)
Fax : +91-79-2686 2368
www.zyduscadila.com
CIN:L24230GJ1995PLC025878

BSE Limited 1st Floor, P.J. Towers Dalal Street <u>Mumbai – 400 001</u> Kind Attn.: Mr. Sanjay Golecha / Mr. Gopalkrishnan	National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) <u>Mumbai – 400 051</u> Kind Attn.: Famroze Pochara Asst. Vice President
Date: May 30, 2016	
Re.: Intimation for Investors' Presentation.	

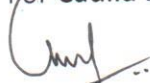
Dear Sir / Madam,

We enclose herewith a copy of the Investors' Presentation proposed to be made by Mr. Pankaj R. Patel, Chairman and Managing Director of the Company at the investor's conferences to be held on June 1, 2016 and June 2, 2016, being organized by Morgan Stanley and B & K Securities.

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

May 2016



Well integrated pharma player with global footprints

▶ > 60 years

Operational experience

▶ 9th 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)

▶ 15 brands

Among top 300 brands in India

▶ 20 Biosimilars

In pipeline, including 6 novel biologics

▶ ~20% CAGR

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

▶ 19,000+ employees

Across the globe, with ~1200 for R&D

▶ 1190 patents

Filed globally

▶ ~ \$ 4.9 bn

 Market Cap

▶ 25+ mfg. sites

Producing > 15bn pills annually

▶ 8 R&D Centers

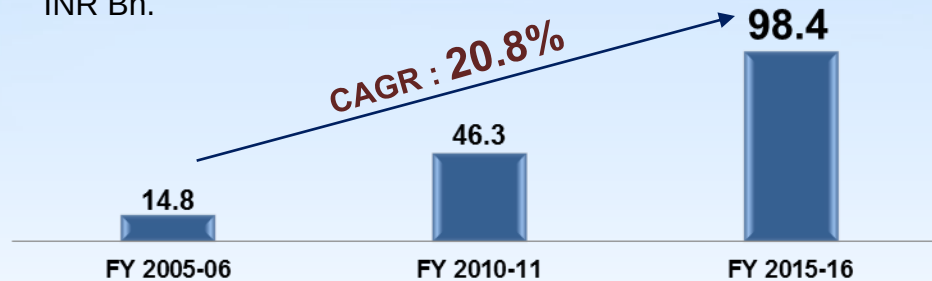
For NCE, APIs, Generic formulations, Biosimilars and Vaccines



Track Record of Value Creation...

Total Income
from
Operations

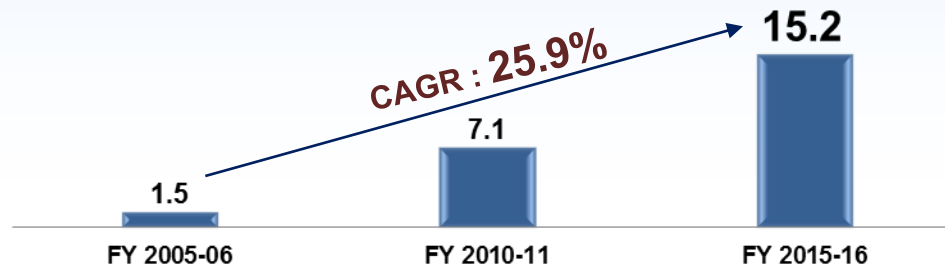
INR Bn.



... which gave us
significant external
recognition

Net Profit

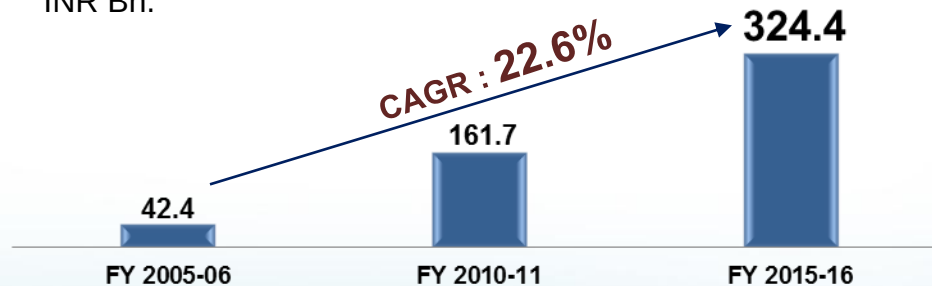
INR Bn.



CII
Industrial
Innovation
Awards
2015

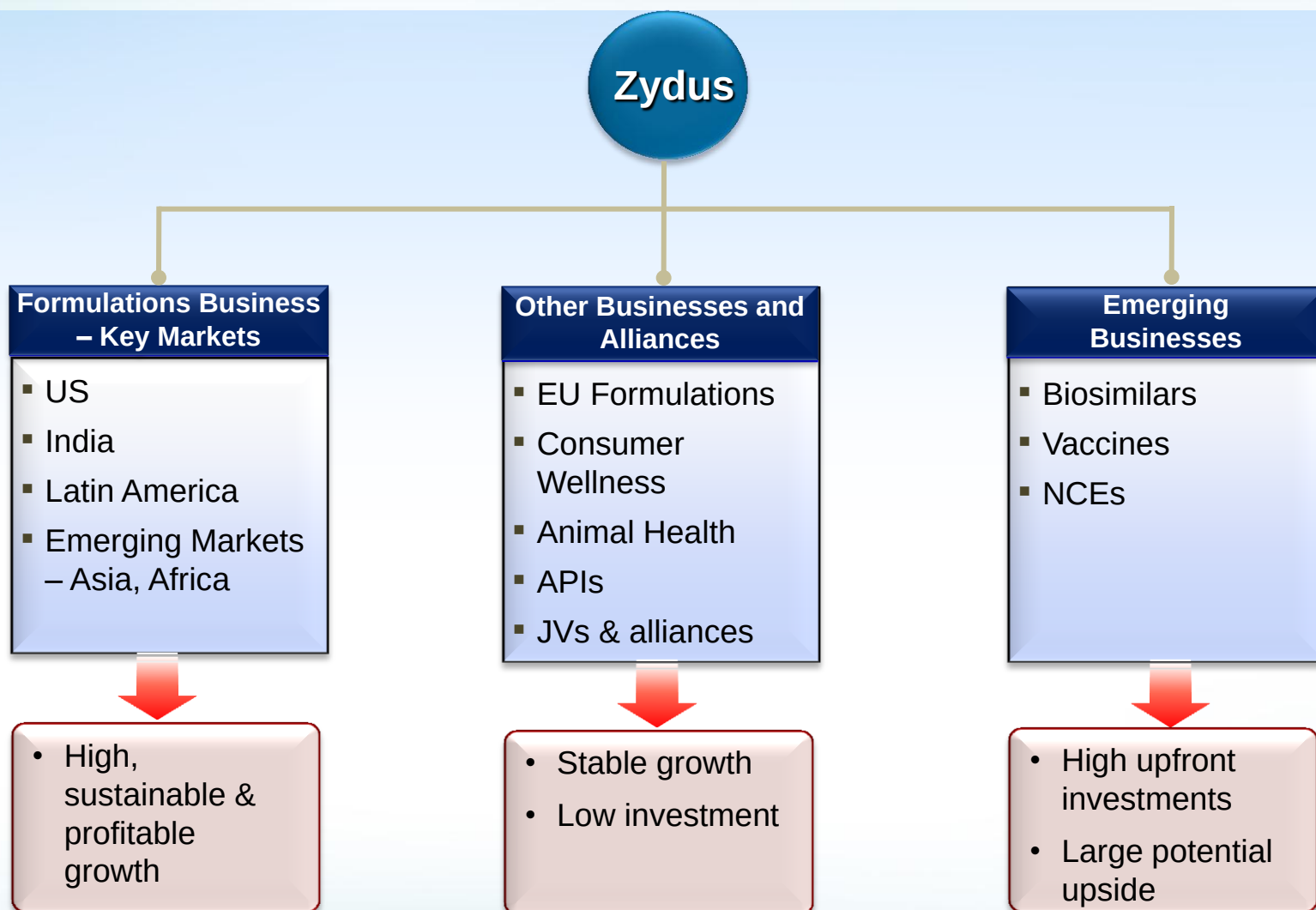
Market
Capitalisation
*

INR Bn.



CNBC –
TV 18
India
Innovator
Award 2013

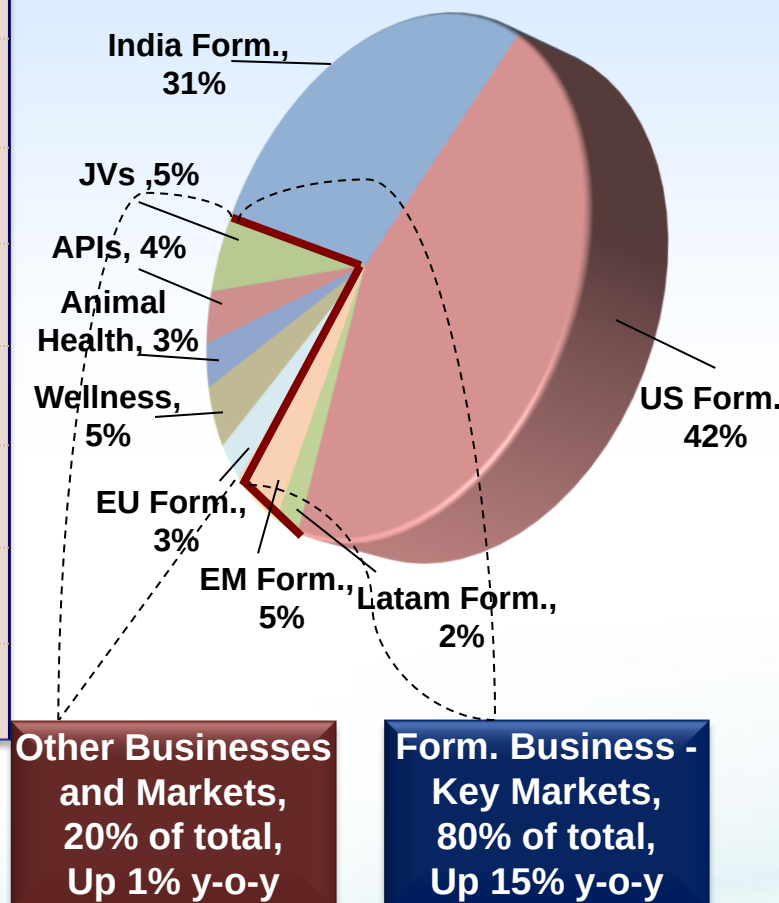
Key businesses for ZyNext journey



Key Financial Numbers – FY 2015-16

Consolidated (Rs. Mio.)	Amount	Gr.%
Total Income from Operations	98,376	13.7%
EBIDT	23,829	35.7%
EBIDT % to Income from Ops.	24.2%	
Profit before tax	21,236	46.9%
PBT % to Income from Ops.	21.6%	
Net Profit	15,226	32.3%
Net Profit % to Income from Ops.	15.5%	
R&D Spend % to Income from Ops.	7.7%	
Debt net of cash (as at 31-Mar-16)	17,467	
Capex (FY 2015-16)	9,477	

Segment-wise Gross Sales *



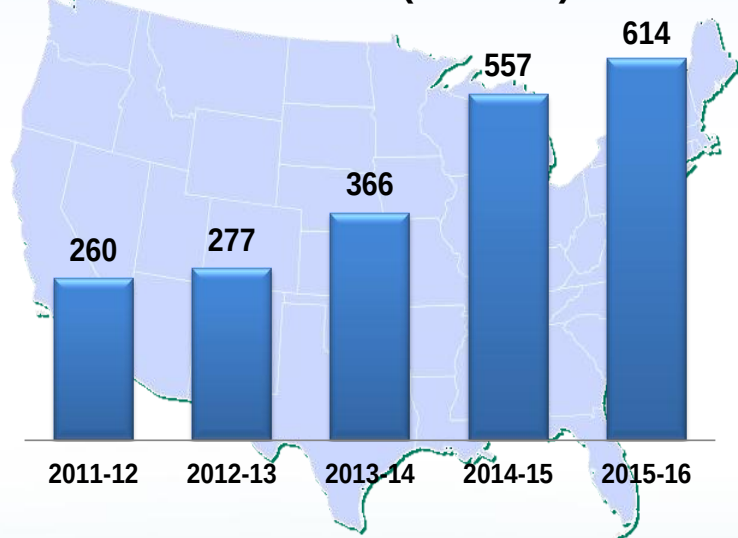
* Gross Sales = Rs. 96,597 Mio.

US formulations – 9th largest generic player (based on scripts)

Market size* : ~\$ 68 bn
Market growth* : 4%+
Zydus size** : ~ \$ 614 mn
Zydus growth** : 10%

24% CAGR in Sales (Last 5 years)

Gross Sales (USD mn)



Aspirations

- Be amongst the top 10 generic cos. in US with continued strong focus on customer needs
- One of the significant contributors to revenues and profits

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 - 265+ ANDA fillings, 100+ approvals
- Alliance with AbbVie for sale of authorized generics (AGs)
- 70+ products launched so far (incl. 8 AGs)
- Among top 3 for ~3/4th of the products marketed in US
- Ranked 9th among US generic companies based on scripts (Source : IMS).

US formulations – strong product pipeline

Growing Focus on Complex Generics

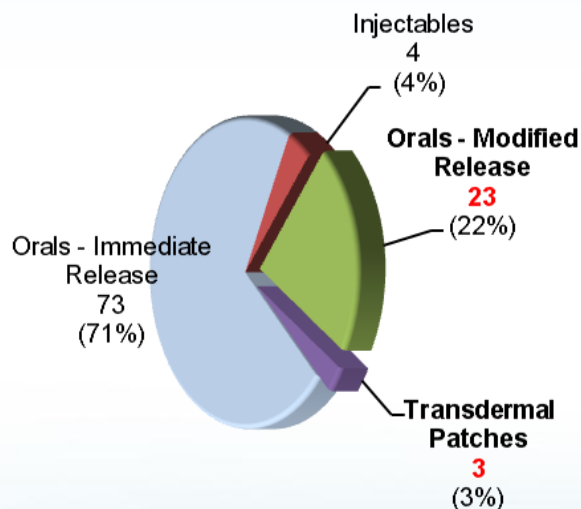
- Immediate Release Oral Solids
- Injectables
- Controlled Substances



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

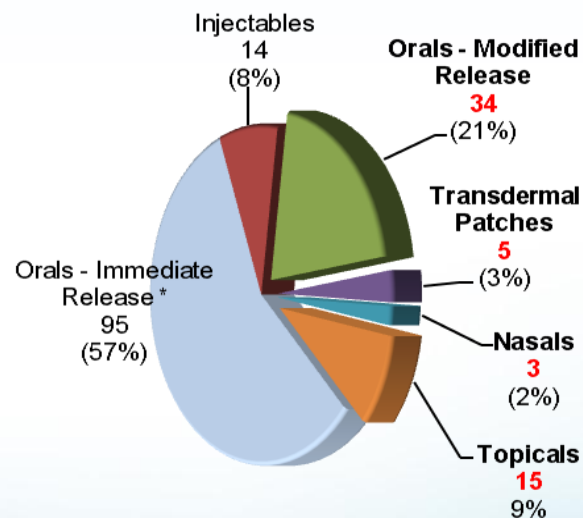
Total Approved ANDAs – 103⁽¹⁾

As on March 31, 2016



Total ANDAs Pending Approval – 166

As on March 31, 2016



India formulations – 4th largest player

Aspirations

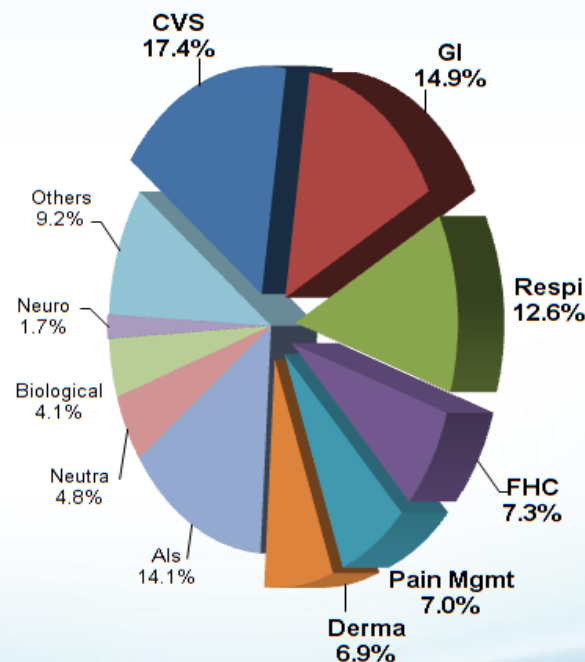
- Leadership in CVS, female healthcare and pain mgt. area, among top 5 players in GI, respiratory and derma
- Continue to be one of the significant contributors to revenues and profits

Strengths to be leveraged

- One of the largest market players with leading positions in key therapy areas
- Strong brand equity : 15 brands among top 300 in India
- New product launches : > 40 during FY 2015-16 (incl. line extensions), with 10 First-in-India
- Alliances with global players for new product launches – Sovihep (Sofosbuvir)
- 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, the world's largest selling therapy

Market size*	: Rs. 980 bn+
Market growth*	: 13%
Zydus size**	: Rs. 41 bn+
Market Share**	: 4.25%
Zydus growth**	: 12%

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\$ 78 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 - 95 filings, 40 approvals
- Focused segments (Branded) – female healthcare, hepatology, CNS, CVS, Nutraceuticals and Pain Mgt.
- Product launches : 25+ branded, 20+ generic generics

Mexico

Mkt. Size* :
~ **US\$ 9 bn.**
Mkt. Gr. : ~ **-11%**

- 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 16 products in the market so far.

In overall Latin America :

Zydus Size** :
Rs. 2,177 mn
Zydus growth** : **24% in constant currency**

Emerging Markets formulations

Market size* : ~ \$ 13 bn
Market growth* : ~ 12-13%
Zydus size** : Rs. 4,760 mn
Zydus growth** : 17%

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 by launching the first biosimilar viz. Pegihep in FY 2015-16.



Other businesses (1/2)

EU formulations

Mkt. Size* : ~Euro 5.4 bn (France + Spain Gx)
Mkt. Gr. : 2.5%
Zydus Size **: Rs. 2,956 mn
Zydus Gr. : -12%

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 145+ molecules in France and 105+ molecules in Spain so far (incl. several 'Day 1')
- Leveraging India cost advantage : 200+ new products and 65+ site transfer filings so far, >50% of sales supplied from India

Consumer Wellness

Sugar Free

Zydus Size **: Rs. 4,570 mn
Zydus Gr. : 3%

Nutralite
Healthier than Butter

EverYuth

Aspirations : To create niches in wellness space through innovation

- Leadership in sugar substitutes (~94% market share), peel-off and scrub range for skin-care and margarine category in India
- Recently re launched EverYuth face wash range with fresh, new and contemporary looking packaging.

Other Businesses (2/2)

Animal Health

Zydus Size *: **Rs. 3,169 mn**
Zydus Gr. : **3%**

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. 3,647 mn**
Zydus Gr. : **-2%**

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
- Commissioned the expanded facility to manufacture complex high-end APIs
- Commercial supply of 10 products (incl. 2 for validation)

Zydus Hospira JV

- State-of-the-art cytotoxic facility approved by leading authorities like MHRA, USFDA, TGA, Health Canada
- Commercial supply of 10 products for EU market and 7 products for US market.

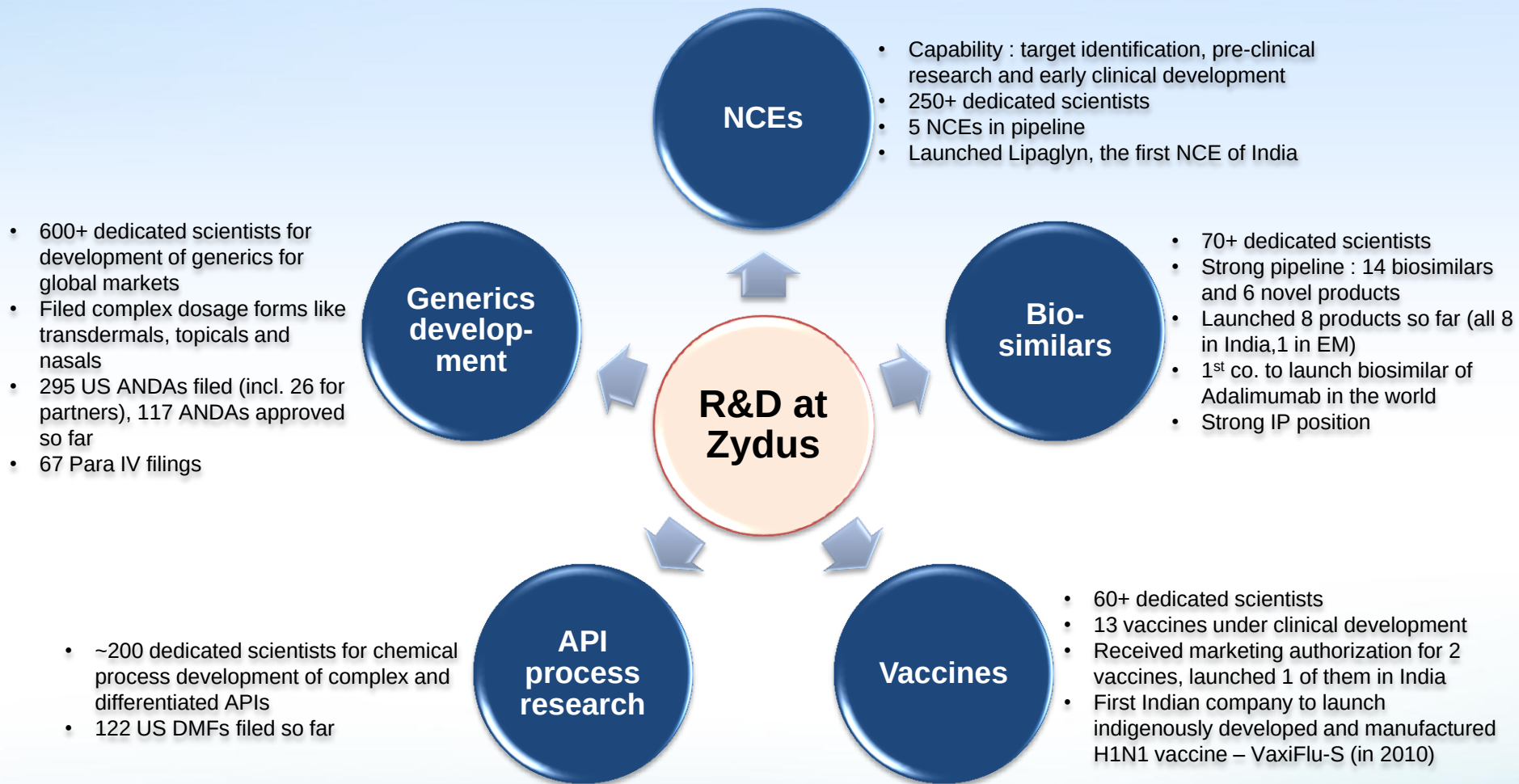
Bayer Zydus JV

- Operates in female healthcare, metabolic disorders, diagnostic imaging, CVS, diabetes and oncology segments in India
- Leveraging strengths of Bayer's optimised 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, 14 approved, 11 commercialised.
- Received the first NDA approval from US FDA which was filed on behalf of a partner.
- Commercial supply of 14 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: 14 biosimilars and 6 novel products
- Strong IP position either through own patent or non-infringing processes

Vaccines

- Dedicated R&D and mfg. facilities
- 60+ experienced scientists
- 13 vaccines under different stages of development
- Received MA for 2 vaccines in India, 4 vaccines submitted for MA

Biosimilar pipeline

No	Product	Indication	Cloning	Process Devp.	Pre-Clinical Devp.	Regulatory Permission	Clinical Devp.	Mktg. Authorisation
1	G-CSF	Oncology	LAUNCHED (in India)					
2	Peg G-CSF	Oncology						
3	IFN α -2b	Infectious diseases						
4	EPO	Oncology/Nephrology						
5	Teriparatide	Osteoporosis						
6	Adalimumab	Inflammation						
7	Trastuzumab	Oncology	Launched in India and EM (Myanmar)					
8	Peg IFN α -2b	Infectious diseases						
9	MAB 1	Oncology/RA						
10	MAB 2	Oncology						
11	Prod 1	AMI						
12	Prod 2	Fertility						
13	MAB 3	Rabies						
14	PEG-EPO	Nephrology						
15	Prod 3	Oncology						
16	MAB 4	Osteoporosis						
17	MAB 5	Oncology						
18	Prod 4	Oncology						
19	Prod 5	Oncology						
20	Prod 6	Complement mediated disease						

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
- 250+ scientists dedicated for NCE research
- Strong scientific advisory board comprising of world's renowned scientists, academicians and clinicians



Zydus
dedicated to life

NCE Pipeline

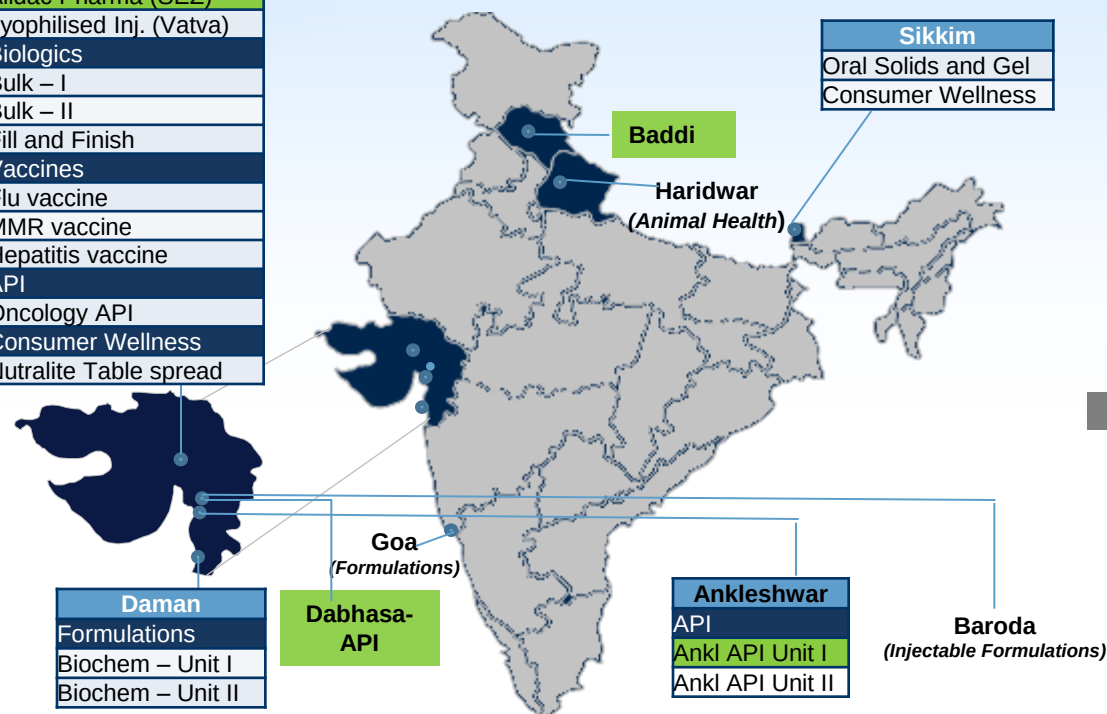
Project	Target	Indication	Drug Discovery	Lead optimisation	Pre-clinical Development	IND	Phase I	Phase II	Phase III	NDA
Saro-glitazar	PPAR- α , γ	Dyslipidemia	First glitazar to be approved in the world. Launched in India as "LIPAGLYN"							
Saro-glitazar	PPAR- α , γ	Hypertriglyceridemia	First glitazar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



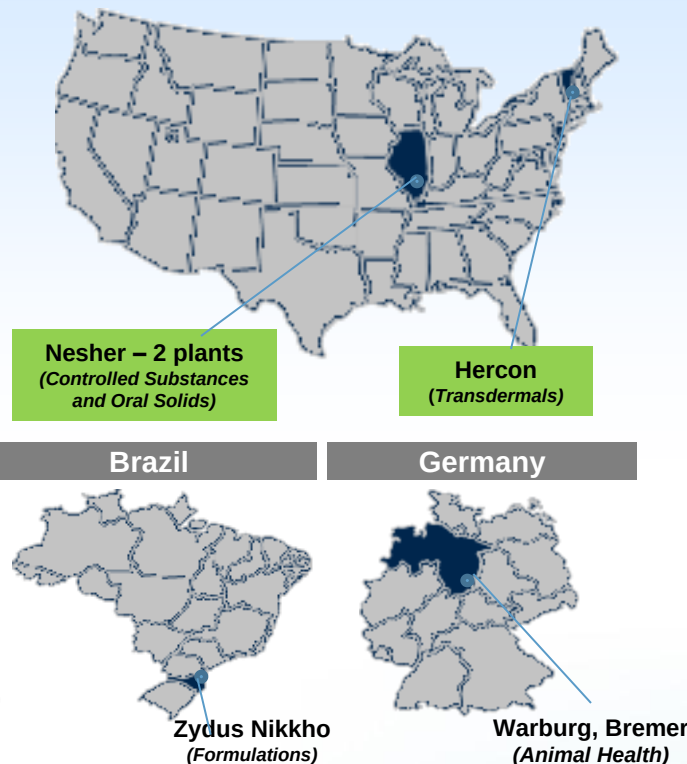
World class infrastructure to support ZyNext journey

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.



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

Total facilities inspected by US FDA – 10 (Formulations – 8, APIs – 2)

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.