Zydus
dedicated to life

Cadila
Healthcare Limited

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CIN:L24230GJ1995PLC025878

BSE Limited 1st Floor, P.J. Towers Dalal Street Mumbai – 400 001 **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) Mumbai – 400 051 **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

CADILA HEALTHCARE LIMITED AHMEDABAD

Encl.: As above.

Cadila Healthcare Limited

Investor Presentation

February 2017

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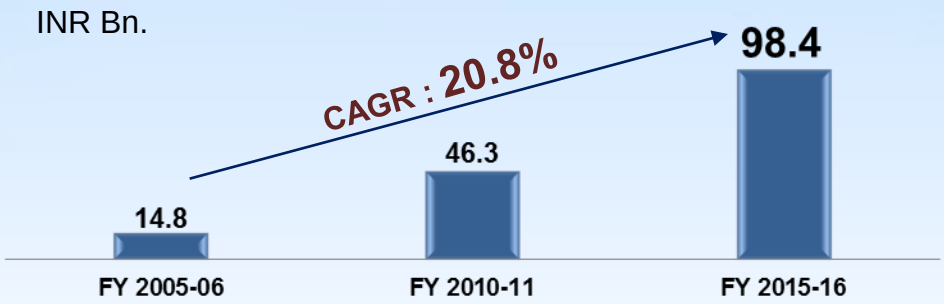
ZYNEXT 2020

Well integrated pharma player with global footprints

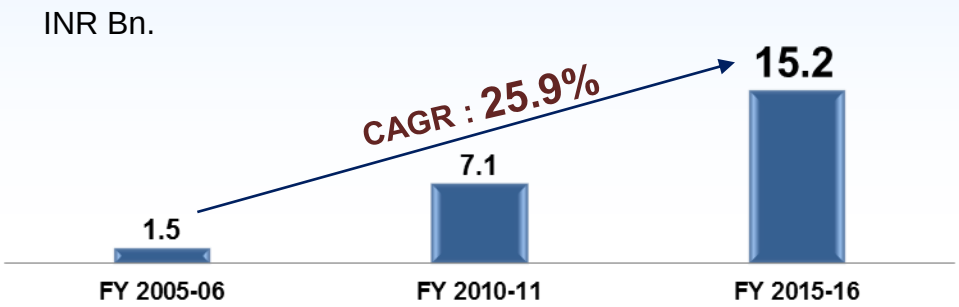
> 60 years Operational experience	**10th largest** Generic co. in US in terms of prescriptions	**1st Indian Company** To discover & develop an NCE in-house : Lipaglyn (Saroglitazar)
~ $ 1.5bn Global Revenues	**Among top 5** Pharmaceutical companies in India	**1st Company** To launch biosimilar of Adalimumab 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…

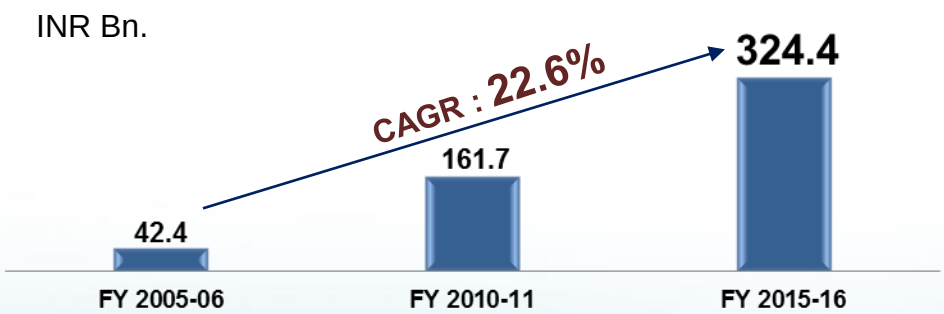
Total Income from Operations



Net Profit



Market Capitalisation *



… which gave us **significant external recognition**

CII Industrial Innovation Awards 2015

CNBC – TV 18 India Innovator Award 2013

* Market Capitalisation is calculated by applying the closing price of the financial year.

Key businesses for ZyNext journey

Zydus

Formulations Business – Key Markets

- US
- India
- Latin America
- Emerging Markets – Asia, Africa

- High, sustainable & profitable growth

Other Businesses and Alliances

- EU Formulations
- Consumer Wellness
- Animal Health
- APIs
- JVs & alliances

- Stable growth
- Low investment

Emerging Businesses

- Biosimilars
- Vaccines
- NCEs

- High upfront investments
- Large potential upside

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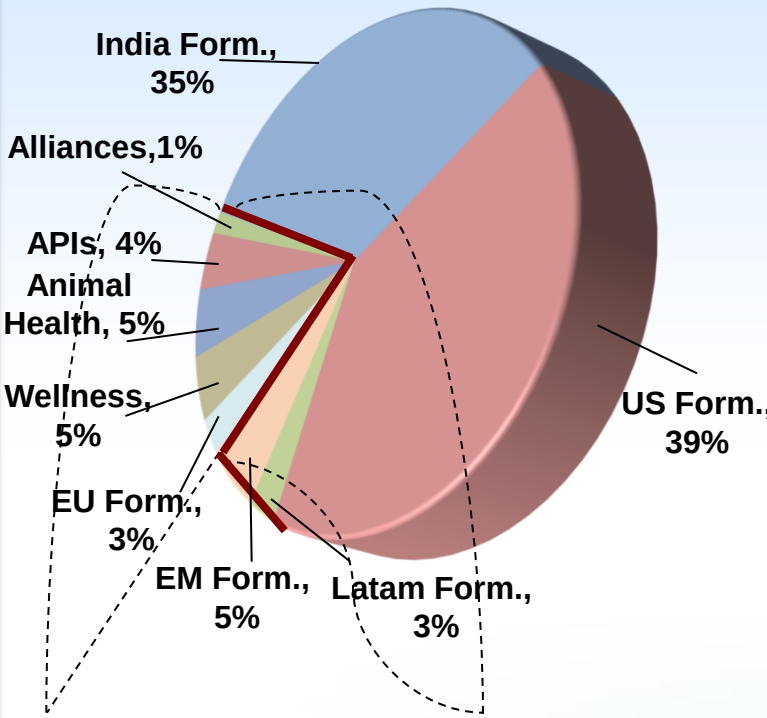
Key Financial Numbers – Apr-Dec 16

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

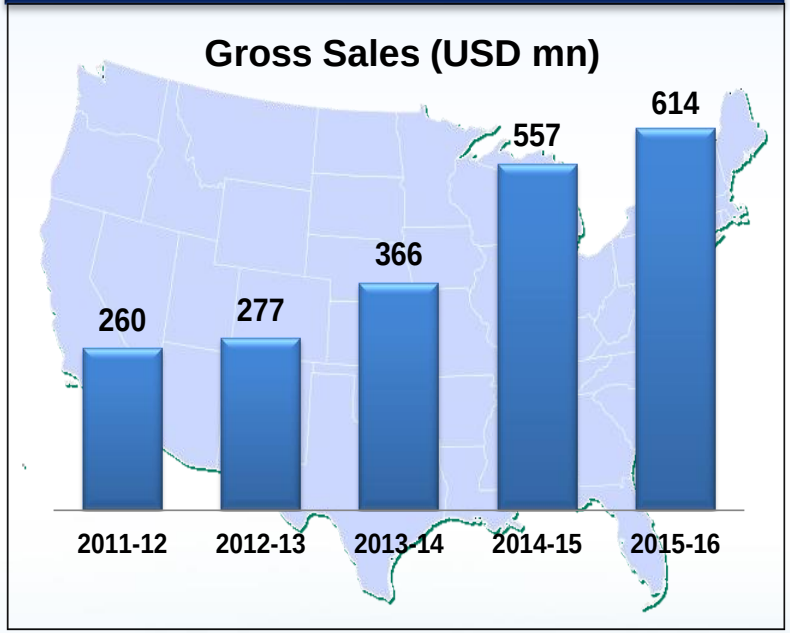
Form. Business - Key Markets, 82% of total, Down 2% y-o-y

* 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 fillings, 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

* Approx. numbers of US generics market as per IMS MAT December 2016 Report
** Zydus numbers include that of Nesher and Hercon, 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

US formulations – strong product pipeline

Growing Focus on Complex Generics

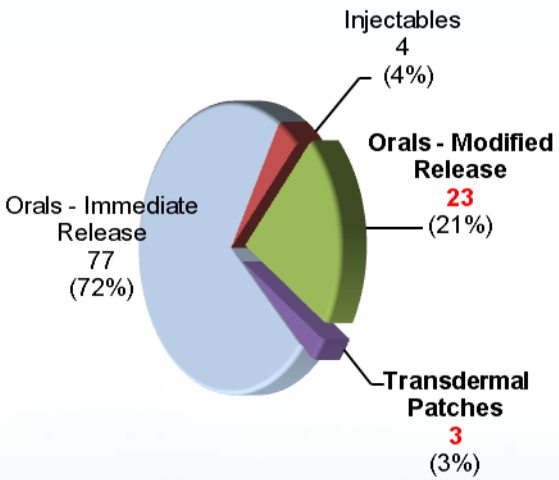
- Immediate Release Oral Solids
- Injectables
- Controlled Substances

+

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

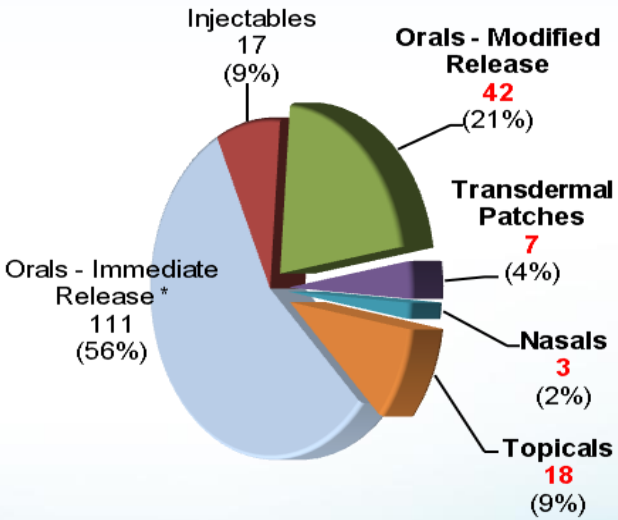
Total Approved ANDAs – 107[1]

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

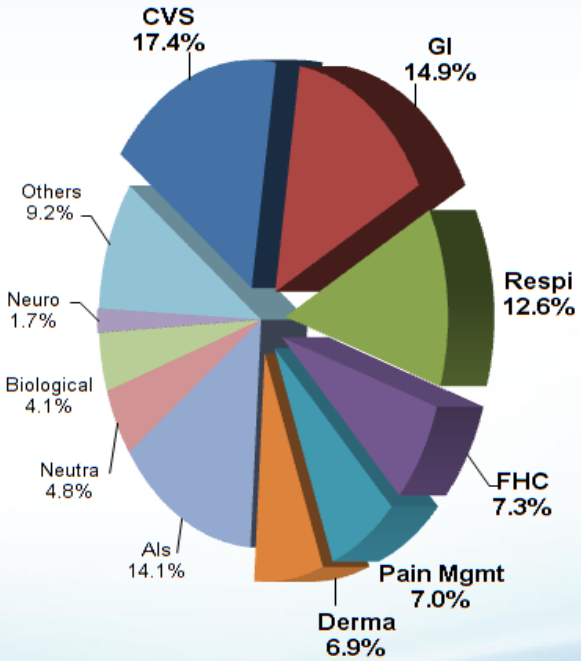
- Leadership in respiratory, female healthcare and pain mgt. area, among top 5 players in GI, CVS and derma
- Continue to be one of the significant contributors to revenues and profits

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

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

Key therapies : ~66% of total sales#



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

* All market related information sourced from AWACS MAT-Dec-16
** Zydus numbers including Biochem as reported by AWACS MAT-Dec-16
\# Sales of branded formulations in India for FY 2015-16.

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%**

* Approx. numbers of Brazil as per IMS MAT December 16 Report and approx. numbers of Mexico as per KNOBLOCH MAT December 16 Report
** 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

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.

* Approx. numbers as per EvaluatePharma for emerging markets
** 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 (1/2)

EU formulations

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

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

- 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

Aspirations : To create niches in wellness space through innovation

Sugar Free

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

Nutralite Healthier than Butter
EverYuth

- 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.

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* 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

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Other Businesses (2/2)

Animal Health

Aspirations : To be a comprehensive, global animal healthcare provider

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

- 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

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

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

- 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.

* 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

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

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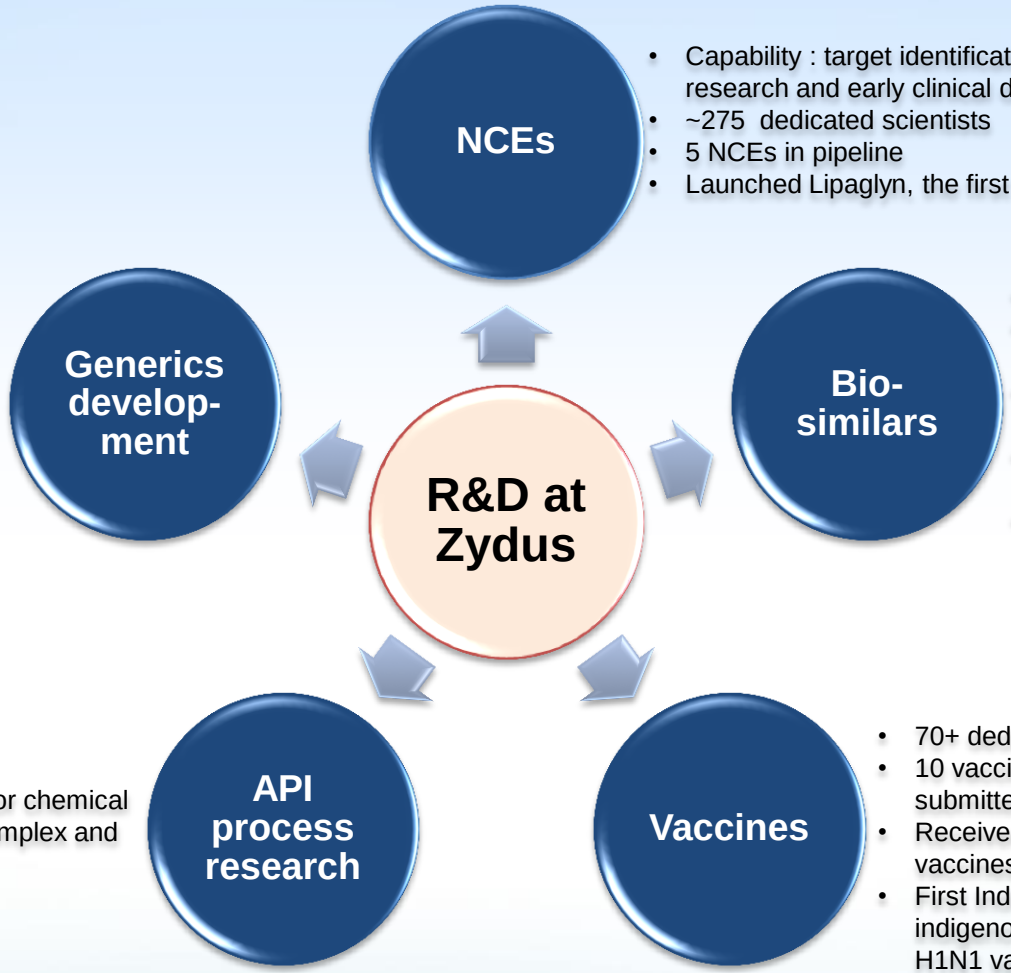
Strong focus on R&D



NCEs

- Capability : target identification, pre-clinical research and early clinical development
- ~275 dedicated scientists
- 5 NCEs in pipeline
- Launched Lipaglyn, the first NCE of India

Bio-similars

- 70+ dedicated scientists
- Strong pipeline : 18 biosimilars and 7 novel products
- Launched 8 products so far (all 8 in India,2 in EM)
- 1st co. to launch biosimilar of Adalimumab in the world
- Strong IP position

Vaccines

- 70+ dedicated scientists
- 10 vaccines under development (MA submitted for 1 vaccine, 9 in CT stage)
- Received marketing authorization for 9 vaccines, 2 of them launched in India
- First Indian company to launch indigenously developed and manufactured H1N1 vaccine – VaxiFlu-S (in 2010)

API process research

- 200+ dedicated scientists for chemical process development of complex and differentiated APIs
- 128 US DMFs filed so far

Generics develop-ment

- 650+ dedicated scientists for development of generics for global markets
- Filed complex dosage forms like transdermals, topicals and nasals
- 331 US ANDAs filed (incl. 26 for partners), 120 ANDAs approved so far
- 80 Para IV filings

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
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	Opthalmology
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

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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

NCE Pipeline

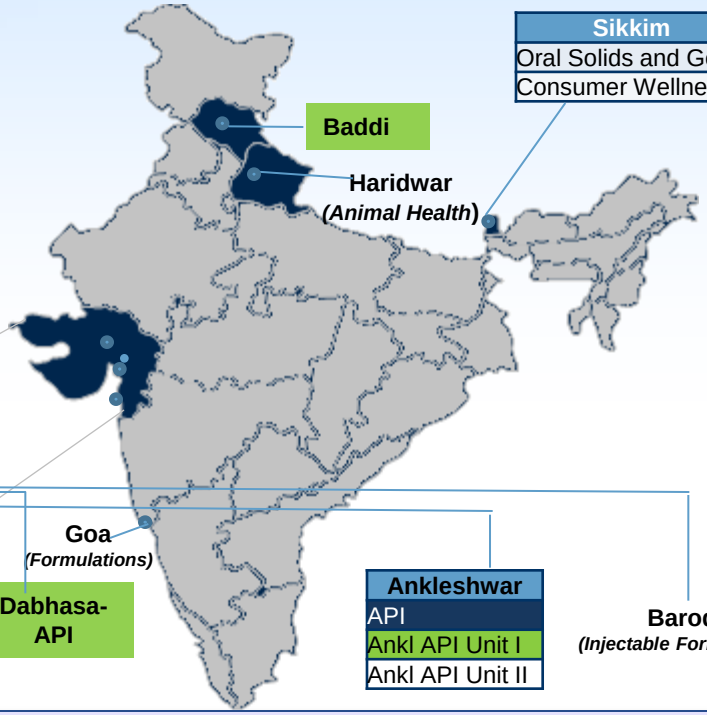
Project	Target	Indication	Drug Discovery	Lead optimi-saiton	Pre-clinical Develop-ment	IND	Phase I	Phase II	Phase III	NDA
Saro-glitazar	PPAR-α,γ	Dyslipidemia	First glitazar to be approved in the world. Launched in India as "LIPAGLYN"							
Saro-glitazar	PPAR-α,γ	Hypertrigly-ceridemia	First glitazar to 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	Hypertrigly-ceridemia	Clinical trials going on in US							
Saro-glitazar	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

Daman
Formulations
Biochem – Unit I
Biochem – Unit II

India



Sikkim
Oral Solids and Gel
Consumer Wellness

Ankleshwar
API
Ankl API Unit I
Ankl API Unit II

U.S.

Nesher – 2 plants
(Controlled Substances and Oral Solids)

Hercon
(Transdermals)

Brazil

Zydus Nikkho
(Formulations)

Germany

Warburg, Bremer
(Animal Health)

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

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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.

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