

April 1, 2018

Listing Department
BOMBAY STOCK EXCHANGE LIMITED
P J Towers, Dalal Street, Fort,
Mumbai-400 001

Code: 532 321

Listing Department
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051

Code: CADILAHC

Re.: Investor Presentation

Dear Sir / Madam,

Please find attached the investor presentation to be made to select investors tomorrow i.e. April 2, 2018 at Singapore.

Please bring the above information to the knowledge of investors at large.

The presentation will also be uploaded on the website of the company.

Thanking you,

Yours faithfully,
For, **CADILA HEALTHCARE LIMITED**

for, *Person:*
UPEN H. SHAH
COMPANY SECRETARY



Encl.: As above



Cadila Healthcare Limited

Investor Presentation

March 2018



A Leading Pharmaceutical Company

#4

One of the leading pharmaceutical companies in India ¹
Market share of 4.2%

#9

US Generics player (based on prescriptions) ²
Market share of 3.04%

141

ANDAs pending approval in the US

\$1.5 Bn

Last reported fiscal year revenues ^{3,5}

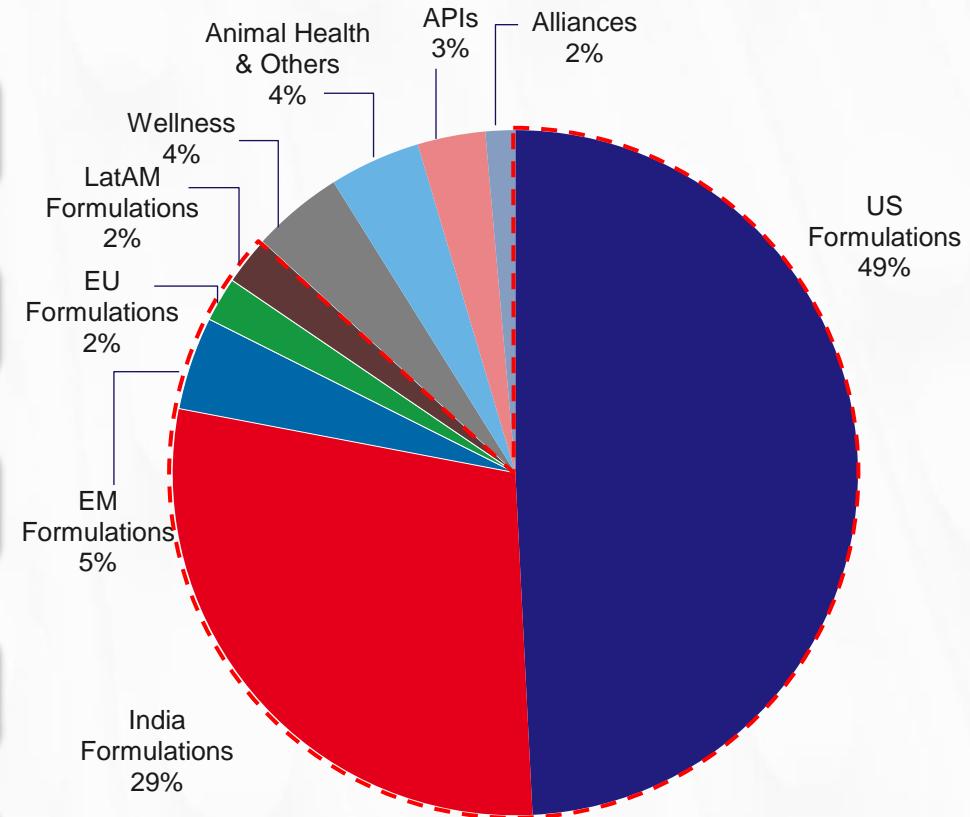
\$6.1 Bn

Current market capitalization ^{4,5}

Well diversified business across geographies; Presence in generics, branded generics, animal health, consumer wellness and others

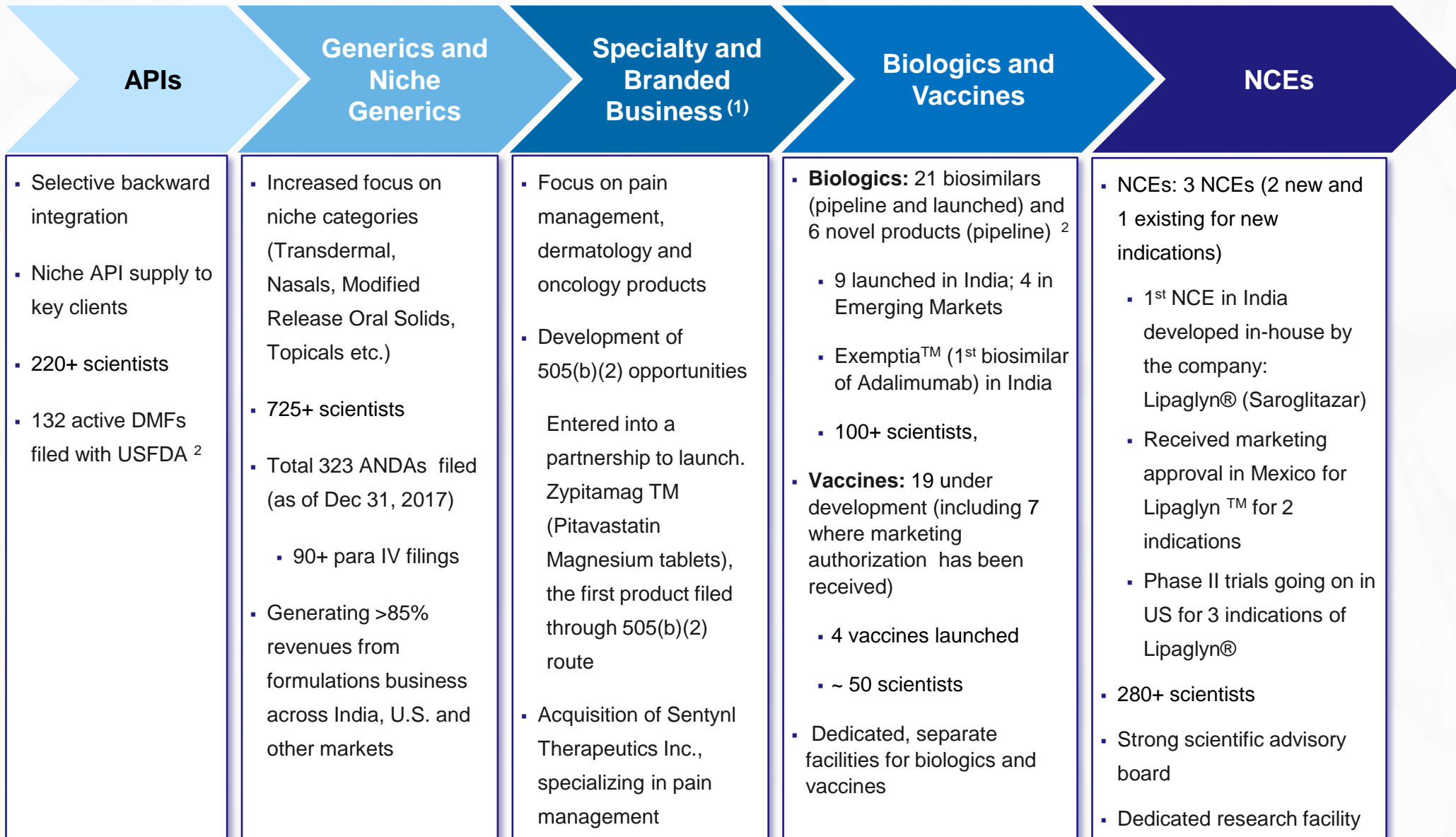
With a Global Footprint

Revenue Split for 9M FY18 (%)



1. As per AWACS MAT December 2017
 2. IMS Health, IMS National Prescription Audit, MAT January 2018
 3. For the year ending March 31, 2017
 4. As of March 26, 2018
 5. US\$ 1 = INR 64.5

Vertically Integrated Business Model with Presence Across The Pharma Value Chain



Key Business Segments



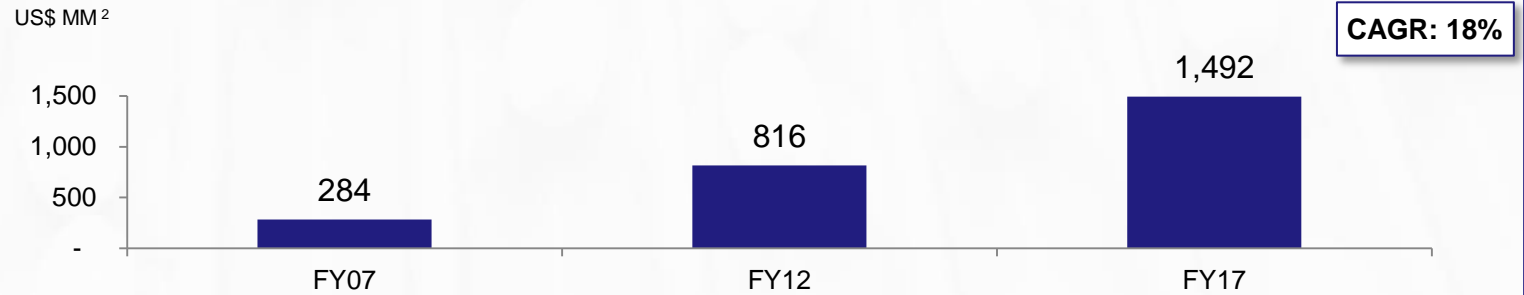
	Key Formulations Businesses	Other Businesses & Alliances	Emerging Businesses
Divisions	<ul style="list-style-type: none"> India formulations <ul style="list-style-type: none"> #4 by value¹ 4.2% market share¹ US formulations <ul style="list-style-type: none"> #9 by prescription volumes² 3.04% market share² Latin America Emerging Markets of Asia and Africa 	<ul style="list-style-type: none"> EU Formulations Consumer Wellness Animal Health APIs JVs & alliances 	<ul style="list-style-type: none"> Biologics Vaccines NCEs
Key Themes	<ul style="list-style-type: none"> Sustainable and profitable growth Significant revenue contribution 	<ul style="list-style-type: none"> Growth potential in Wellness and Animal Health segments 	<ul style="list-style-type: none"> Innovative technology with high entry barriers for competition
In-House Capabilities serving as bedrock of organization	<p>32 manufacturing facilities across India, US, Brazil and Germany</p> <p>Manufacturing</p>	<p>8 R&D sites across India, US and Italy 1350+ scientists</p> <p>R&D Capabilities</p>	<p>Highly experienced and qualified management team</p> <p>People</p>



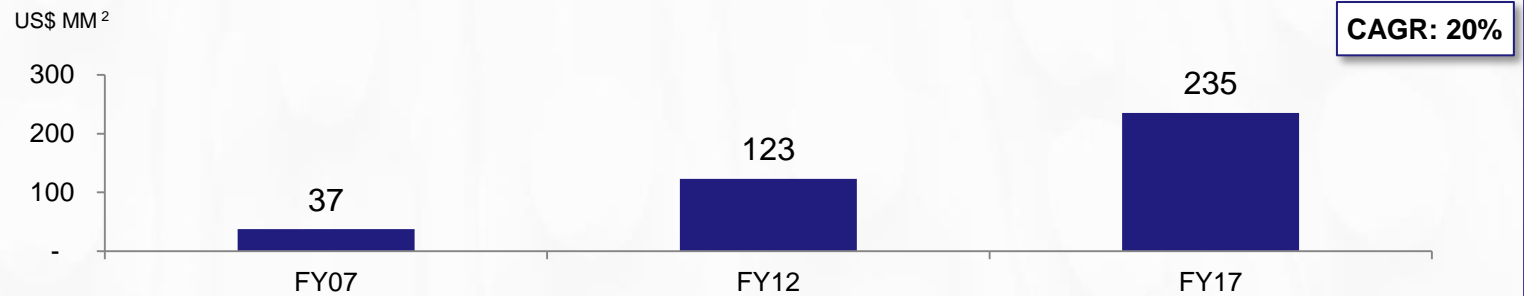
1. Source: As per AWACS MAT December 2017
2. Source: IMS Health, IMS National Prescription Audit, MAT January 2018

Track Record of Value Creation

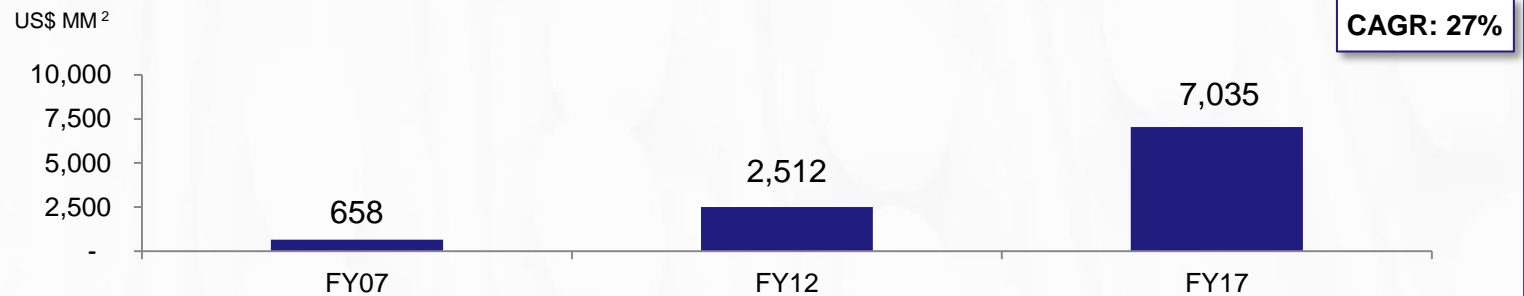
Total Income from Operations ¹



Net Profit ¹



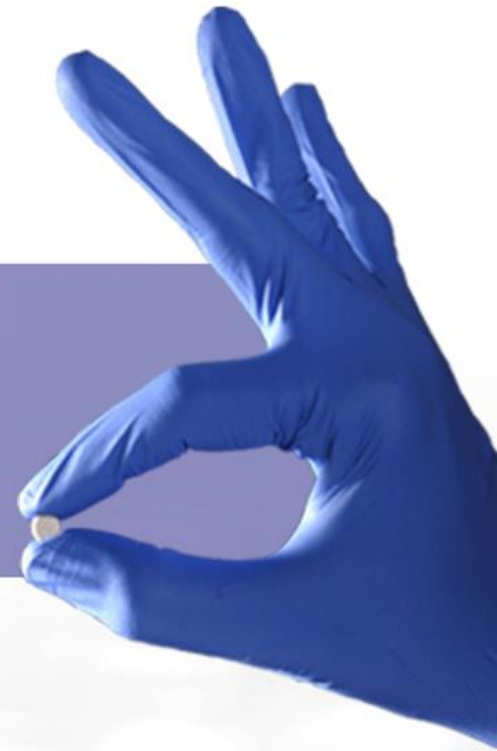
Market Capitalisation ³



1. FY07 and FY12 financials as per IGAAP; FY17 financials as per IND AS and hence not comparable
 2. US\$ 1 = 64.5
 3. Market capitalization is calculated by applying the closing price of the financial year



Key Business Segments



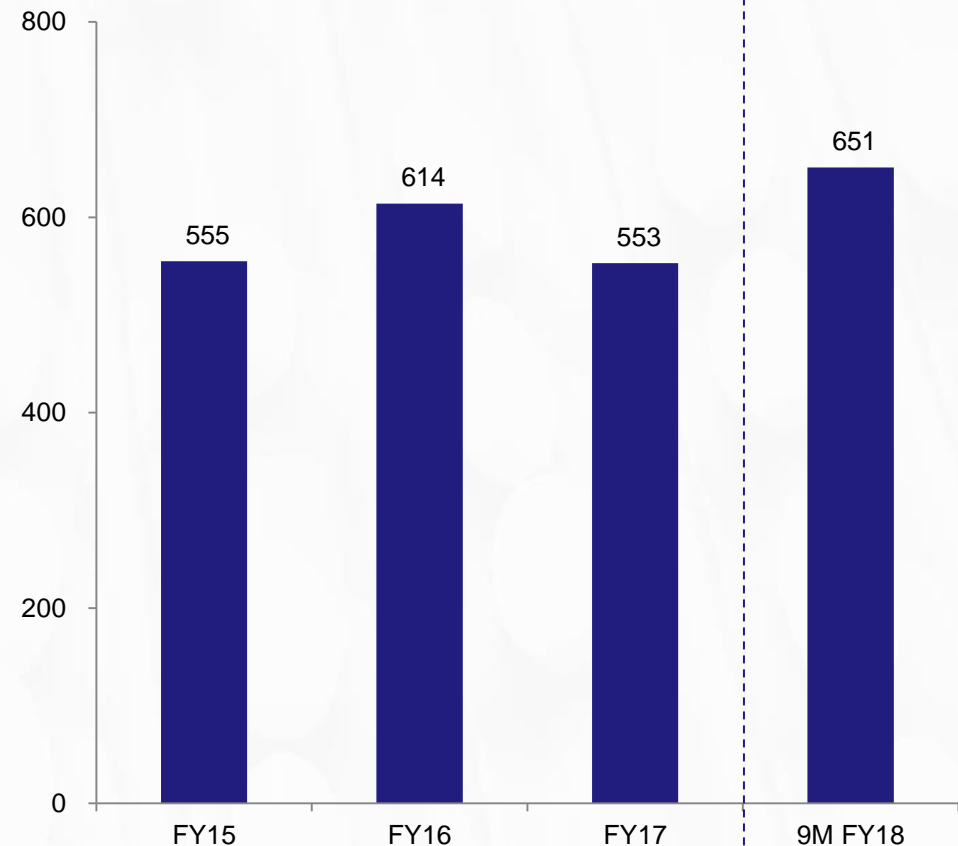
US Generics: Strong Platform with Robust Pipeline

Our US Formulations Business

- #9 generics player in US (based on prescriptions) with a market share of 3.04%¹
 - Among top 3 players by prescription in all of top 10 products marketed in the US (Source: IMS Health, IMS National Sales Perspective Audit, MAT January 2018 and IMS National Prescription Audit, January 2018)
- Sale of generic oral solids and injectable products; 100+ products commercialized
- Strong product pipeline
 - 141 ANDAs pending approval (of which 59 Para IV filings)
- Cost efficient manufacturing and supply chain
- Relationships with key wholesalers and retail pharmacy chains
- **Entered into a partnership to launch Zypitamag™** (Pitavastatin Magnesium tablets), the first product filed through 505 (b)(2) route.
- **Acquired Sentynl Therapeutics Inc.**, a US based specialty pharmaceutical company, specializing in pain management segment in Fiscal 2017

Our US Formulation Sales

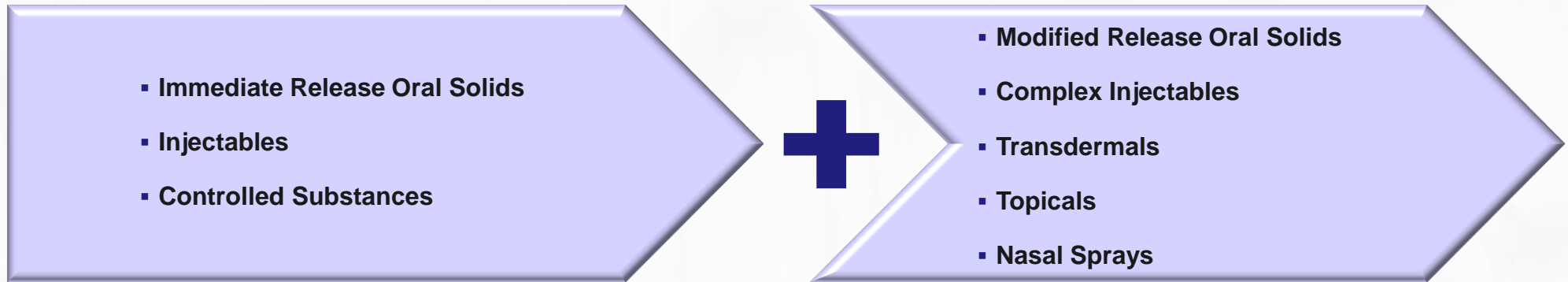
Gross Sales, US\$ MM



1. Source: IMS Health, IMS National Prescription Audit, MAT January 2018

Strong Filing Track Record and Addition to Capabilities

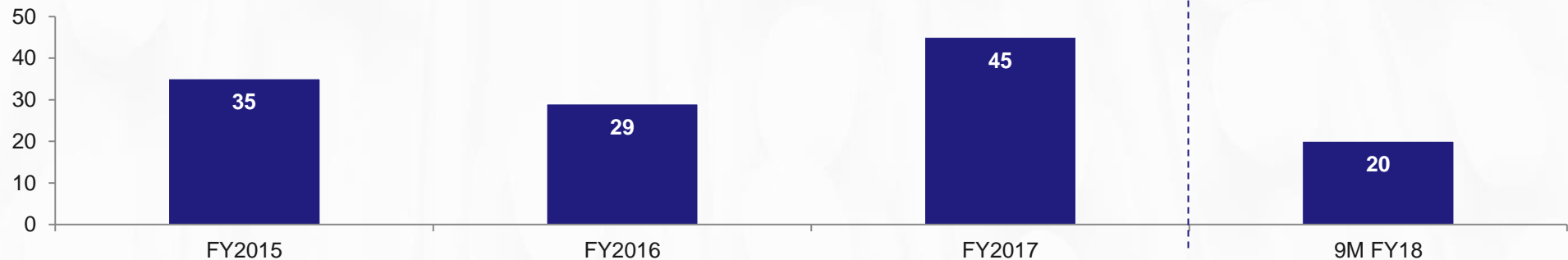
Growing Focus on Complex Generics Business



Track Record of ANDA Filings

(filings annually)

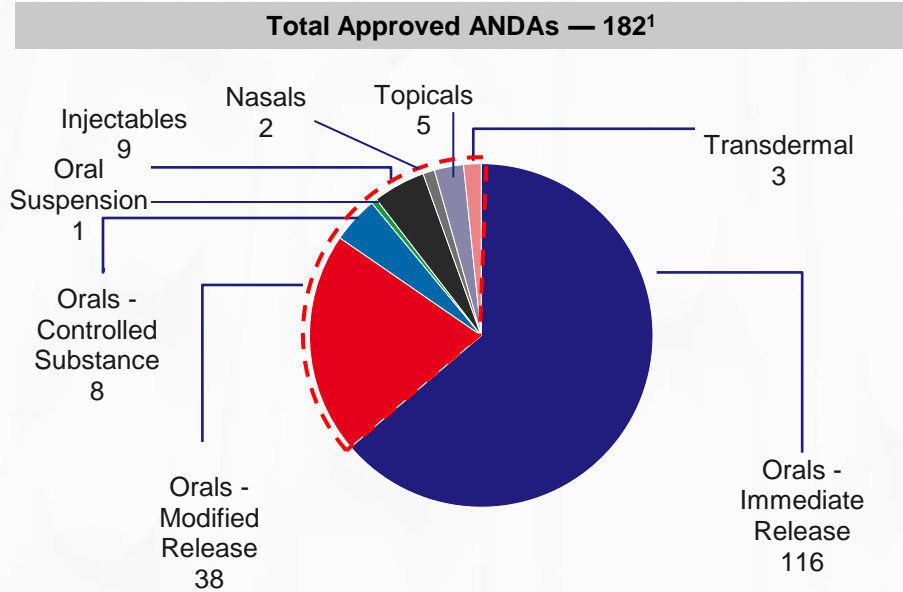
Total ANDA Filings as of 31 Dec 2017 – 323



Large ANDA Pipeline With Increasing Focus on Niche Filings

Approved ANDAs by Type

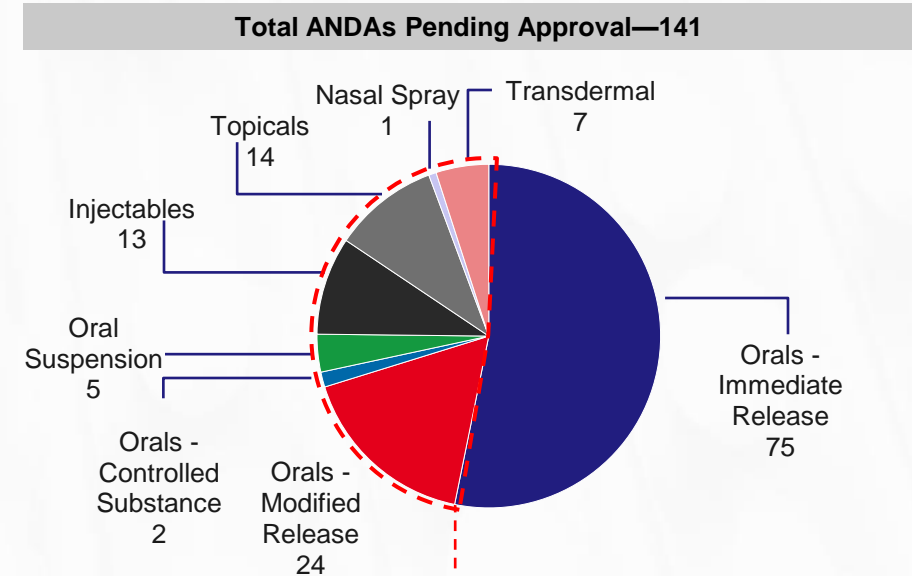
As on 31 December 2017



100+ products commercialized

ANDA Pending Approval—Focus on Niche Segments

As on 31 December 2017



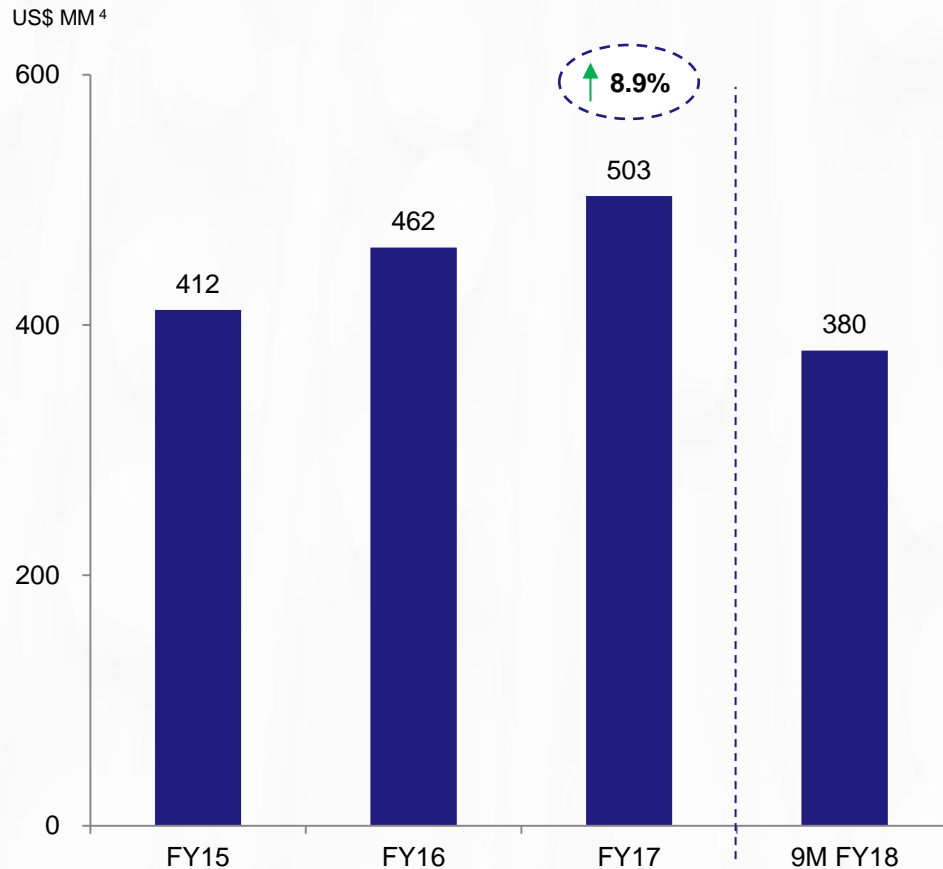
New filings with increased focus on differentiated products with potentially competitive edge

Total 59 Para IV filings pending approvals

Strong Leadership in India Formulations Business

Leading Player in the \$18 Bn Market of India¹

India Formulation Sales²: Strong Base with Steady Growth



#4

One of the leading pharmaceutical companies in India¹

4.2%

Domestic market share¹

16

Brands among top 300 pharma brands in India¹

51

Product launches in 9M FY18

1st

Indian company to launch biosimilar of Adalimumab in India⁵

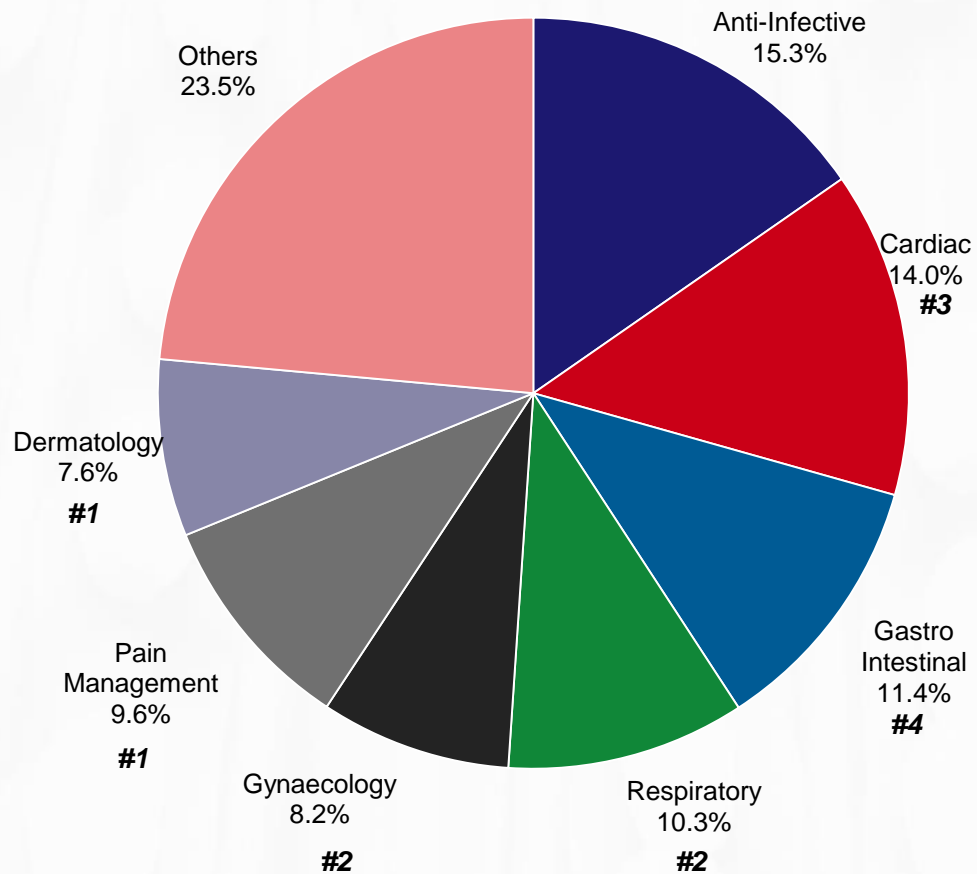
~6,100

Marketing field force³

Focus on Key Therapeutic Areas in India

Key Therapeutics Areas for Zydus

As per AWACS MAT December 2017; % of Zydus' Sales



Represents Zydus' ranking in the promoted covered market

Leadership positions (top 3) in Dermatology, Pain Management, Gynecology, Respiratory and Cardiology

Trademark acquisitions to fill the portfolio gaps –acquired trademarks from MSD in men's and women's health

Introduction of biologicals and vaccines products

In-licensing arrangements

Improving field force productivity

Other Growing Formulations Markets

Latin America



Zydus Size²

c.US\$ 39 MM

Zydus Growth

~6%

- Two large pharmaceutical markets in Latin America
- Branded generics and generic generics
- **Brazil:** 80+ filings, 45 approvals, ~40 products being sold
- **Mexico:** 45 filings, 40 approvals, 20+ products commercialized
- Focused segments (Branded) – CVS, central nervous system, female healthcare, hepatology and nutraceuticals

Emerging Markets

Emerging Markets in Asia and Africa

Zydus Size²

c.US\$ 80 MM

Zydus Growth

~5%

- Branded generics and generic generics
- One of the leading companies in several of these markets
- Launched 4 biosimilars
- Continue to expand geographical presence in select emerging markets
- Leveraging existing portfolio of India and other regulated markets

Europe Formulations



Zydus Size²

c.US\$ 38 MM

- Currently sale of ~115 products in France and ~80 products in Spain
- 210+ new product filings

Consumer Wellness

- Operates through Zydus Wellness Limited, listed in India
- Brand extensions and new product launches
- Geographical expansion
- ~US\$ 75 MM revenues²



90%+
*market share in
sugar substitutes*



Market Leader
*face mask and face
scrub segment*

Animal Health

- Presence in several countries across Europe, Asia and Africa through Bremer Pharma, Germany
- 2 manufacturing facilities at Haridwar (India) and Warburg (Germany)
- ~US\$ 73 MM revenues²

APIs

- Backward integration capabilities to meet captive API requirements
- 1 R&D unit and 4 manufacturing plants
- 132 active DMFs filed with USFDA, 220+ scientists³
- ~US\$ 57 MM revenues²

Successful Track Record of Global Partnerships

Value Creation Through Win-win Alliances and Be a Partner of Choice

Zydus Takeda JV

- 50:50 JV with Takeda Pharmaceuticals
- Currently manufacturing complex high-end APIs of Takeda
- Commercial supply of 11 products

Zydus Hospira JV

- 50:50 contract manufacturing JV with Hospira¹ for cytotoxic injectable products
- State-of-the-art cytotoxic facility which is inspected by leading authorities like MHRA, USFDA, TGA etc.
- Manufactured 15 products which are sold primarily in US and EU

Bayer Zydus JV

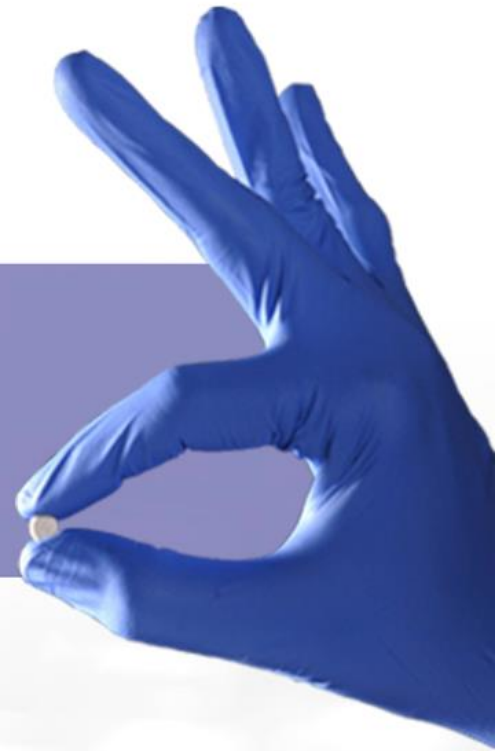
- 50:50 JV with Bayer
- Operates in female healthcare, metabolic disorders, diagnostics, CVS, anti-diabetics and oncology segments in India
- Leveraging strengths of Bayer's optimised product portfolio and Zydus' marketing and distribution capabilities
- JV scope covers launch of innovator products of Bayer in India

Other Alliances

- 26 ANDAs filed, 19 approved (for partners)
- Out-licensing deal with Abbott for supply of 24 products (with an option to include 39 additional products)
- Out-licensing and distribution arrangements for biosimilars in certain emerging markets like Turkey, Russia, Indonesia and Columbia



Manufacturing and Innovation



Strong Base of Cost Efficient and State-of-the-Art Manufacturing Facilities

32

Facilities across
India, US, Brazil
and Germany

10

Facilities catering
to US markets

17 facilities for formulations, 4 for API, 3 for vaccines, 3 for biologics, 3 for consumer wellness and 2 for animal health

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

Focus on quality, efficiency and regulatory compliance

Key Focus Areas for R&D

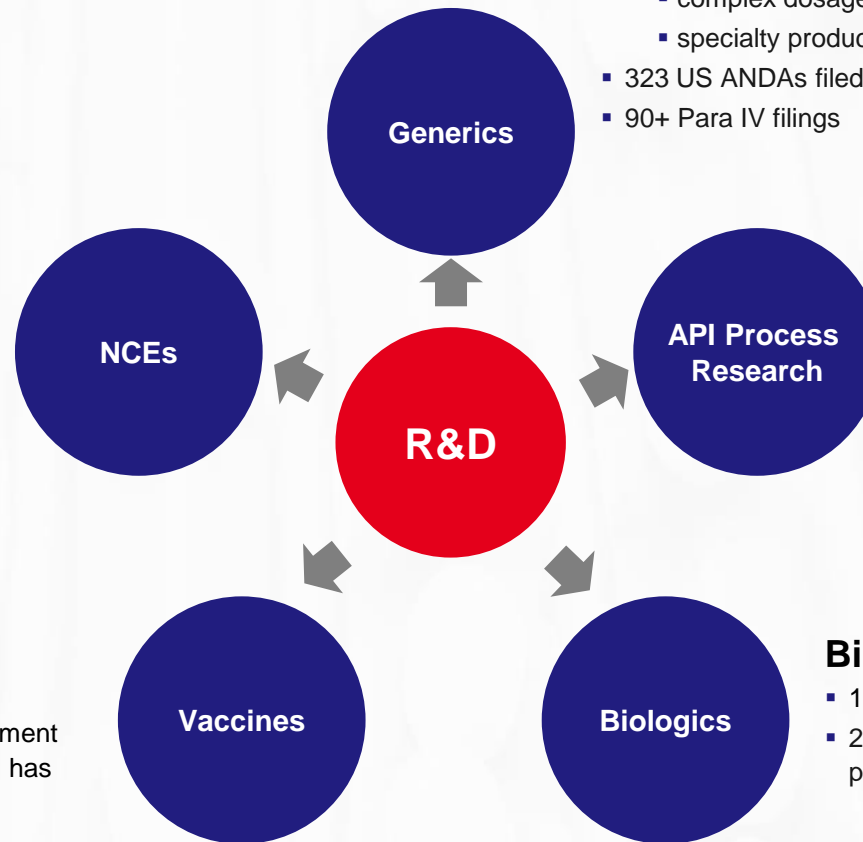
R&D expenditure formed ~8%¹ of total operating revenues

NCEs

- Capability: target identification, pre-clinical research and early clinical development
- 280+ scientists
- 3 NCEs (2 new and 1 existing for new indications)
- Launched Lipaglyn® in India, the first NCE by the company

Vaccines

- ~ 50 scientists
- 4 vaccines launched and 19 under development (including 7 where marketing authorization has been received)
- 1st Indian company to launch indigenously developed and manufactured H1N1 vaccine – VaxiFlu-S (in 2010)²



Generics Development

- 725+ scientists
- Increasing focus on
 - complex dosage forms like transdermals, topicals and nasals
 - specialty products and 505(b)(2) route
- 323 US ANDAs filed, 182 ANDAs approved till 31st December, 2017³
- 90+ Para IV filings

API Process Research

- 220+ scientists
- 132 active DMFs filed with USFDA

Biologics

- 100+ scientists
- 21 biosimilars (pipeline and launched) and 6 novel products (pipeline)
 - Launched 9 in India; 4 in Emerging Markets
- 1st Indian company to launch biosimilar of Adalimumab in India²

Biologics

- 21 biosimilars (pipeline and launched) and 6 novel products (pipeline)
 - Launched 9 products in India and 4 in Emerging Markets
 - Launched Exemptia™ (biosimilar of Adalimumab) – 1st company in India¹
 - Received Marketing Authorization for 2 more products
 - 2 products already in clinical development phase
 - Development of RabiMabs in collaboration with WHO
- Wide range of indications covered including oncology, nephrology, ophthalmology, infectious diseases, osteoporosis, inflammation

Vaccines

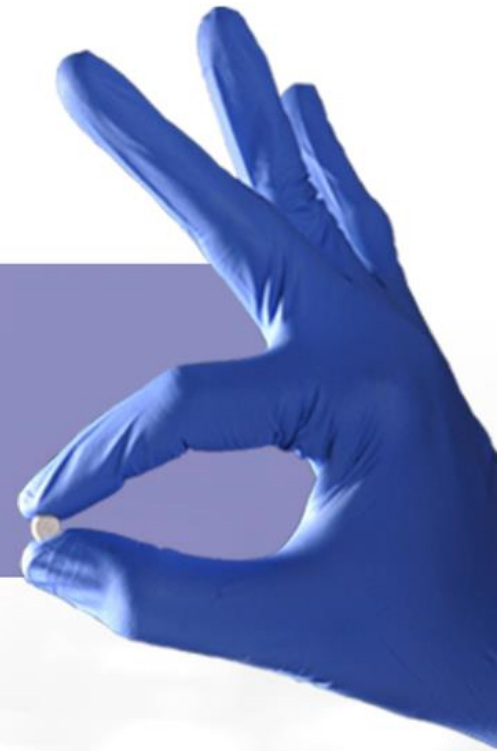
- Launched 4 products, received marketing authorizations for 7 other
 - First Indian company to launch indigenously developed and manufactured H1N1 vaccine – VaxiFlu-S¹
- 19 under development (including 7 where marketing authorization has been received)

NCEs

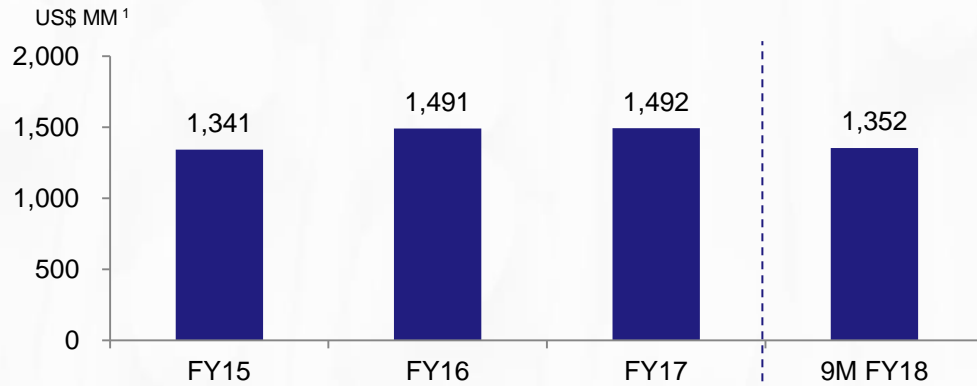
- Launched Lipaglyn® in India – 1st NCE developed by the company, for 2 indications (Diabetic Dyslipidemia and Hypertriglyceridemia)
- Received marketing approval in Mexico for Lipaglyn™ for 2 indications (Diabetic Dyslipidemia and Hypertriglyceridemia)
 - Phase III trials ongoing in India for 3 indications (Lipodystrophy, NASH², Type 2 Diabetes)
 - Phase II trials ongoing in US for 3 indications (NASH², PBC³ and Hypertriglyceridemia)
- 2 other NCE molecules under various stages of development
 - ZYH7 (Dyslipidemia)
 - ZYAN1 (Anemia)



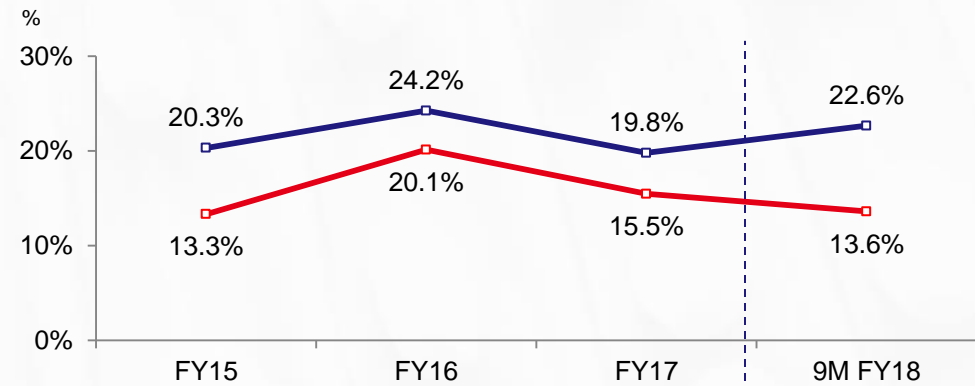
Key Financials



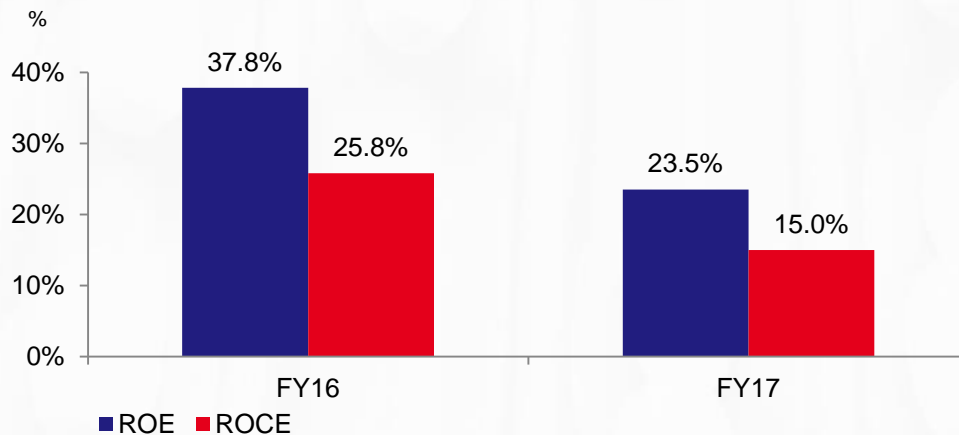
Consolidated Revenues ²



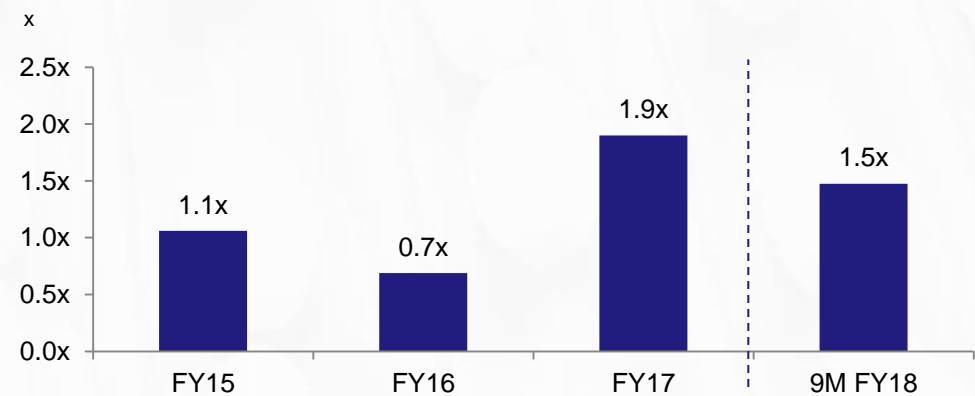
EBITDA and PAT Margins ²



Return Ratios^{2,3}



Leverage (Net Debt / EBITDA)²



1. US\$1 = INR 64.5

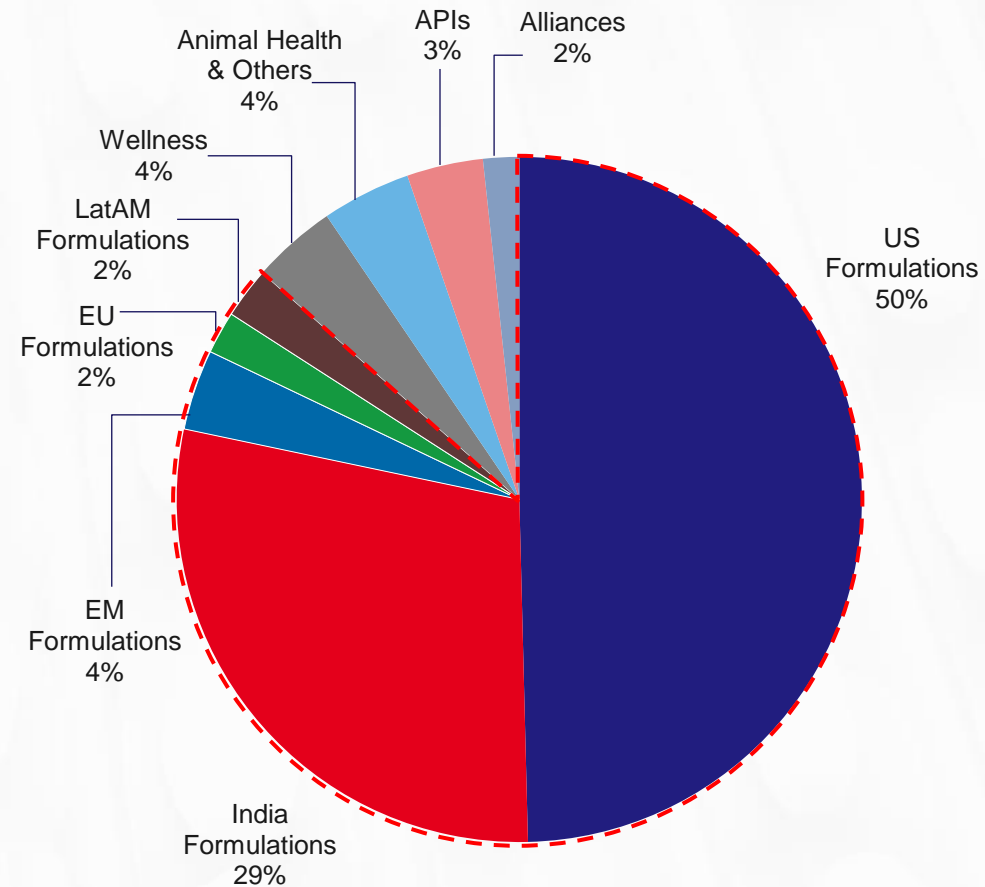
2. FY15 financials as per IGAAP; FY16, FY17 and 9M FY18 financials as per INDAS and hence not comparable

3. ROE = PAT / average of opening and closing net worth; ROCE = (Profit after tax + Finance cost net of tax) / average of opening and closing (net worth + gross debt)

Key Financial Numbers – Q3 FY18

Consolidated (US\$ Mio.) ¹	Amount	Gr. %
Total Income from Operations	505	37.9%
EBIDTA	130	108.1%
EBIDTA % to Total Income from Ops.	25.8%	
Profit before tax	112	122.5%
PBT % to Total Income from Ops.	22.1%	
Net Profit	84	67.7%
Net Profit % to Total Income from Ops.	16.7%	
R&D Spend % to Total Income from Ops.	6.4%	
Debt net of cash (as at 31-Dec-17)	558	
Capex (Apr – Dec 17)	108	

Revenue Split Q3 FY18



Strategies For The Future

1

Strong execution focus for the US market; drive growth with continuous focus on product launches

2

Focus on difficult to develop and manufacture and specialty products for the US market to improve margins

3

In India, focus on high growth Therapeutic Areas, in-licensing, 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, US and Emerging Markets, acquire capability platforms and move forward in value chain on specialty and branded business

Building Blocks For Our Strategy

Regulatory Compliance and Quality

- Focus on best in class manufacturing
- People training
- QUEST: Quality Excellence by Sustainable Transformation; Institutionalising a Culture of Quality

Operational Excellence

- PRISM – cost optimization program adopted in 2002 and institutionalised across the group
- SLIM - a Strategic, Lean and Integrated Manufacturing initiative

Innovate For Growth

- Continue to replenish generic pipeline in the US with profitable opportunities – move towards specialty
- In the branded generics / specialty markets of India and other emerging market to focus on additional growth from more advanced areas like biologics
- Continue to invest behind, innovate and commercialize opportunities in biologics, vaccines and NCEs
- Near term focus on emerging markets with longer term potential in developed markets

M&A

- Selective M&A
 - Complimentary generic assets or technology platforms
 - Specialty or branded assets
 - Consolidation / leadership

Thank You

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THIS PRESENTATION (PRESENTATION) IS NOT AN OFFER TO SELL ANY SECURITIES OR A SOLICITATION TO BUY ANY SECURITIES OF CADILA HEALTHCARE LIMITED OR ITS SUBSIDIARIES OR JOINT VENTURES (TOGETHER, THE "COMPANY").

The material that follows is a Presentation of general background information about the Company's activities as at the date of the Presentation or as otherwise indicated. It is information given in summary form and does not purport to be complete and it cannot be guaranteed that such information is true and accurate. This Presentation has been prepared by and is the sole responsibility of the Company. By accessing this Presentation, you are agreeing to be bound by the trading restrictions. It is for general information purposes only and should not be considered as a recommendation that any investor should subscribe / purchase the Company shares.

This Presentation includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "projects", "expects", "intends", "may", "will", "seeks" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, aims, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Presentation and include statements regarding the Company's intentions, beliefs or current expectations concerning, amongst other things, its results or operations, financial condition, liquidity, prospects, growth, strategies and the industry in which the Company operates.

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