

Zydus Cadila and Abbott sign pact for commercialising branded generics in emerging markets

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Abbott licenses 24 Zydus products in 15 high-growth emerging markets; holds option for more than 40 additional products

Zydus Cadila leverages its strong product pipeline and manufacturing expertise to expand reach

Leveraging their strengths and unique capabilities, Zydus Cadila and Abbott today entered a strategic agreement that will enhance their competitiveness in the emerging markets. As per the agreement Abbott will license 24 branded generics of Zydus in 15 key emerging markets where Abbott has a strong and growing presence. The agreement also includes an option for additional 40 products to be included over the term of the collaboration. The products will be manufactured by Zydus Cadila for Abbott at its state-of-the-art manufacturing facilities in India. Financial terms of the agreement were undisclosed.

While the deal allows Zydus Cadila to leverage its robust regulatory pipeline, innovative developmental capabilities and manufacturing strengths, it strengthens Abbott's global position, enabling it to further accelerate its emerging markets growth.

Speaking on the new development, Chairman and Managing Director Zydus Cadila, Mr. Pankaj R. Patel said, "We have always believed in working with partners for win-win alliances that look at new opportunities for growth and expansion. In this alliance we see tremendous opportunity to participate in multiple ways in a market that is growing and expanding rapidly. Building on our mutual strengths we are creating a considerable competitive advantage for value creation for both partners over the long term."

"The Zydus agreement complements Abbott's established products strategy, augmenting this business with a broad portfolio of branded generics," said Olivier Bohuon, executive vice president, Pharmaceutical Products Group, Abbott.

The collaboration includes medicines for pain, cancer and cardiovascular, neurological and respiratory diseases. The partnership will leverage Abbott's powerful emerging markets infrastructure – which was further strengthened with the recent acquisition of Solvay Pharmaceuticals – to commercialize Zydus' products, with product launches beginning in 2012.

The Potential of Emerging Markets

Pharmaceutical sales in emerging markets are expected to grow at three times the rate of developed markets and account for 70 percent of the industry's growth over the next several years. Branded generics represent the most significant growth opportunity in emerging markets. Today, branded generics account for 25 percent of the global pharmaceutical market.

About Abbott

Abbott is a global, broad-based health care company devoted to the discovery, development, manufacture and marketing of pharmaceuticals and medical products, including nutritionals, devices and diagnostics. The company employs approximately 83,000 people and markets its products in more than 130 countries. Abbott's news releases and other information are available on the company's Web site at www.abbott.com

About Zydus Cadila

Zydus Cadila is an innovative global pharmaceutical company that discovers, develops, manufactures and markets a broad range of healthcare therapies. With an aim to be a research-based pharmaceutical company by 2020, Zydus Cadila invests nearly 8 percent of its turnover on research annually. The group employs over 11,000 people worldwide and is dedicated to improving people's lives. Additional information about Zydus is available at www.zyduscadila.com.

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