

Zydus Cadila announces research collaboration to discover and develop new cardiovascular medicines

Ahmedabad, March 30, 2009

Zydus Cadila, a global healthcare group headquartered in India has signed a new drug discovery and development agreement with Eli Lilly and Company focused in the area of cardiovascular research. This alliance seeks to increase productivity in drug discovery and development by synergizing the unique strengths of both companies. The collaborative research programme may continue for a span of up to six years.

Zydus will work to discover and develop potential molecules against a novel target, primarily in the area of cardiovascular research. Zydus will initiate the drug discovery, lead identification and optimization, and conduct preclinical studies and clinical trials up to Phase II Human Proof-of-Concept. Lilly will provide chemical starting points as well as expertise and feedback regarding toxicology, ADME, chemistry, biology, clinical and regulatory aspects as needed to potentially increase the probability of success of the programme.

As part of the agreement, Lilly will have an option to license any resulting molecules at different stages. Zydus would receive potential milestone payments of up to USD 300 million and royalties on sales upon the successful launch of any compounds derived from the research programme.

Describing the research agreement as a new paradigm for global alliances in drug discovery and development, Chairman and Managing Director of Zydus Cadila, Mr. Pankaj R. Patel said, "We have built strong discovery and development capabilities in the cardiometabolic disease area and this is a wonderful opportunity to unite efforts, share expertise, complement strengths and develop new potential cardiovascular therapies. We are delighted to embark on this programme with Lilly and create a new benchmark in collaborative research programmes."

William Chin, M.D., Vice President of discovery research and clinical investigation at Lilly commented, "We look forward to working with Zydus in this novel discovery collaboration. We believe Zydus has unique capabilities to discover and advance these candidates through early development, and we are excited to explore this innovative drug discovery and development model with them."

The Zydus Research Centre (ZRC), the dedicated research arm of the group, has a team of over 350 research professionals, spearheading the quest of creating healthier and happier communities globally. The centre is engaged in new drug discovery, novel biologics and NDDS research. The group has a strong research pipeline of 6 NMEs in various stages of clinical trials of which, five NMEs are targeted at cardiometabolic disorders. The NME - ZYH1, for treating dyslipidemia has completed Phase II clinical trials successfully. ZYH2, the novel agent for treating diabetes is undergoing Phase I trials. ZYI1, the anti-inflammatory and pain management compound is currently in Phase II clinical trials. ZYO1, a novel drug candidate for treating obesity and related disorders has completed Phase I clinical trials. ZYH7, a novel drug candidate for treating dyslipidemia and metabolic disorders and ZYT1, a novel drug candidate for treating dyslipidemia are in Phase 1 clinical trials.

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% of its turnover on research annually. The group employs over 9,000 people worldwide and is dedicated to improving people's lives.

Additional information about Zydus is available at <http://www.zyduscadila.com>

