



Nourish

Nurture

Energise

Zydus
Wellness

Annual General Meeting
July 27, 2012

Consumer Wellness in India – Growth Ahead

- Indian FMCG industry
 - ✓ valued at over \$ 30 bn, growing at ~13% p.a.,
 - ✓ expected to cross \$ 70 bn by 2018
 - ✓ with **consumer wellness** space to witness **even stronger growth momentum**
- **Tremendous potential** for growth for FMCG in general, and **consumer wellness** in particular due to
 - ✓ Higher **disposable income**
 - ✓ Increasing **urbanisation**
 - ✓ Improvement in **standard of living**
 - ✓ Mounting **health problems** attributed to changing lifestyles of the consumers
 - ✓ Growing **health consciousness** and increasing aspirations for better life
 - ✓ Increasing **awareness** to try better alternatives, and make informed choices
 - ✓ Rising **willingness to spend** more for fitness and well-being



Zydus Wellness – A niche in itself

- Serving the health and fitness conscious consumers of India **since 1988**
- Aims to promote '**healthy living**' by anticipating the emerging and day-to-day needs of dietetic / health foods
- Present in **niche segments** with strong brands

The healthier alternative to sugar - leading the market with **over 90% share** in the sugar substitutes market (*Source : AC Nielsen*)

Skincare range - **market leaders** in niche segments of scrubs and peel-off and strong presence in face-wash category (*Source : AC Nielsen*)



India's largest selling table spread - a healthier alternative to butter

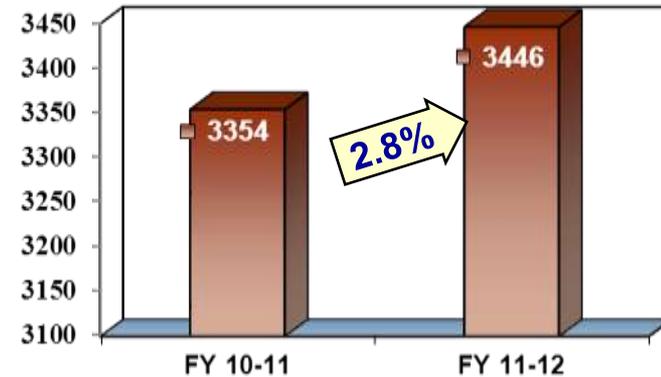
First **Nutritional drink** fortified with **Prebiotic Actifibres** that help reduce cholesterol, improve digestion and immunity.

- **Direct reach** to all 50k+ population towns in India thru >500 strong field force
- Constant endeavor to improve quality of life of the consumers thru **continuous innovation**

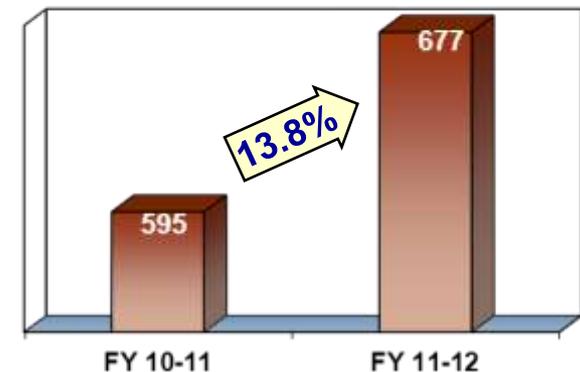
2011-12 : Highlights

- **Maintained leadership positions** in SugarFree, EverYuth Peel-off Mask and EverYuth Scrub.
- **SugarFree** has consolidated its position with a **market share of >90%** as of March 31,2012.
- **EverYuth** saw a **rapid revival in growth** in last quarter with the **launch of new packaging** supported by strong marketing program.
- **Nationwide roll out** of **ActiLife**, a first foray into **nutraceutical space** – a nutritional milk additive for adults, made steady progress.
- **Intense competition** from large players in all the segments affected the business growth. However, the Company has worked out certain **strategic plans** to address this in an effective manner, which has resulted in **good growth** in the last quarter of the year.

Consolidated Gross Sales (Rs. Mio.)



Net Profit (Rs. Mio.)



Sugar Free – Healthier Sugar Substitute

- India's largest selling low calorie sweetener with **over 90% market share** as of March 31, 2012.
- Leadership positions **further strengthened** in the variants of
 - ✓ Aspartame with **Sugar Free Gold**
 - ✓ Sucralose with **Sugar Free Natura**
- Category growth has been at 5% in FY12, driven mainly by our efforts.
- Confident of getting back onto the growth trajectory given **the low household penetration levels** of sugar substitutes



EverYuth – Celebrating Youth

- **Leadership positions maintained** in niche categories of peel-offs and scrubs in the face of high decibel launches from MNC and domestic players. The face wash category continued to experience aggressive competition across the board.
- **Launch of new packaging** backed by a strong marketing support program
- **Confident of sustaining competition**, for which
 - ✓ Working on **expanding the portfolio** and **improving distribution reach** to consolidate our position further in skincare segment
 - ✓ Also planning to relaunch the entire range to **enhance the visibility and shelf appeal**



Nutralite – ‘Health First, Taste Always’



- Backed by **high service level**, maintained strong position in the market in spite of multiple launches from low price competitors
- Continues to expand its presence in the retail segment
- Continued efforts to **increase the reach in terms of distribution** and tapping new accounts to widen the customer base.
- With Indian consumers adopting **healthier lifestyles**, Nutralite shall continue enjoying a distinct position of being a **‘Good for the heart and health’** brand

ActiLife – Nutrition for adults



- Forayed into **nutraceutical space** with launch of **ActiLife**, a nutritional milk additive for adults
- Formulated based on guidelines of the National Institute of Nutrition, ICMR **for Adults (men and women above 18 years of age)**
- **Low on fat**, enriched with **prebiotic ActiFibres** that improve digestion, reduce cholesterol and improve overall immunity.
- Has **stress busters** such as 100% RDA of Vitamin C and Vitamin B complex to keep a person active throughout the day.
- **Rolled out Nationwide** in FY 11-12.
- Continue focus on **creating awareness** with large scale consumer contact programs involving education and sampling.

Key Financial Numbers – FY 12

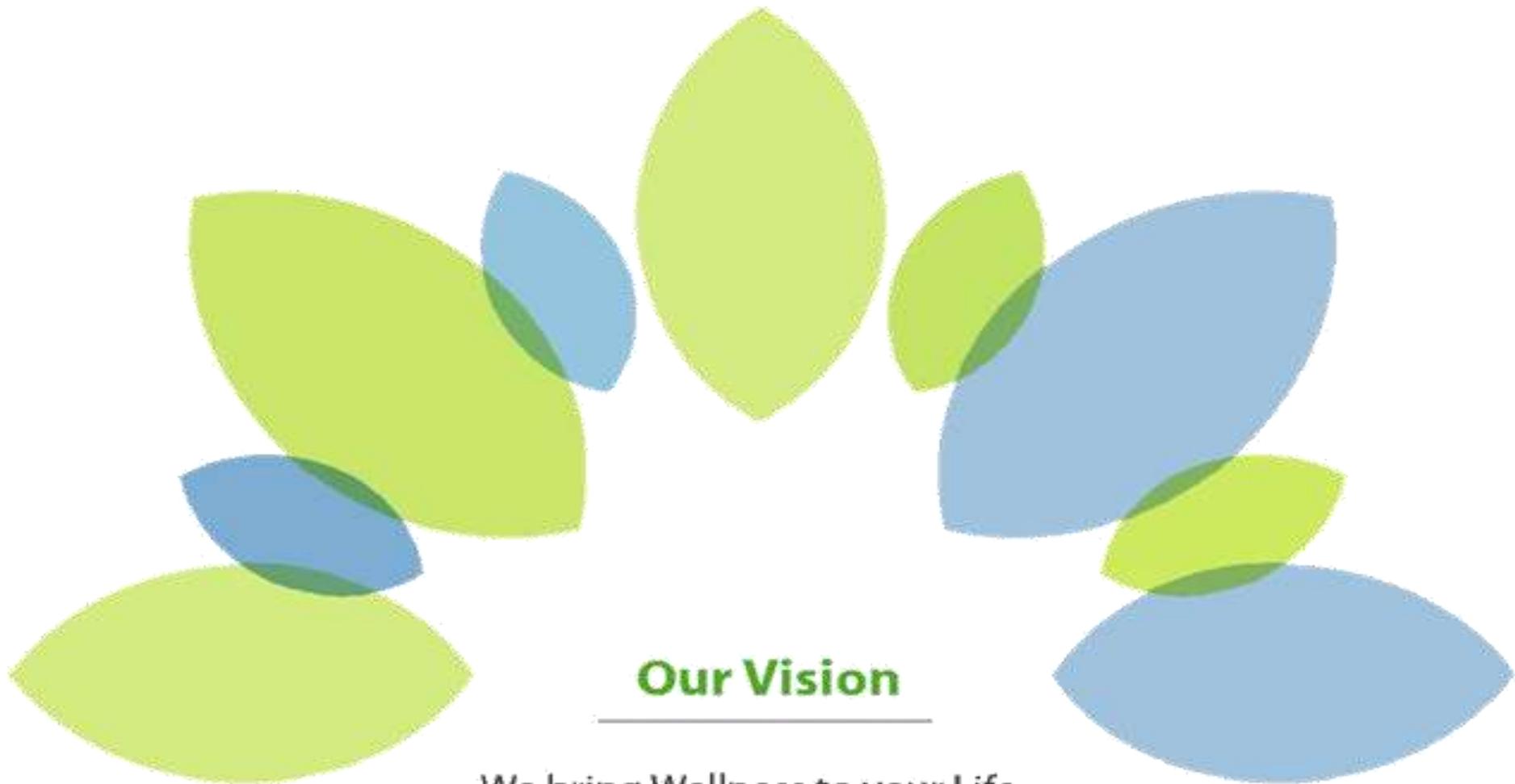
Consolidated	INR Mio	CAGR of 3 years
Gross Sales	3,446	21.0%
PBIDT	772	25.9%
PBIDT % to Income from Ops.	23.3%	
Net Profit (NP)	677	41.7%
NP % to Income from Ops.	20.4%	
EPS (Rs.)	17.32	

Consolidated Financial Position as at 31st Mar '12

	Rs. Mio.
✓ Net Worth	: 1,867
✓ Net Fixed Assets	: 961
✓ Net Current Assets	: 932
✓ Cash Balance	: 1,315
✓ Capex in FY12	: 104

Strategies For Growth Momentum

- **New Products:** Look at long term growth opportunities with new products in niche categories wherein we have first mover advantage
- Introduce / acquire related or innovative products / businesses to enhance both top-line and bottom-line
- **Innovative communication and promotion** strategy to ensure superior visibility of all the brands across the media
- **Continuous category education** through unconventional mediums along with mainline activity
- **Distribution:** Widening the reach to explore and encash untapped opportunities



Our Vision

We bring Wellness to your Life...

We will create new experiences by our products that will
nourish, nurture and energise your life.

We shall lead the way through innovation
and be a Rs.500 crore company by 2013.

Thank You.



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