

# OTC Pharm H1/Q2 sales results

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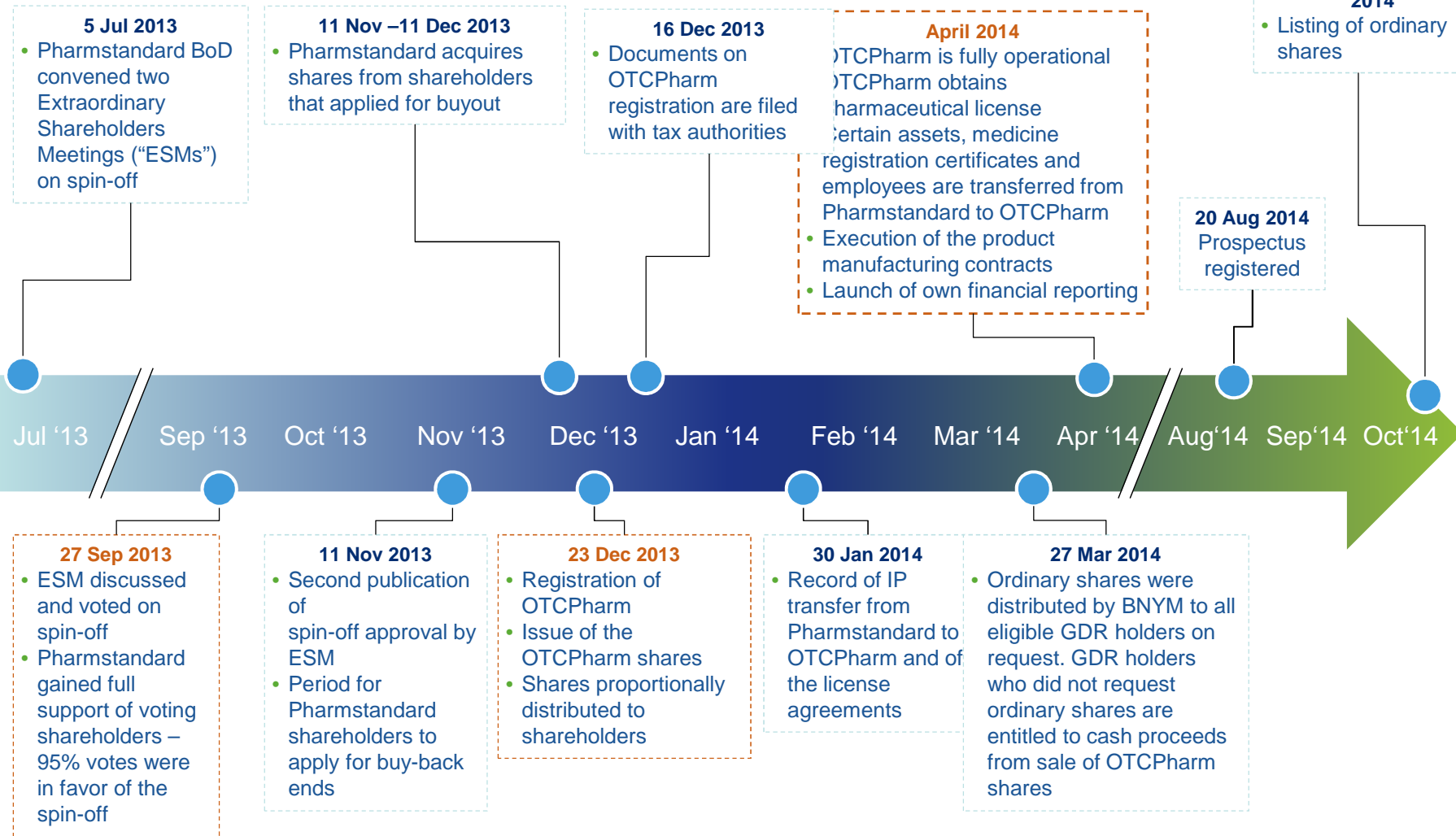
August, 2014

# OTCPharm Spin-off Timeline

OTCPharm spin-off has been completed in December 2013. Starting with April 2014 OTCPharm has become fully operational and started preparation of its own financial reporting.

## Completed Steps

## Next Steps



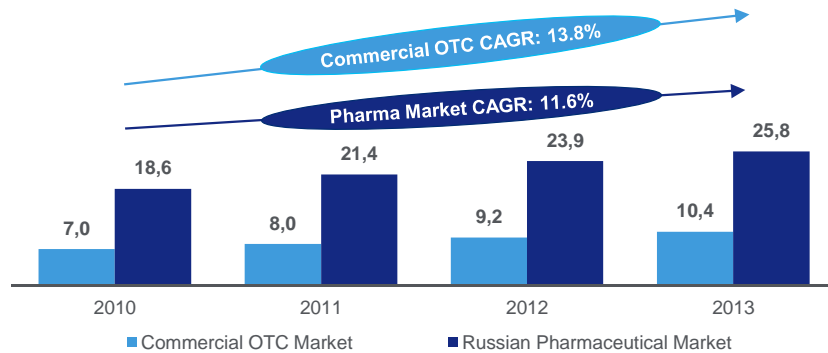
# Russia Pharma Market Update

In 2013, the Russian pharmaceutical market reached US\$25.8bn showing a 7.8% y-o-y growth in value terms, while Russian commercial OTC market grew by 12.2% y-o-y reaching US\$10.1bn.

## Market Overview

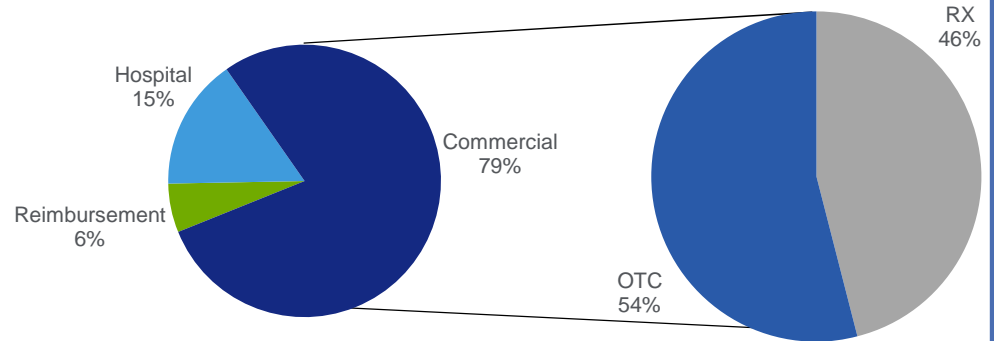
- In 2013 Russian pharmaceutical market grew by 7.8% y-o-y in value terms to RUB822bn (US\$25.8bn)
  - In volume terms, the market declined by 3.6% y-o-y to c. 5.3bn packages
  - Commercial OTC market grew by 12.2% y-o-y in 2013 outpacing the growth of the overall market
- The average retail pack price in the commercial segment have increased by 14.7% in RUB terms to RUB102.6
  - The structure of the market is shifting towards more expensive and more effective drugs, while the share of cheaper drugs (less than RUB50 per pack) continue to decline

## Russian Pharmaceutical Market Dynamics (US\$ bn)

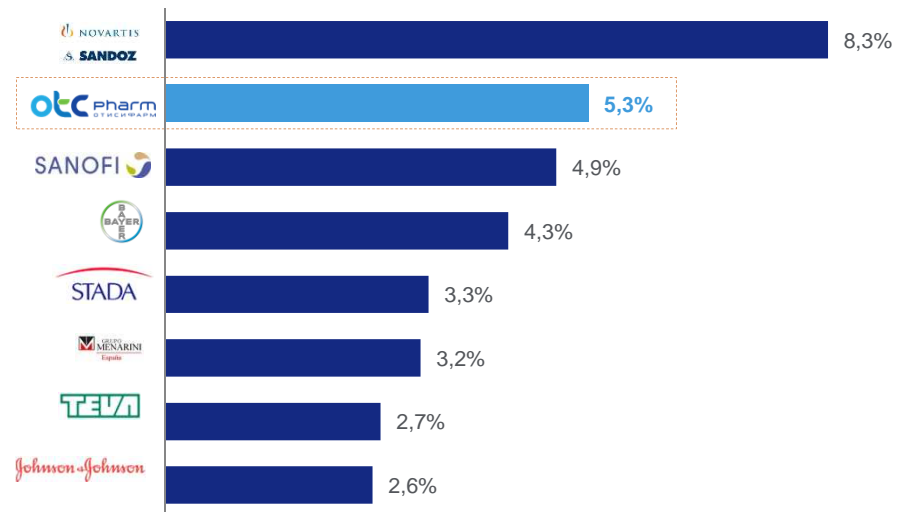


Source: IMS Health, Company data, public sources.

## Russian Pharmaceutical Market Structure (by value, 2013)



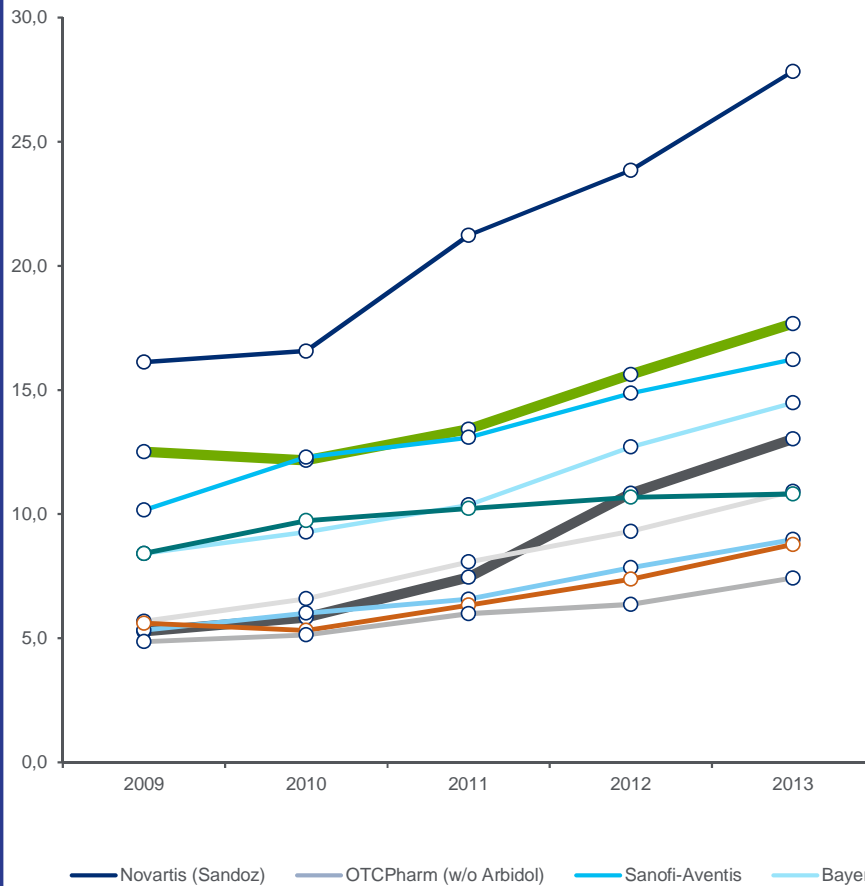
## OTCPharm's Leadership Position on Russian OTC Market (by value, 2013)



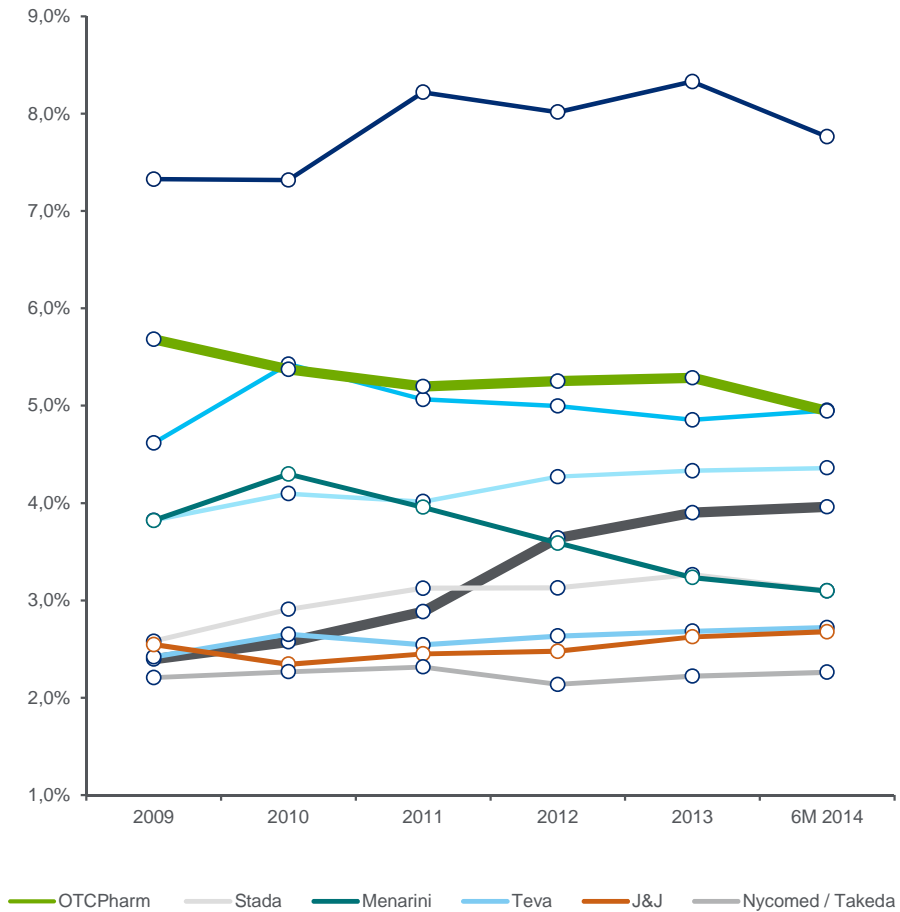
# Russia Pharma Market Update (Cont'd)

Despite the absence of cold season in 1Q2014, OTCPharm maintains leading positions in OTC segment.

**Key Players Sales Dynamics (RUB bn)**



**Key Players Market Share Dynamics**

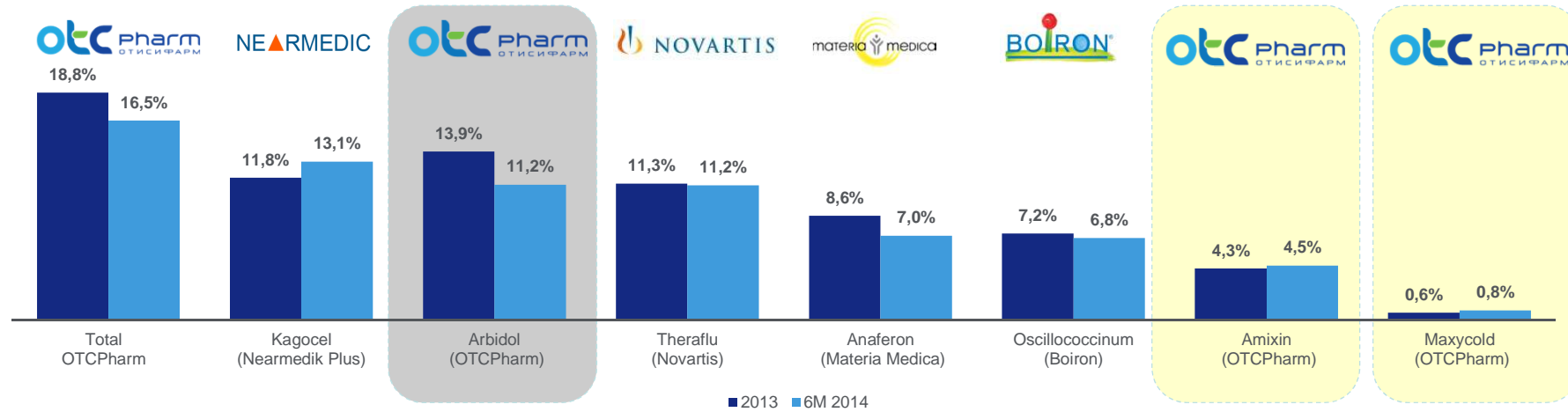


Source: IMS Health, Company data, public sources.

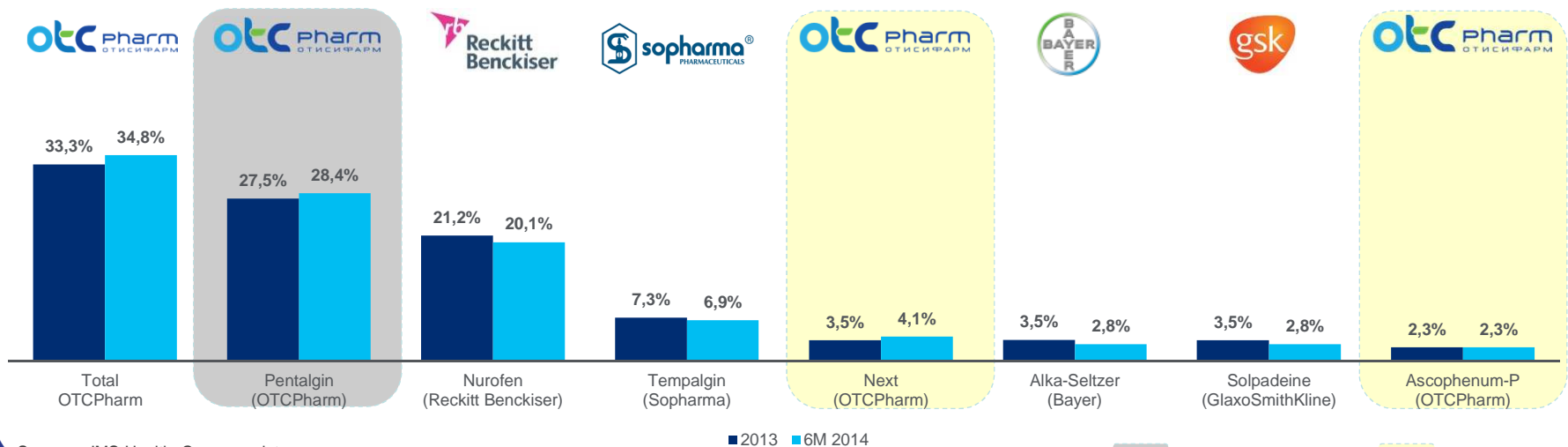
# OTCPharm Market Share Overview

OTCPharm preserves leadership position across the key segments of Russian pharma market, even though Arbidol performance in 1Q 2014 had been affected by the lack of cold season (as compared to 1Q 2013).

## Anti-cold and Flu Segment



## Analgesics Segment



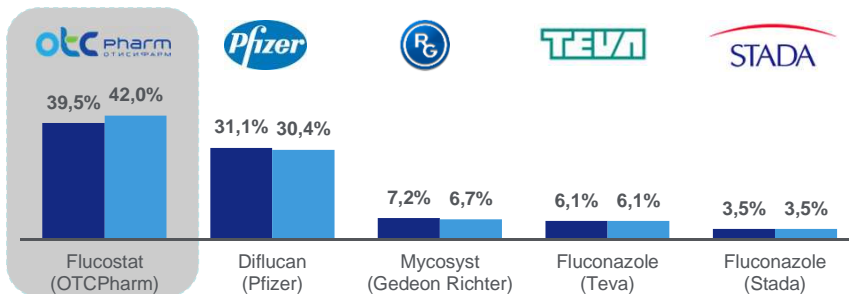
Source: IMS Health, Company data.

■ 2013 ■ 6M 2014 ■ Leadership Brand ■ High-growth Brand

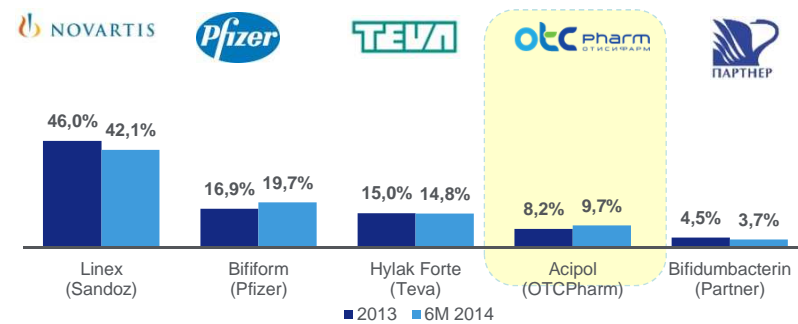
# OTC Pharm Market Share Overview (Cont'd)

OTC Pharm preserves leadership position across the key segments of Russian pharma market.

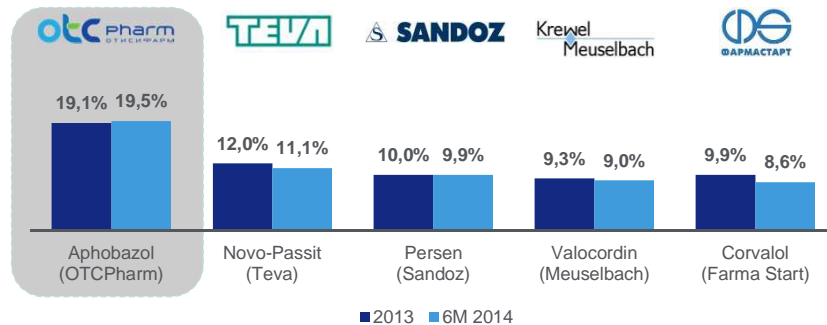
## Fungal Infections Segment



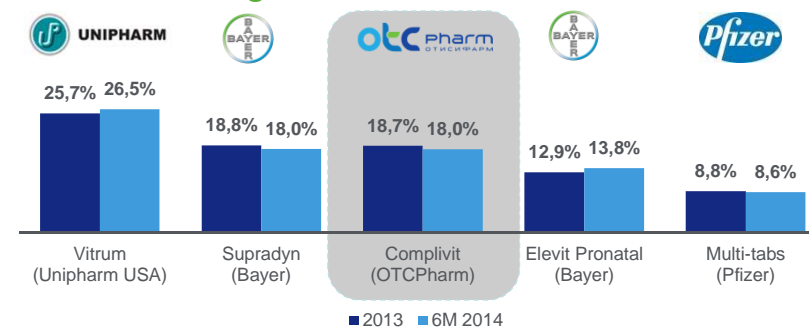
## Antidiarrhoeal Micro-Organisms Segment



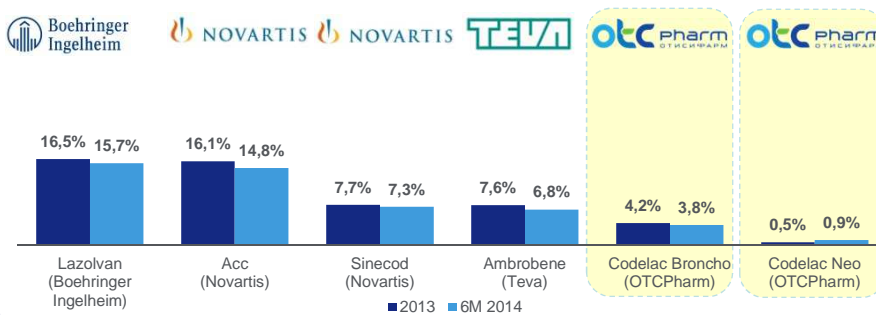
## Tranquillisers, Hypnotic / Sedatives Segment



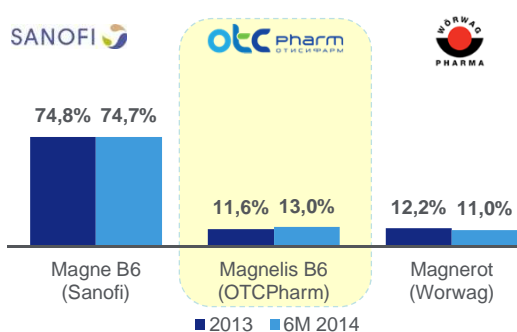
## Multivitamins Segment



## Expectorants Segment



## Other Mineral Supplements Segment



Source: IMS Health, Company data.

Leadership Brand

High-growth Brand

# 1Q and 6M 2014 Trading Update: Revenue Dynamics

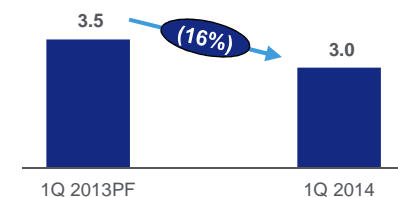
OTCPharm decrease of revenue in 1Q14 is mainly attributed to the anti-cold & flu portfolio which suffered a significant drop due to unprecedented absence of pandemia for almost 2 seasons in a row.

## Revenue Dynamics (RUB ths)

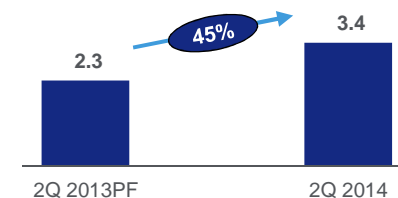
Brand	1Q 2013PF	1Q 2014	% change	2Q 2013PF	2Q 2014	% change	1H 2013PF	1H 2014	% change
Amixin	400 516	270 914	(32%)	73 264	134 735	84%	473 780	405 649	(14%)
Arbidol	1 026 497	429 379	(58%)	109 528	108 568	(1%)	1 136 025	537 947	(53%)
Asvitol	27 493	23 613	(14%)	19 334	22 772	18%	46 827	46 385	(1%)
Ascophenum-P	33 589	33 311	(1%)	37 300	42 742	15%	70 889	76 053	7%
Aphobazolum	194 078	185 494	(4%)	275 008	396 510	44%	469 086	582 004	24%
Acipol	138 949	143 771	3%	125 036	183 327	47%	263 985	327 098	24%
Aerovit	918	971	6%	981	1 043	6%	1 898	2 013	6%
Klarisens	2 318	2 906	25%	3 368	6 419	91%	5 685	9 325	64%
Codelac	189 957	88 117	(54%)	69 378	132 939	92%	259 335	221 056	(15%)
Complivit	426 512	335 506	(21%)	301 650	324 485	8%	728 162	659 991	(9%)
Lactazar	5 422	5 660	4%	6 266	8 674	38%	11 688	14 334	23%
Lactonorm	1 118	2 190	96%	1 763	4 618	162%	2 881	6 808	136%
Magnelis B6	49 987	45 242	(9%)	77 098	108 235	40%	127 086	153 477	21%
Maxycold	25 462	30 361	19%	8 251	15 970	94%	33 713	46 331	37%
Next	47 456	24 051	(49%)	14 726	66 545	352%	62 182	90 596	46%
Neosmectin	17 225	13 718	(20%)	30 014	23 994	(20%)	47 239	37 712	(20%)
Nitrocor	8 113	8 176	1%	8 231	5 222	(37%)	16 344	13 398	(18%)
Noopept	25 259	22 490	(11%)	35 193	41 851	19%	60 453	64 341	6%
Pentalgin	506 571	489 863	(3%)	529 820	747 661	41%	1 036 392	1 237 524	19%
Rinostop	49 099	57 237	17%	32 311	49 648	54%	81 409	106 885	31%
Selmevit	46 818	42 734	(9%)	21 996	35 034	59%	68 815	77 769	13%
Spasmol	1 097	698	(36%)	854	552	(35%)	1 951	1 250	(36%)
Termicon	31 502	19 359	(39%)	67 063	71 945	7%	98 565	91 304	(7%)
Flucostat	149 766	159 467	6%	249 627	289 991	16%	399 393	449 458	13%
Ciklovita	2 446	6 647	172%	3 476	8 473	144%	5 922	15 120	155%
Cinocap	9 199	9 246	1%	10 390	18 107	74%	19 589	27 353	40%
<b>TPP</b>									
Taufon	34 210	316 490	825%	42 344	202 796	379%	76 554	519 286	578%
Lactofiltrum	25 833	100 400	289%	124 945	193 757	55%	150 777	294 156	95%
Micrazim	27 527	64 127	133%	34 339	73 024	113%	61 866	137 150	122%
Filtrum-STI	8 561	28 836	237%	18 272	50 246	175%	26 833	79 082	195%
<b>TOTAL</b>	<b>3 513 499</b>	<b>2 960 971</b>	<b>(16%)</b>	<b>2 331 825</b>	<b>3 369 882</b>	<b>45%</b>	<b>5 845 324</b>	<b>6 330 854</b>	<b>8%</b>

## Revenue Dynamics (RUB bn)

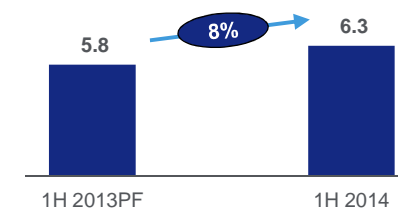
### 1Q 2014 vs. 1Q 2013PF



### 2Q 2014 vs. 2Q 2013PF



### 1H 2014 vs. 1H 2013PF



Note: (1) OTCPharm executes marketing and promotion of the following brands: Taufon, Lactofiltrum, Micrazim and Filtrum-STI.

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