



**INSTITUTIONAL PRESENTATION**  
2015



A low-angle, upward-looking photograph of a modern office building's interior. The scene is dominated by a large, white, cylindrical pillar in the center. To the left, a glass-enclosed staircase is visible, with a man in a light blue shirt and dark trousers walking on a glass floor. The ceiling is a complex grid of blue and white structural elements, with recessed lighting. The right side of the image is partially obscured by a bright yellow vertical bar. The overall atmosphere is clean, bright, and professional.

# ABOUT US

## OUR MISSION

To promote access to health and quality of life with fairly priced treatments in a profitable operation that assures sustainable growth to the company and the sharing with our workforce and with society of values generated.

## OUR VISION

To consolidate operations in Latin America and expand into key global markets seeking recognition of physicians and communities by the launch of new products and profitability that allows the company's sustainable growth.

## VALUES

Ethics, commitment, diversity, sustainable development, taking risks, focus and nationality.



over **40**  
Years of history

**100%**  
national funds

## GO BEYOND, ALWAYS

- Founded in 1972, Eurofarma is currently the 1<sup>st</sup> multinational pharmaceutical company in Brazil.
- We count on the largest medical advertising force in the country, with approximately 2 thousand representatives.
- We have over 500 presentations in line.
- Our sales reached R\$ 2.1 billion in 2014.
- We operate in the main pharmaceutical segments through Business Units: Medical Prescription, Generics, OTC, Hospital & Biddings, Oncology, Service to Third Parties and Veterinary.



Brazil  
Argentina  
Belize  
Bolivia  
Chile  
Colombia  
Costa Rica  
El Salvador  
Guatemala  
Honduras  
Nicaragua  
Panama  
Peru  
Dominican Republic  
Uruguay

We cover 68.55% of the Latin American market  
**Our goal is to reach 90% by 2015**



# A NARRATIVE OF ENTREPRENEURSHIP



# A NARRATIVE OF ENTREPRENEURSHIP

Acquisition of Wyeth brands: Ampicilina, Benzetacil, Pet-Ve-Oral, Wycilin, Helmiben, Rehidrat

Beginning of export activities

Establishment of Eurofarma Institute

Establishment of Innovation Center

Opening of the 1<sup>st</sup> Productive Block in Itapevi Complex

First patent filing by Eurofarma

EMA (European Medicines Agency) Certification for injectable lines: Cephalosporins

Entered global consortium for conducting clinical trials for novel drugs in the country

First international patent filing

**1998**

**2002**

**2006**

**2007**

**2008**

**2001**

**2003**

Entered generics drug market

Implemented SAP Management System



# A NARRATIVE OF ENTREPRENEURSHIP

Entered FMD Vaccine market (Inova Biotechnology)

Acquisition of Gautier (Uruguay), Volta/Famindustria (Chile) and Segmenta (Brazil)

Establishment of Advisory Council

Changed organization form to "S.A."(Corporation)

Establishment of Supera joint venture along with Cristália laboratory

Acquisition of site in Colombia

Establishment of Orygen Biotechnology (joint venture with Biolab)

Establishment of Supera RX (joint venture with MSD and Cristália)

Establishment of Momenta

Acquisition of site in Peru and Guatemala

**2010**

**2011**

**2012**

**2013**

**2009**

Launched 1<sup>st</sup> monoclonal antibody CIMAh<sup>®</sup>

Acquisition of Quesada Farmacêutica (Argentina)

**2014**

Innovation partnership with Dong-A (South Korea)

Shareholding with Melinta Therapeutics (USA)



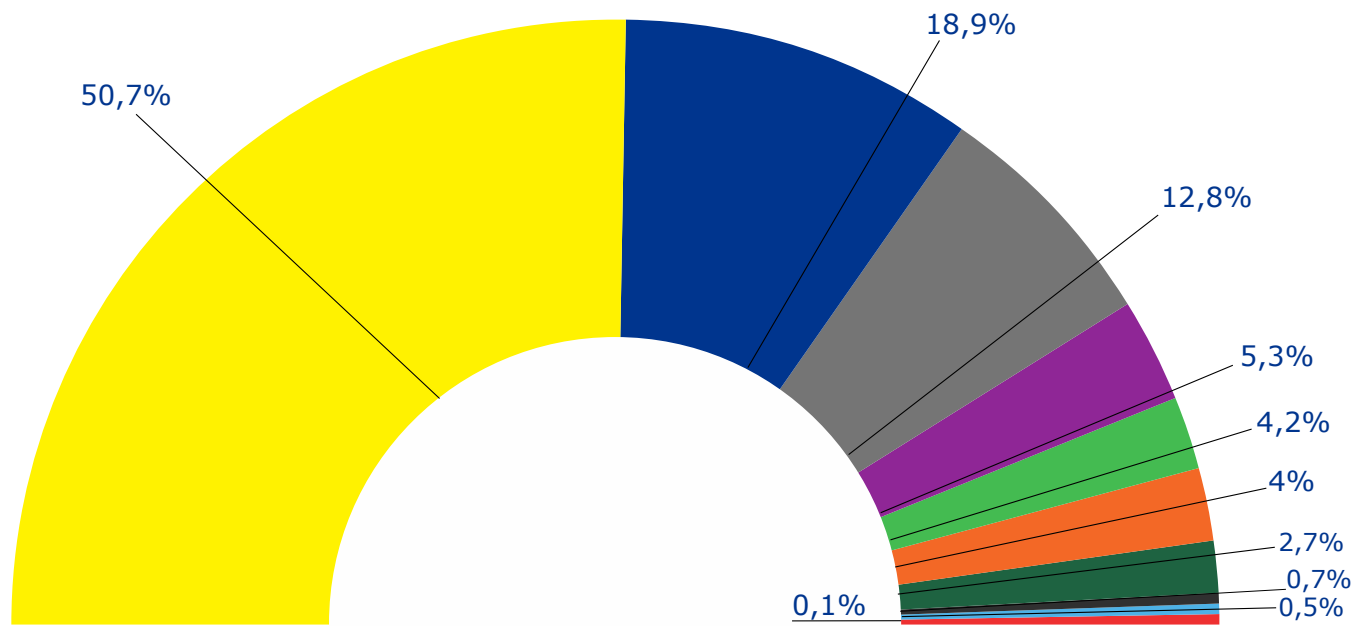
## SHARE

Percentage of consolidated values

50,7%	● Medical Prescription	4%	● Oncology
18,9%	● Hospital	2,7%	● Veterinary
12,8%	● Generics	0,7%	● Service to Third Parties
5,3%	● OTC	0,5%	● Euroglass
4,2%	● Biddings	0,1%	● Export

Highlight in important therapeutic classes:

**Hormones**  
**Antibiotics**  
**CNS**



Source: Internal Data



## MEDICAL PRESCRIPTION

**Tâmisa®**  
contraceptive



**Selene®**  
acne treatment



**Pondera®**  
antidepressant



## GENERICS

**Losartan potassium**  
antihypertensive drug



**Cilostazol**  
platelet aggregation inhibitor



**Norethisterone**  
contraceptive



## VETERINARY

**Newmast**  
Antimicrobiano/ antimastítico



**Aminofort**  
estimulador hormonal natural



**Creolina®**  
disinfectant



## ONCOLOGY

**Zoledronic acid**  
bisphosphonate



**Docetaxel**  
taxano



**Calcium Folate**  
other therapies against anemia



## HOSPITAL

**Polymyxin**  
antibiotic



**Piperacillin + Tazobactam**  
antibiotic



**Parenteral Solution**





**OUR OPERATIONS**

## ITAPEVI UNIT

### THE SITE

- Opened in 2007, it is our main production site
- Total area is 300 thousand m<sup>2</sup> and 85 thousand m<sup>2</sup> of constructed area
- 4 manufacturing blocks

### PRODUCTION

- Concentrates 80% of our production
- 1.170 workersemployees
- Current occupation: 50%

### INFRASTRUCTURE

- Distribution Center: 12 thousand square metersm<sup>2</sup> with 20 thousand pallet locations
- Energy substation
- Ecumenical Chapel
- Eurofarma's Historical Center



## UNITS



### **INTERLAGOS – SP**

Manufacturing site dedicated to the production of glass vials



### **CAMPO BELO | SP**

Lyophilized Production (oncology)



### **RIBEIRÃO PRETO – SP**

Bulk Parenteral solutions



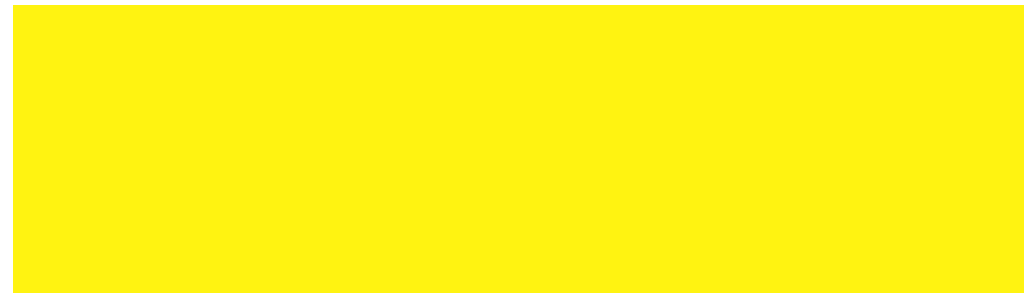
### **FREGUESIA DO Ó – SP**

Production of antibiotics, penicillins, cephalosporins and carbapenems



### **RIO DE JANEIRO | RJ**

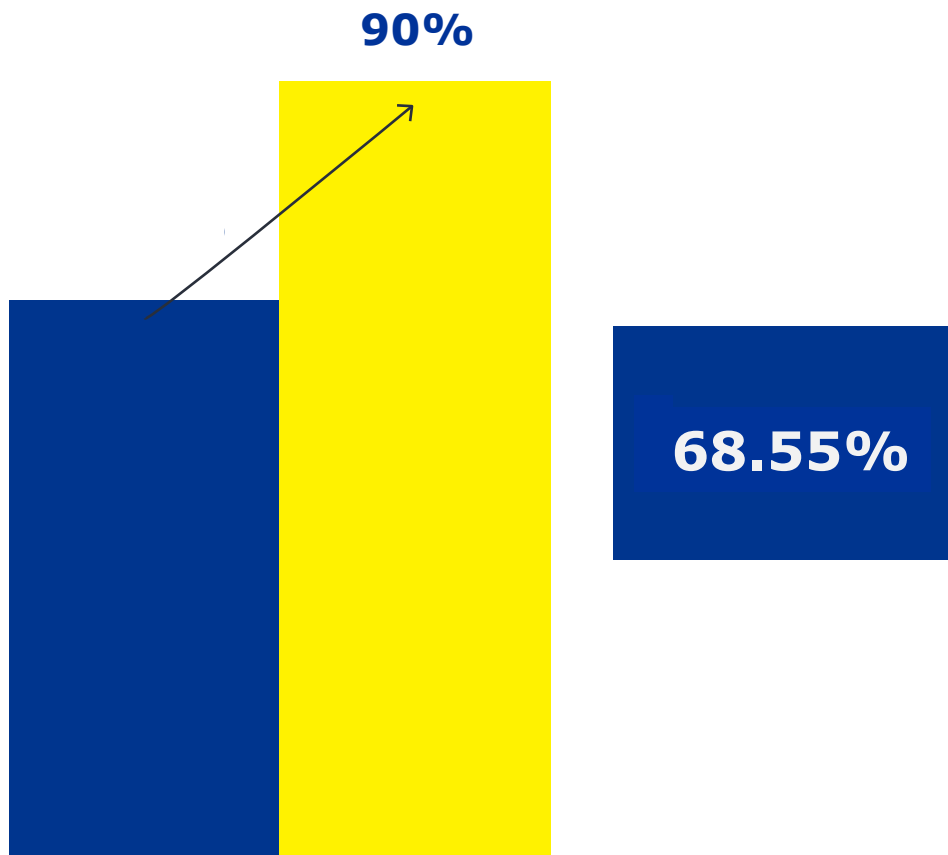
Production of Veterinary Products



## GOAL

Reach 90% of Latin American market by 2015.

Currently we cover 68.55% of the Latin American market



PERCENTAGE BY COUNTRY

**44,62%**  
Brazil

**0,60%**  
Uruguay

**10,47%**  
Argentina

**0,47%**  
Bolivia

**3,99%**  
Colombia

**1,73%**  
Peru

**2,61%**  
Chile

**4,06%**  
Central America

## UNITS



### CHILE

Sales Force: **28 professionals**

Brands Promoted: **30**

Presentations promoted: -

Medical specialties visited: **Ophthalmology, Cardiology, Dermatology, Pediatrics, General Clinics**



### URUGUAY

Sales Force: **30 professionals**

Brands Promoted: **49**

Presentations promoted: **75**

Medical specialties visited: **General Clinics, Psychiatry, Cardiology, Neurology, Endocrinology, Otorhinolaryngology, Gastroenterology, Urology, Pediatrics, Gynecology obstetrics**



### ARGENTINA

Sales Force: **43 professionals**

Brands Promoted: **24**

Presentations promoted: **52**

Medical specialties visited: **General Clinics, Cardiology, Gastroenterology**



### BOLIVIA

Sales Force: **22 professionals**

Brands Promoted: **23**

Presentations promoted: **75**

Medical specialties visited: **Psychiatry, Neurology, Otorhinolaryngology, Surgery, Gastroenterology, Urology, Cardiology, Rheumatology**

## UNITS



### PERU

Sales Force: **58 professionals**  
Brands Promoted: **62**  
Presentations promoted: **94**  
Medical specialties visited: **Cardiology, Dermatology, Gynecology obstetrics, Surgery, Neurology, Otorhinolaryngology, Urology, Gastroenterology, Ophthalmology**



### COLOMBIA

Acquisition done in **2012**  
Sales Force: **32 profesionales**  
Presentations promoted: **3**  
Medical specialties visited: **8**



### CENTRAL AMERICA

Acquisition done in 2013  
**Headquarters located in Guatemala**  
Sales force: **95 professionals**  
Operations in Panama, Nicaragua, Honduras, El Salvador, Costa Rica, Dominican Republic



Current Production of

**200**

millones de unidades

**52**

active production lines

**1.496**

employees in manufacturing  
area

**105** HPLC





## COMPANIES IN THE EUROFARMA GROUP

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EUROFARMA  
BIOLAB

Alliance between the two pharmaceutical laboratories to develop and produce 7 high cost biosimilar products to serve Brazilian government.



EUROFARMA  
HERTAPE CALIER

Partnership with the Spanish-Brazilian company for the production of FMD (Foot and Mouth Disease) Vaccines



EUROFARMA  
MSD  
CRISTÁLIA

Partnership responsible for the promotion, distribution and marketing of Medical Prescription products.



MOMENTA FARMACÊUTICA

Company focused in Medical Prescription products for Psychiatry, Gynecology, Respiratory System, among other specialties.

Momenta Farmacêutica is also responsible for manufacturing antibiotics such as Penicillin, Cephalosporin and Carbapenems, in different pharmaceutical presentations for human and veterinary use.

## OUR PARTNERSHIPS



- ACHÉ
- ACTAVIS
- ALBITECH / GSN
- ALMIRALL
- ALTHAIA
- AMW
- BIODERMA
- CHEMO
- CIMAB
- DANISCO (DUPONT)
- DONG-A
- DSM
- HYPERMARCAS
- JUBILANT
- KERN
- LUPIN
- MELINTA
- MERIAL
- NEURIM
- NIPRO
- NOVO NORDISK
- ORDESA
- PHARMA MEDICO
- PHASILAB
- RANBAXY
- RECOMBIO
- SMB
- SOFTCAPS



**LICENSED PRODUCTS REPRESENT  
AROUND 10% OF OUR INCOME**



**HOW WE ACT**

## ADVISORY COUNCIL

Established in 2011 with the objective of supporting and evaluating **company's strategic decisions**.

## ETHICS COUNCIL

Responsible for the evaluation of the **corporate's ethical behavior** (actions, media, relations with concerned public, etc.).

## COMPLIANCE AND RISK MANAGEMENT

Responsible for monitoring **company's behavior and actions, so that best practices are always executed** and that they are in accordance with national regulations and with our internal conduct code.



## INDEPENDENT OMBUDSMAN CHANNEL

Direct and confidential **internal communication** channel, which can be used by any employee or service provider to expose situations that present any behavior deviation.

## INVESTMENTS COMMITTEE

It meets periodically to discuss **investment opportunities**, taking into consideration the operational risk, financial investment analysis and company strategy.

## SUSTAINABILITY

A committee periodically discusses **corporate responsibility actions, which encompass social and environmental programs**. The objective is to ensure the sustainable development of our business and society and to preserve the environment.



### INVESTMENTS IN RESEARCH, DEVELOPMENT AND INNOVATION\* ACCOUNT FOR 6% OF OUR NET SALES

Our forecast is that  
this rate reaches

**12%** in 2020

Pipeline: **176** projects

Goal: **20** new  
products/year (including  
international operations)



\* Root Projects, incremental projects and pharmacotechnical development.

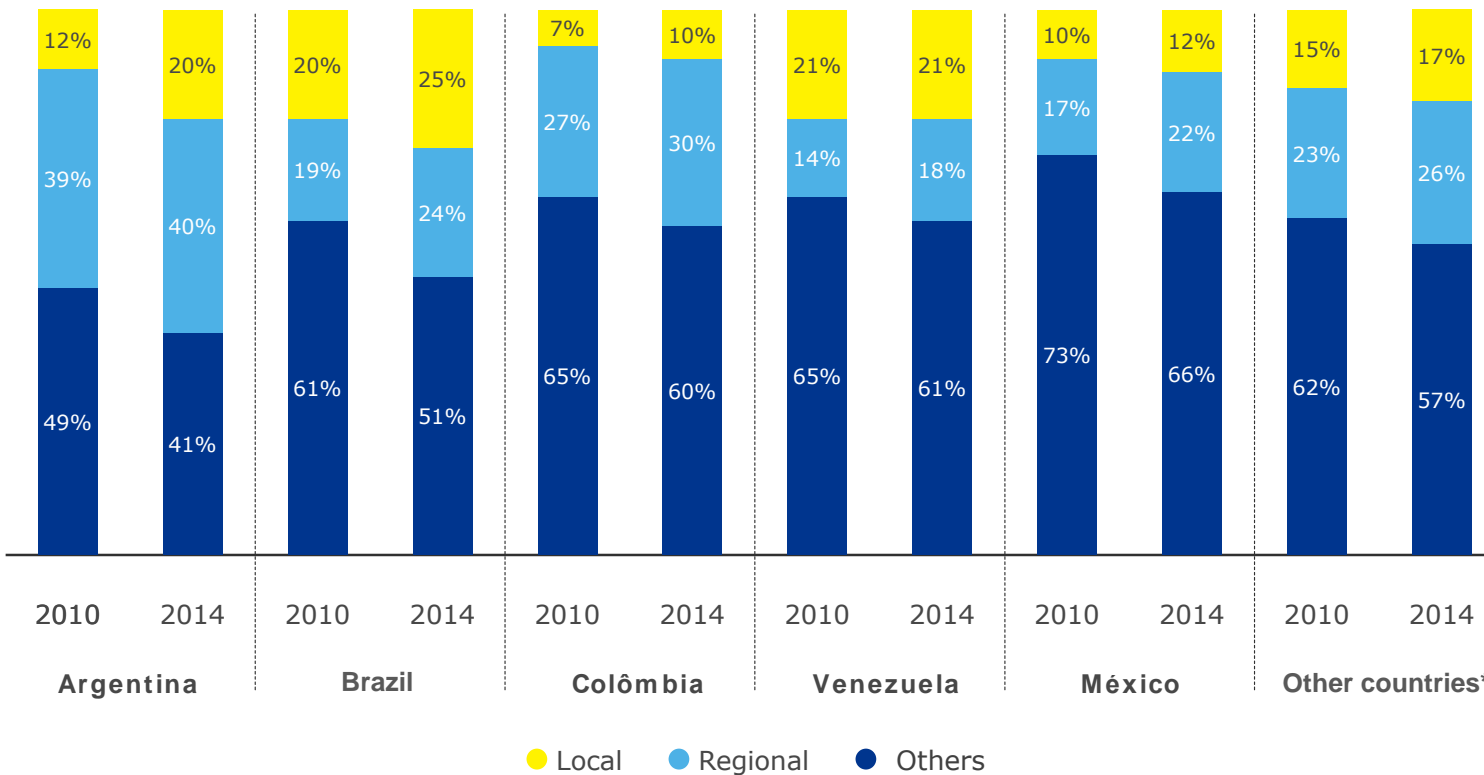
**MARKET**



## MARKET SHARE

by type of company (US\$ list price)

Local companies grew faster since their portfolios fit the profile of market evolution.



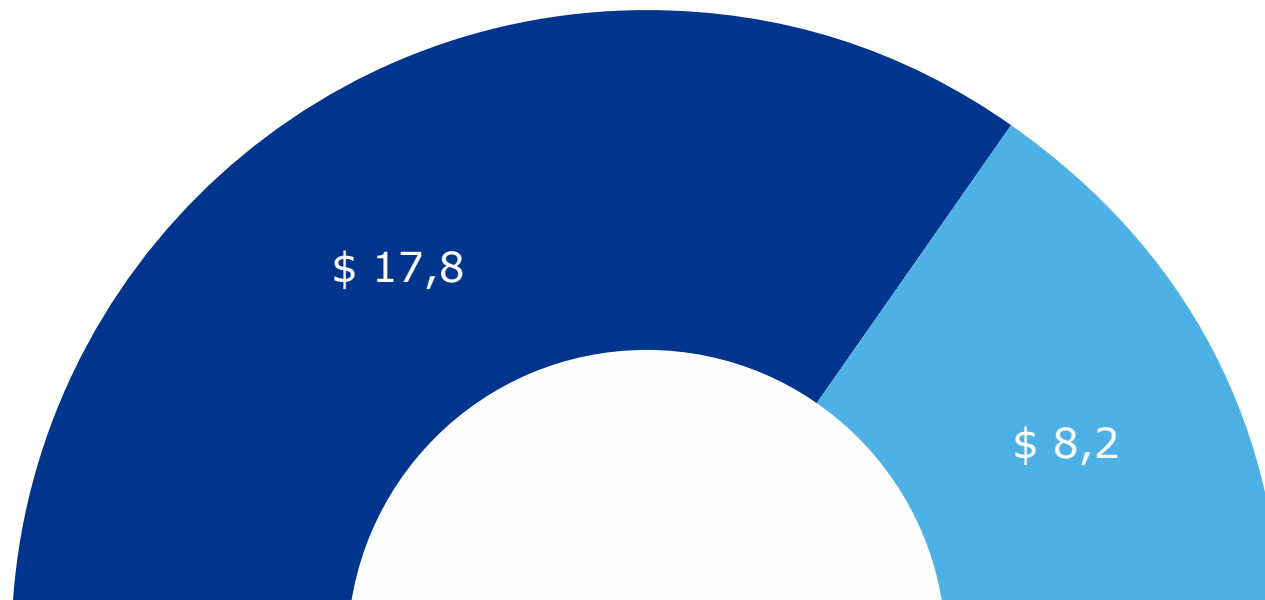


## MARKET SHARE

Total (Retail x Non-retail): US\$ 26 billion

US\$ considering discounts in 2014

- 68,4% ● Retail Market (Varejo)
- 31,6% ● Non-Retail Market (Não Varejo)



### Definitions

#### Drug Stores

(retail)

US\$ 17.8 billion

#### Institutions, Hospitals, Clinics, and Government

(non-retail)

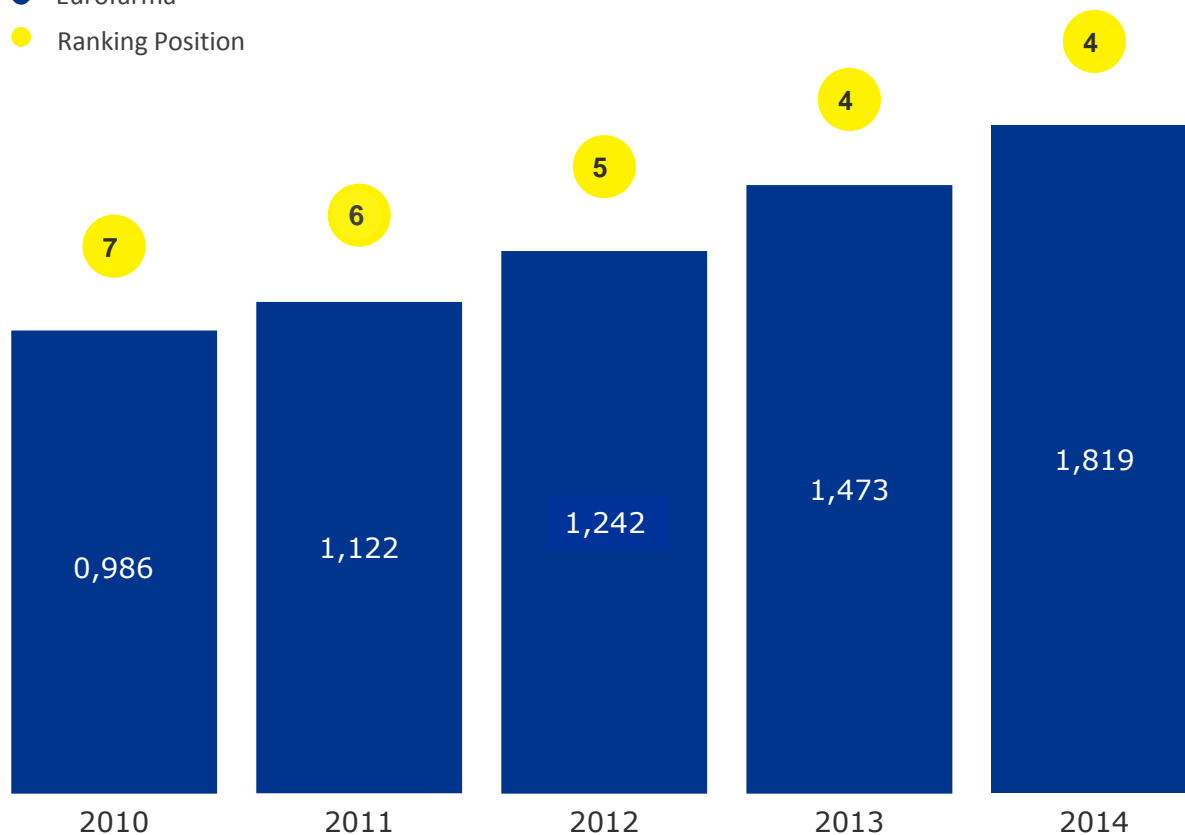
US\$ 8.2 billion

Source: IMS Health  
Dec/14 - PMB. Non retail  
Dollar exchange rate  
US\$ 1 = R\$ 2,34

## EVOLUTION

Turnover and ranking (IMS/PMB)

- Eurofarma
- Ranking Position



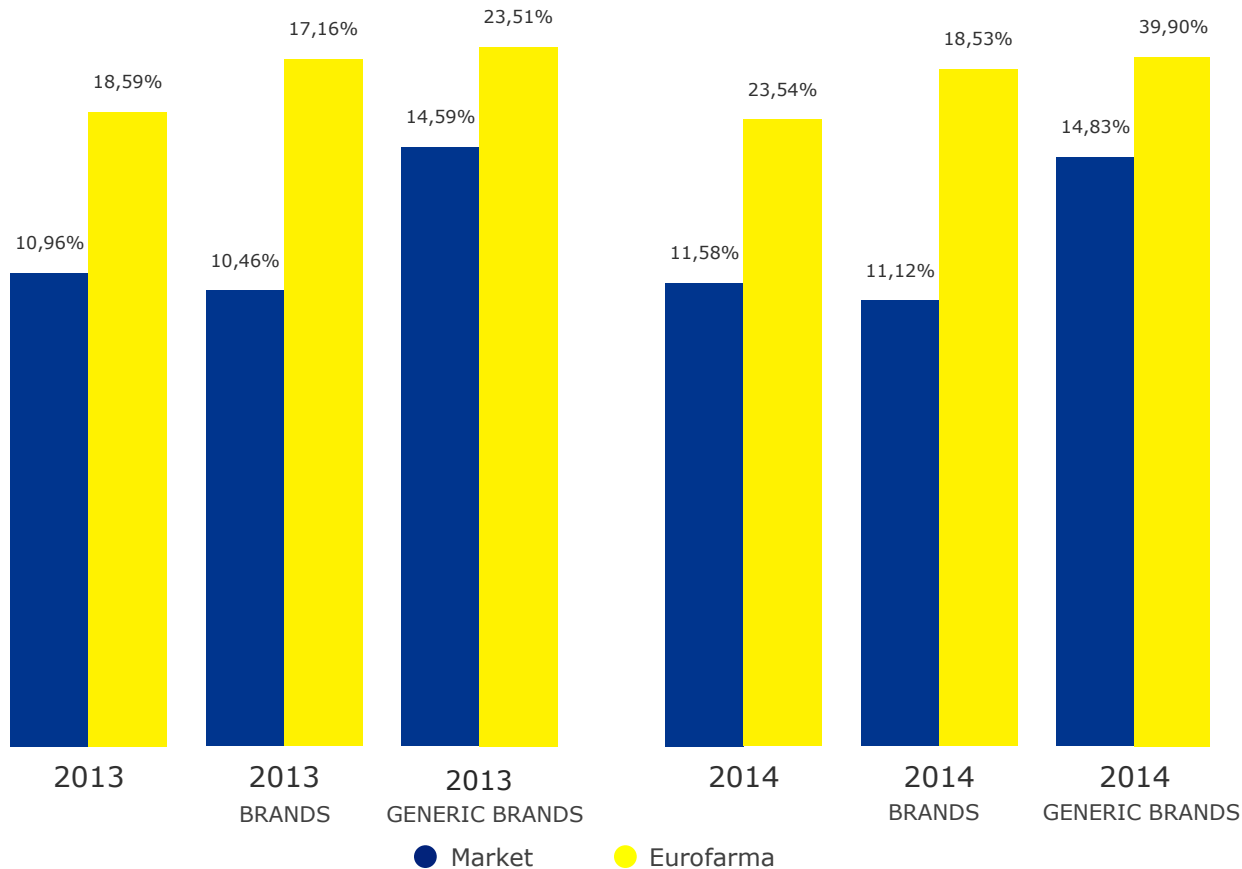
## Employees



Source: PMB PPP Dec/ 14 IMS - Brasil  
\* It does not consider Momenta's and Supera's product portfolios.

## EVOLUTION

PPP PMB - Ranking (in R\$)



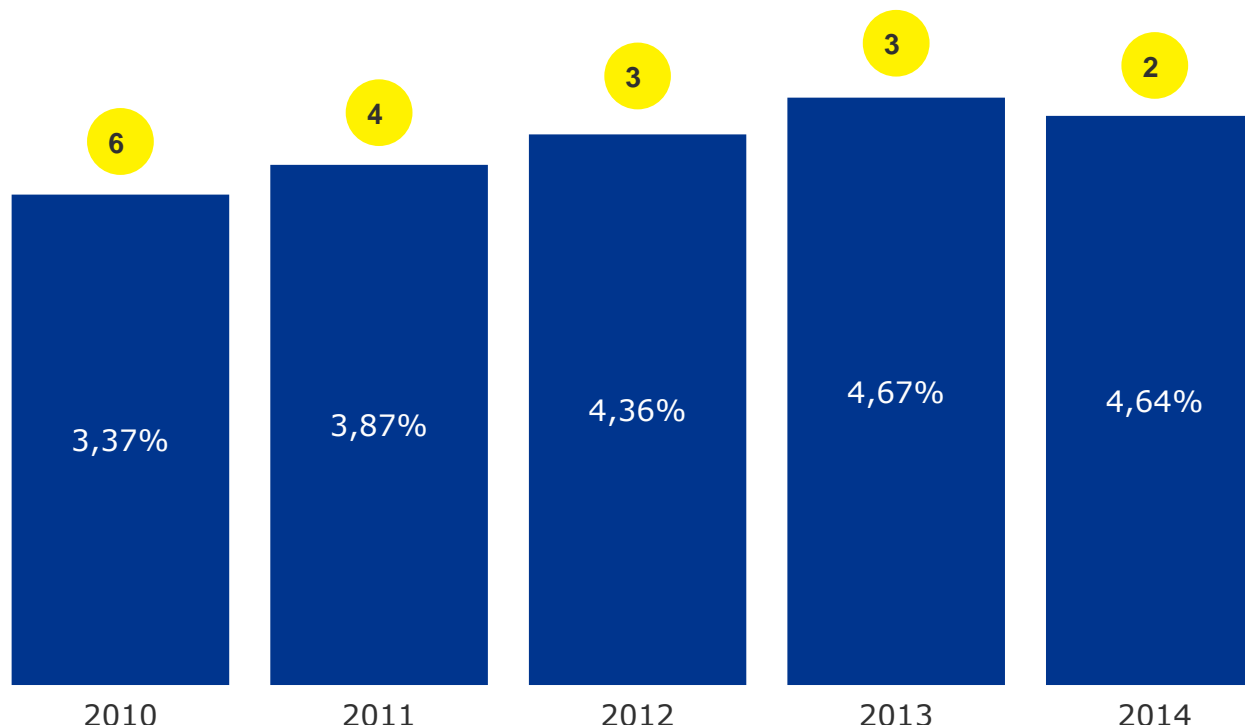
## Ranking 2013

- 1 Aché
- 2 Sanofi
- 3 EMS Pharma
- 4 Eurofarma**
- 5 Medley
- 6 Novartis
- 7 Neo Química
- 8 Pfizer
- 9 Bayer Pharma
- 10 Takeda Pharma

Source: PMB PPP Dec/ 14 IMS - Brasil  
 \* It does not consider Momenta's and Supera's product portfolios.

## PRESCRIPTION EVOLUTION 2014

- Eurofarma
- Ranking Position

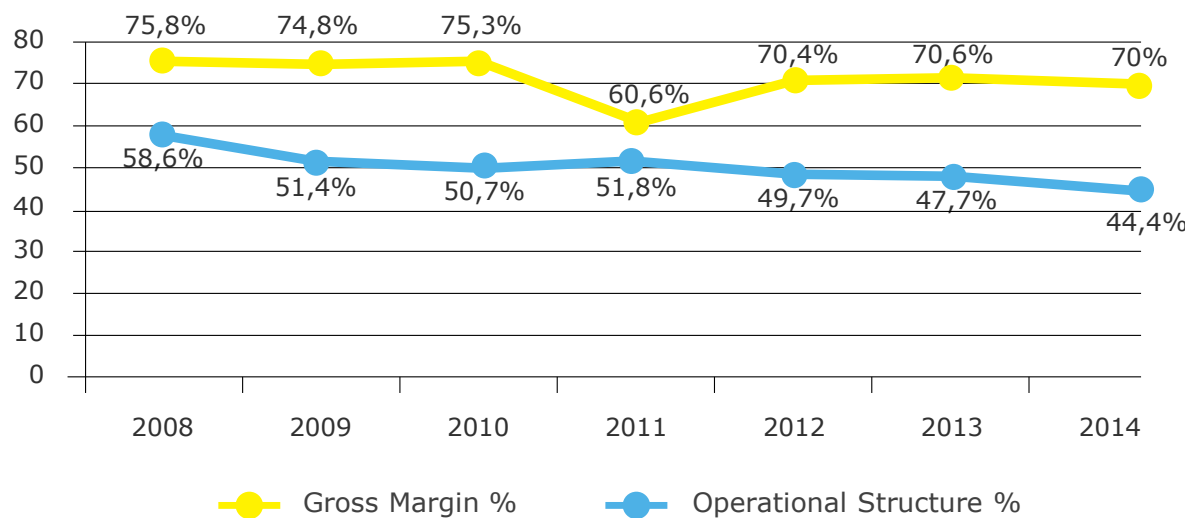


### Ranking 2014

- 1 Aché
- 2 Eurofarma**
- 3 Sanofi
- 4 Merck
- 5 EMS Pharma

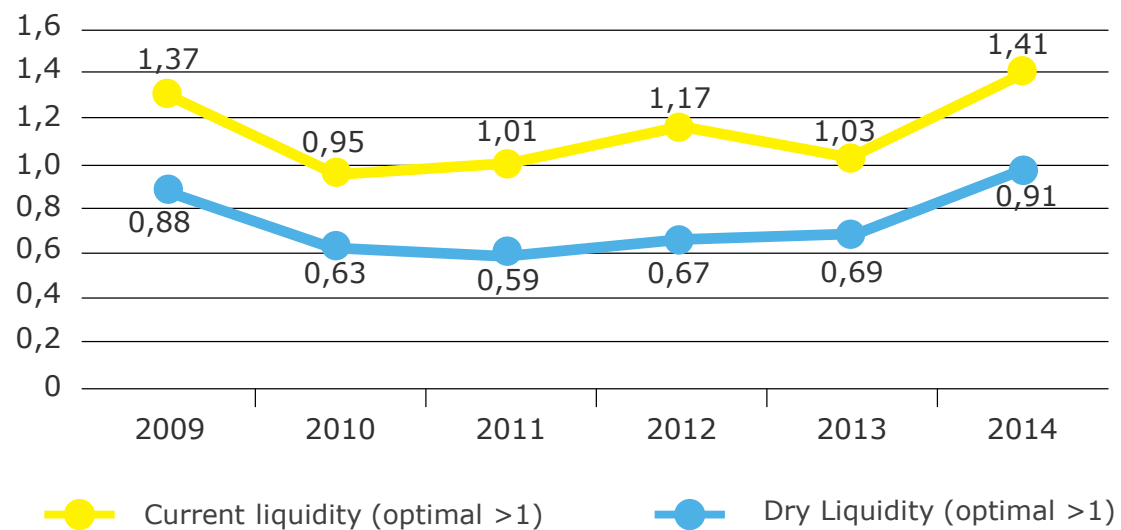
Source: Close UP Dec/2014 - Brazil  
\* It does not consider Momena's and Supera's product portfolios.

## OPERATIONAL STRUCTURE



Gross Margin (%):  $(\text{Gross Profit} - \text{Indirect Oc}) / \text{Net Sales}$   
 Operational Structure (%):  $(\text{Operational Costas} + \text{AG} - \text{P\&D}) / \text{Net Sales}$

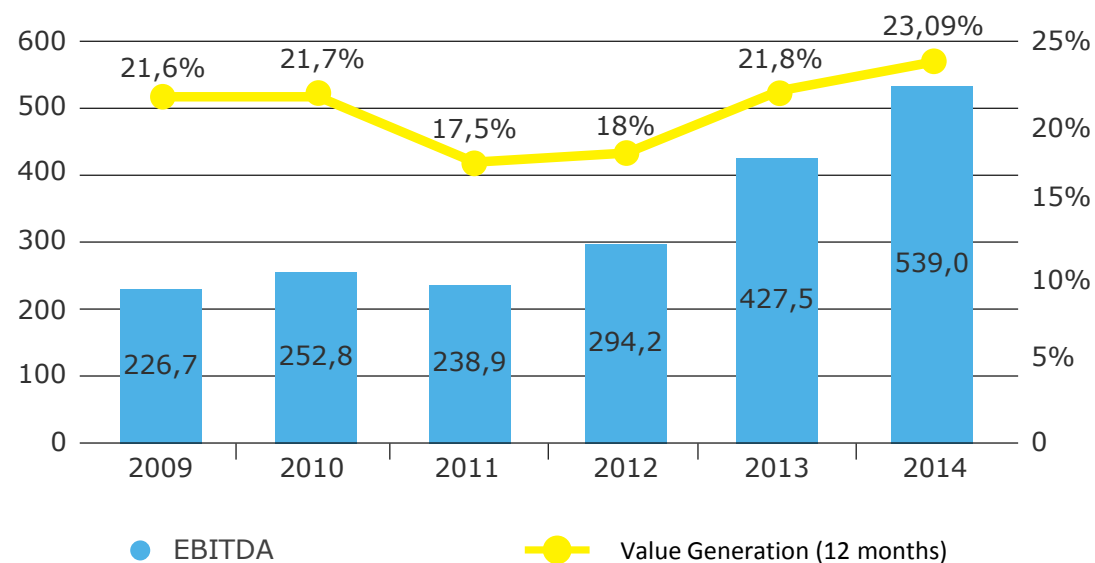
## LIQUIDITY INDICATOR



Current Liquidity -  $(\text{Current assets} / \text{current liabilities})$   
Current dry Liquidity -  $(\text{Current assets-stock} / \text{current liabilities})$

## EBITDA

Generation of Cash Flow (in million R\$)



EBITDA - Net earnings before interests, tax, depreciation/amortization.  
 Value generation - EBITDA/ Net Sales



**OUR ACTIONS**



## ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

### MAIN PROJECTS

- Wastewater treatment stations
- Monitoring of indicators: water, energy, hazardous residues
- Greenhouse gases - Fleet
- Renewable energy
- Water reuse
- Correct disposal of drugs
- Selective waste collection



ISO 14001 Certification  
- Environmental  
Management System



## PROGRAMS

- Eurofarma Nursing Center
- Educate to Recycle
- Raw materials
- Second Generation Raw material
- Conect@
- Eurofarma School-Workshop
- Administrative Techniques
- Office Assistant

**25 thousand**

people directly benefited since 2006



**WE SPONSOR CULTURAL AND SPORTS PROJECTS WITH THE OBJECTIVE OF CONTRIBUTING TO THE GROWTH AND STRENGTHENING OF NATIONAL ARTS**



### CULTURE

**R\$ 2.7 million**

invested in culture in 2014.

In 2014, **8 projects**

received allocations through Rouanet and Proac Laws.

### SPORTS

**R\$ 1.5 million**

invested in 2014 through incentive laws.

**R\$ 8.1 million**

invested in sports through our own resources.

In 2014, 10 projects received allocations and over 2.3 thousand children and young people were directly benefited by resources from federal and state sports regulations (PIE).

### **GPTW (2014)**

3<sup>rd</sup> place in pharmaceutical industry category in Brazil.

### **EXAME GUIDE (FROM 2003 TO 2013)**

Present in the guide that lists the best companies to work with in Brazil.

### **EXAME SUSTAINABILITY GUIDE (2013)**

Most Sustainable company in the Pharmaceutical segment.

### **TOP HOSPITAL AWARD (2013)**

Evaluates and recognizes services performed by suppliers of the medical and hospital sectors.

### **BUMERANGUE CORPORATE TRAINING AWARD (2013)**

Granted by Sindusfarma to companies with the best training, development, recruiting and selection programs of pharmaceutical industry Human Resources.

### **1000 BEST FROM DINHEIRO (2014)**

One of the best companies from the segment regarding Social responsibility, Human Resources Management and Corporate Governance.

### **ÉPOCA NEGÓCIOS 360 MAGAZINE (2014)**

Champion in the pharmaceutical sector among 250 best companies from the sector.



# IN 2014 WE MIGRATED TO GPTW



2004 2005 2006 2007 2008 2009 2010 2011 2012 2013

Presence among top 150 companies



1st place in best pharmaceutical company category



Yearly special Category



Best company for women

Best in Health Quality of Life

Mejor en prácticas de remuneración

**Pharmaceutical, hygiene, and cleaning companies**

MSD, Novartis, Pfizer, Schering, Plough, Boehringer Ingelheim, Medley, Sankio e Novo Nordisk

Bristol Myers, Boeinger Ingelheim, Astrazeneca, Lily, Novartis, Schering-Plough, Novo Nordisk, Sankio e Aspen

Janssen-Cilag, Medley, Sanofi Aventis, Schering-Plough, Aspen e Sankio

Janssen-Cilag, Medley, Mantecorp e Novo Nordisk

Sanofi Aventis, Wyeth, Genzyme e Novo Nordisk

Sanofi Aventis, Wyeth, Genzymwe e Novo Nordisk

Sanofi Aventis, Colgate, Palmolive, Nive, Genzyme, Phito Fórmulas e Novo Nordisk

Colgate, Palmolive, Genzyme, GlaxoSmithKline, Boticário, Nycomed, Ourofino Agronegócio, P&G, Sanofi Aventis e Zambon

GlaxoSmithKline, Novo Nordisk, Ourofino Agronegócio, Phyto Fórmulas, Takeda e Zambon

Ourofino Agronegócio, Takeda e Zambon



[www.eurofarma.com.br](http://www.eurofarma.com.br)