

Pharmaceutical Market Perspective

Policy Dialogue on Universal Health Care & Access to Medicines
25 July 2013



Disclaimer

IMS does not warrant that the information contained herein shall meet the present or future needs or objectives of the recipient, who assumes sole responsibility for the use, selection, and suitability of the said information to its needs and objectives.

IMS shall not be liable for any expressions of opinion, evaluations, or forecasts contained in the said information.

For Services or deliverables provided by IMS Health which contain forward-looking statements or projections, it is acknowledged by the Parties that such forward-looking statements or projections are subject to known and unknown risks, uncertainties, and other factors which could cause the actual results or performance to differ from such projections, and IMS shall not be responsible for and disclaims any liability arising from any such differences.

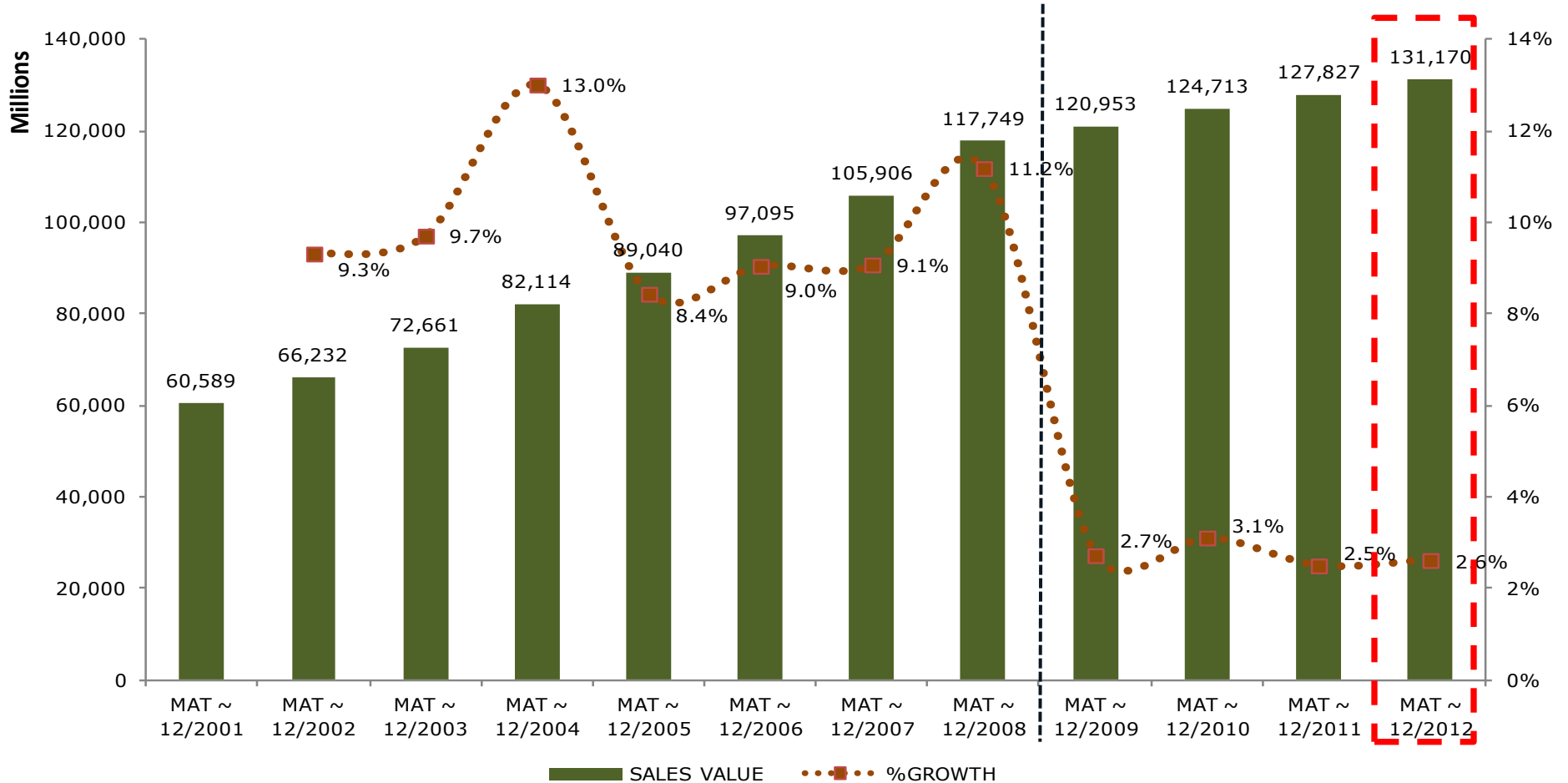
IMS does not accept or assume responsibility to any person or third party for any matter contained in or referred to in the information provided in accordance with these Services or for any reliance placed on the information contained in this presentation or deliverables resulting from these Services.

Agenda

- **The Philippine pharma market (size & growth)**
- Market share trends
 - Ethical vs. OTC
 - Retail vs. hospital sectors
 - Innovators vs. branded generics vs. unbranded generics
 - Philippines
 - Comparator Asian countries
- Post-MDRP/GMAP scenario (snapshots for select molecules)
- Summary: Prospects for the Philippine pharma market

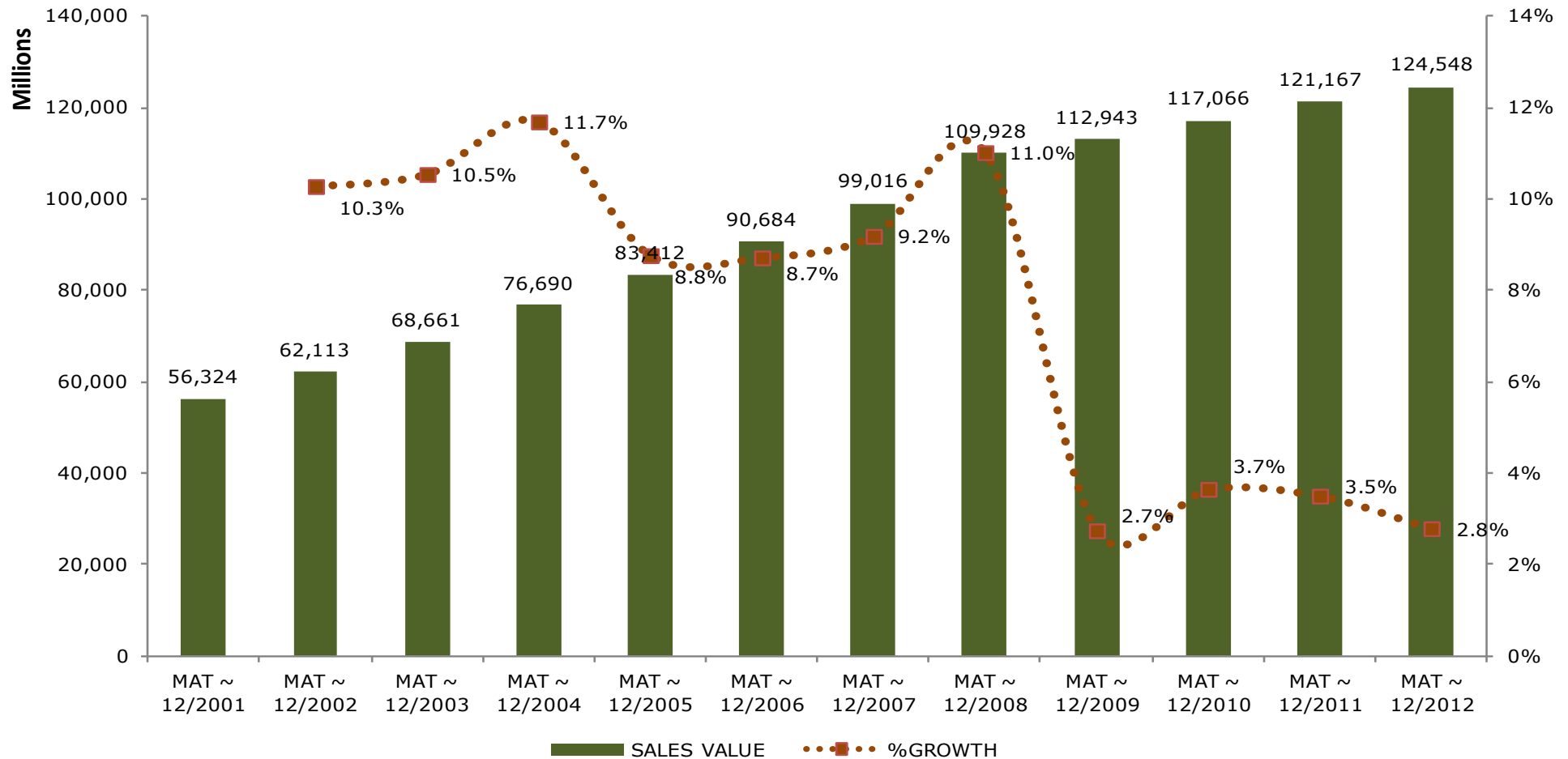
The Philippine pharma market at 131 bn, grew 2.6% in 4Q12, following 3 yrs of single-digit growth trends

TOTAL PHARMA MARKET (Sales Value)



Less Nutrition products, the total pharma market is at 124 bn in 4Q12, growing slower vs. previous period at 2.8%

TOTAL PHARMA MARKET – Less V6V7 (Sales Value)

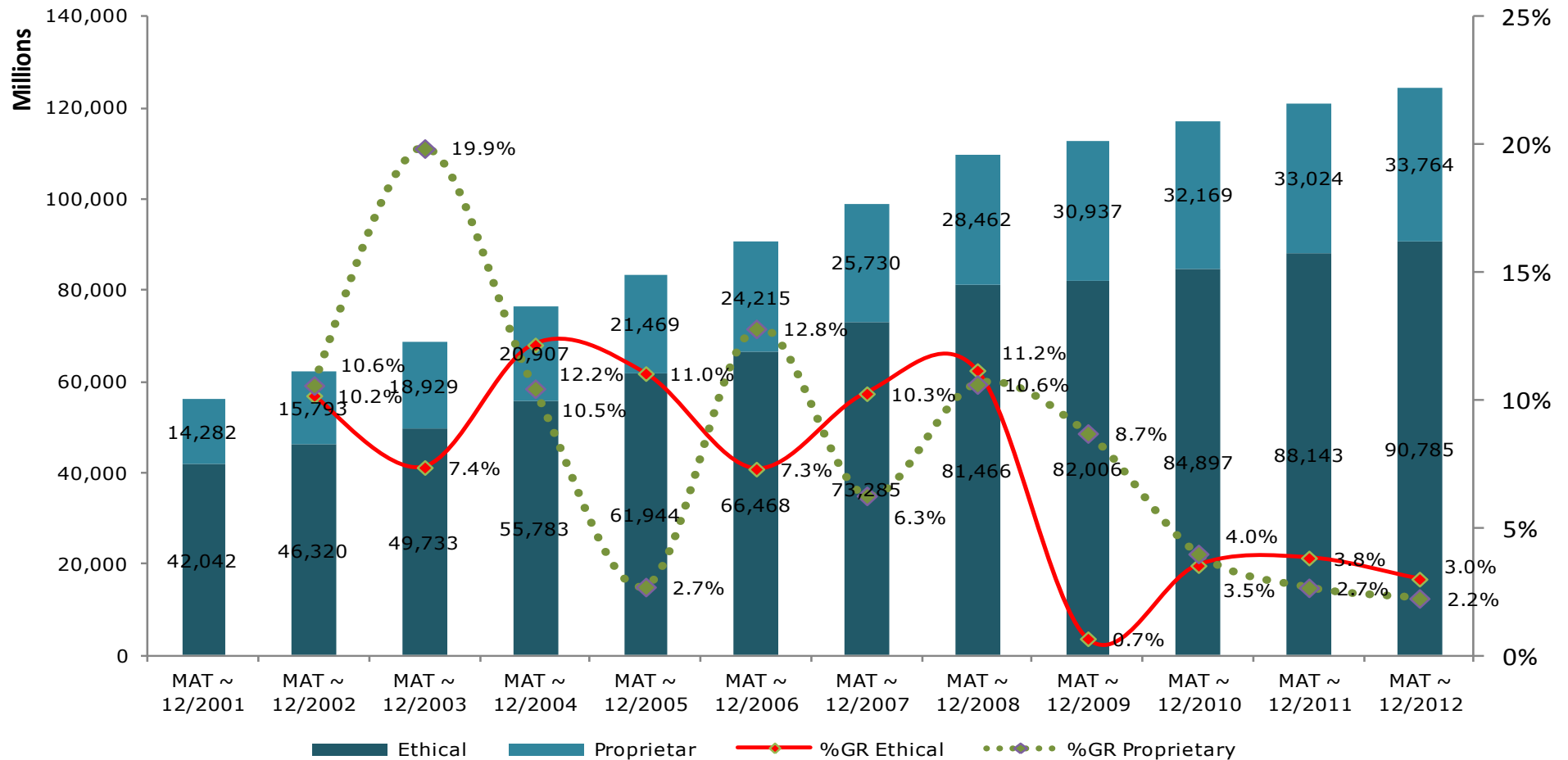


Agenda

- The Philippine pharma market (size & growth)
- **Market share trends**
 - Ethical vs. OTC
 - Retail vs. hospital sectors
 - Innovators vs. branded generics vs. unbranded generics
 - Philippines
 - Comparator Asian countries
- Post-MDRP/GMAP scenario (snapshots for select molecules)
- Summary: Prospects for the Philippine pharma market

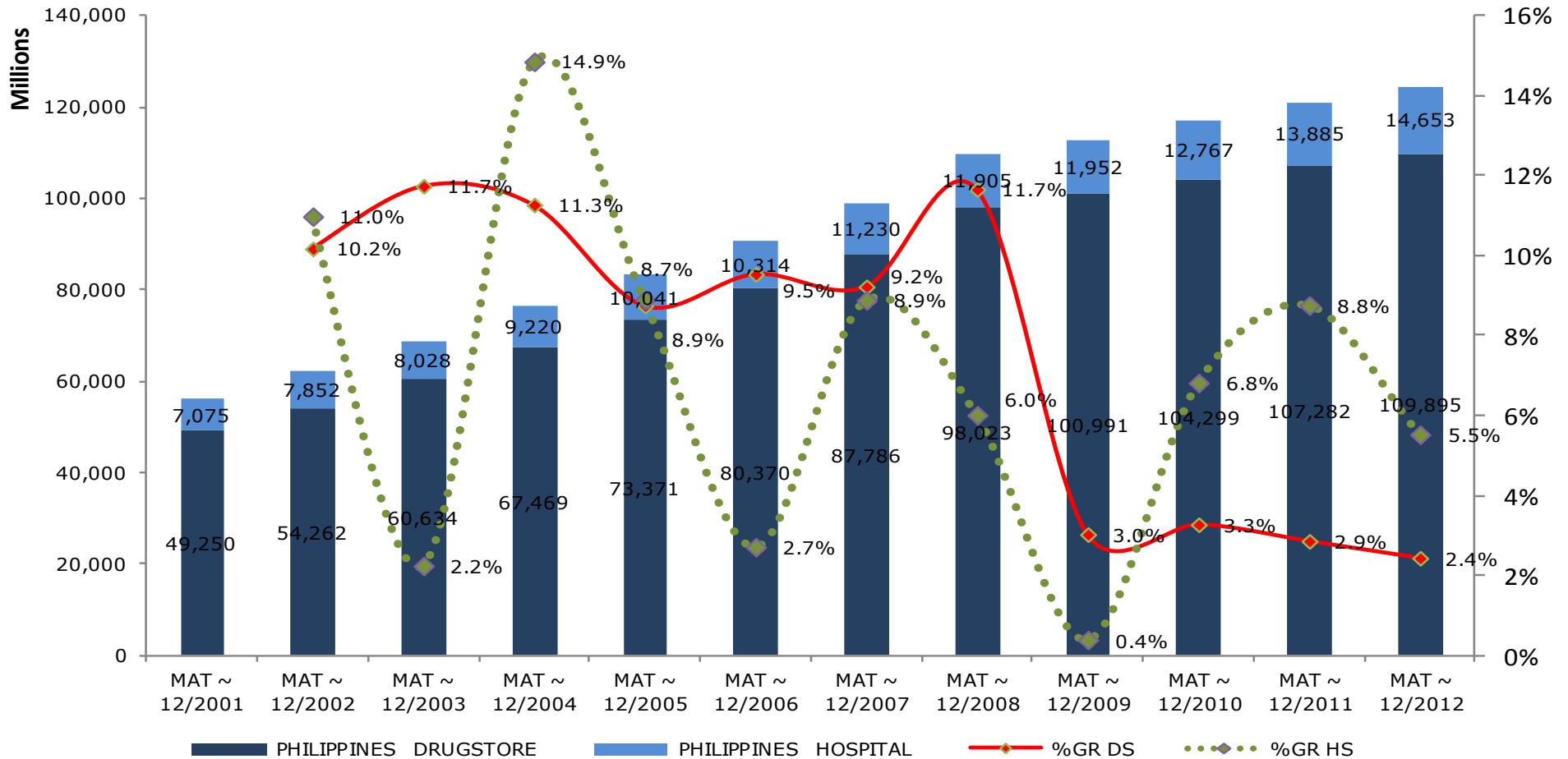
The Philippine market is ethical dominated (74% share)

ETHICAL vs. OTC MARKET – Less V6V7 (Sales Value)

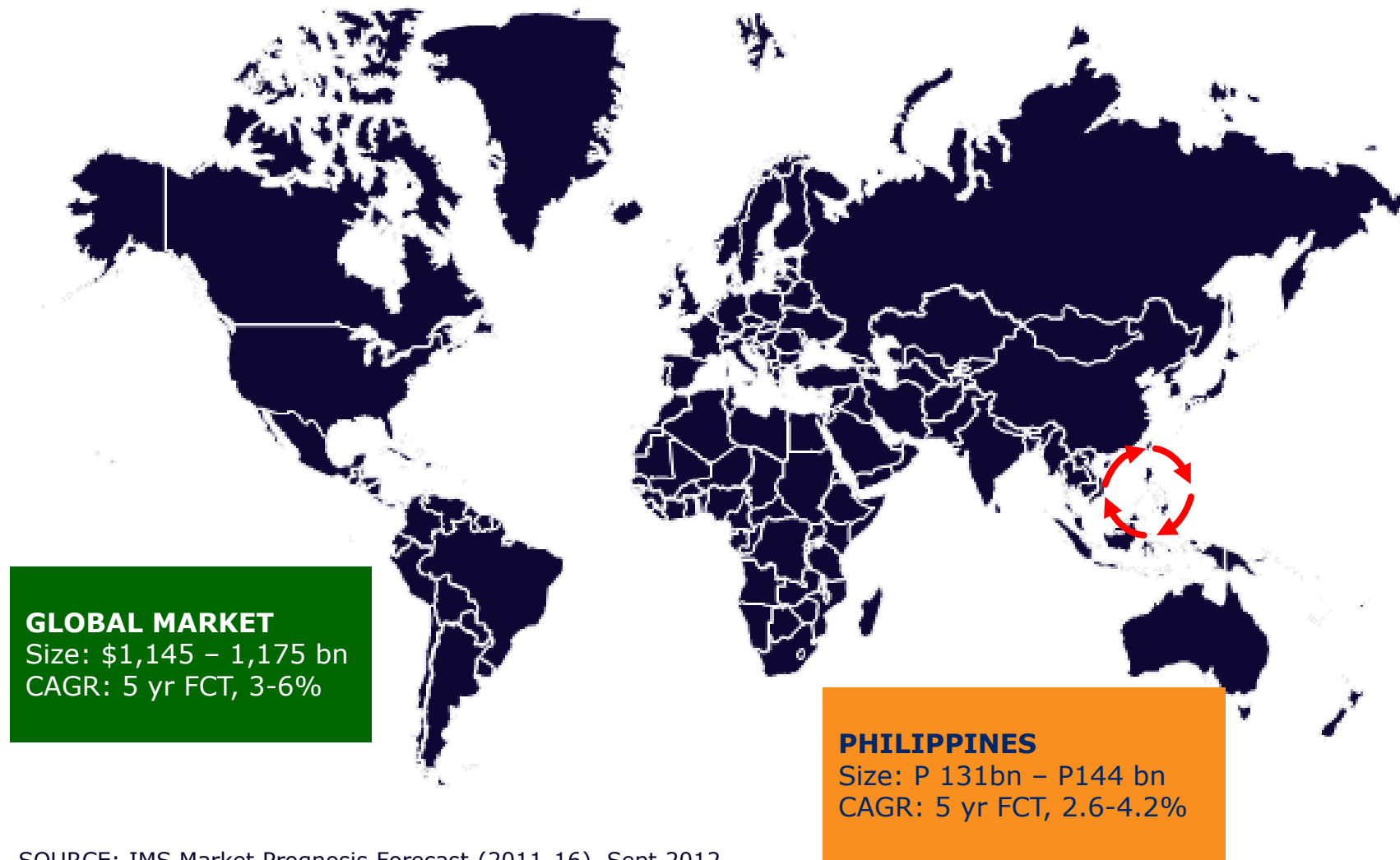


The drugstore sector, meanwhile, comprised the largest portion of the market at 89%. Hospital had stronger growth

DRUGSTORE / HOSPITAL – Less V6V7 (Sales Value)



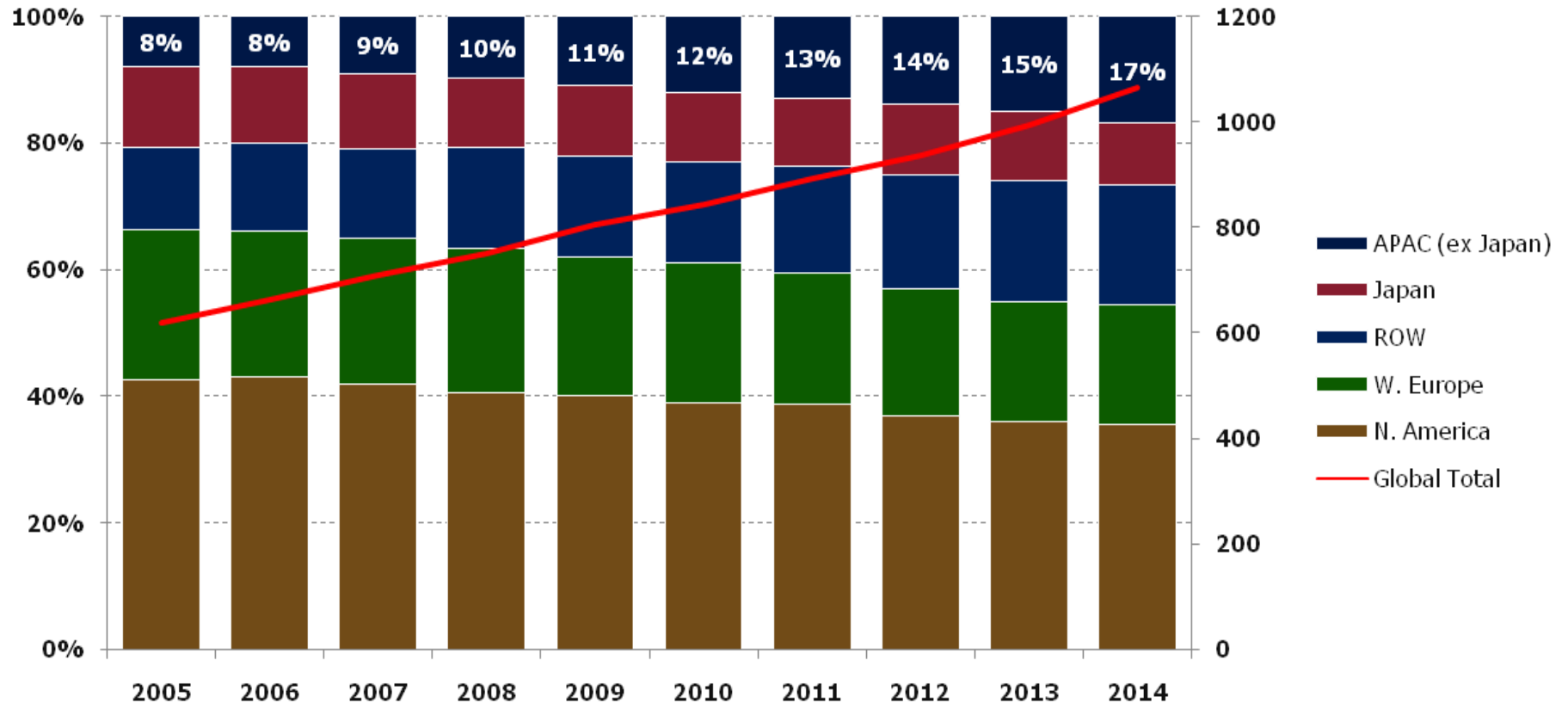
4.2% growth rate projected for the Philippine pharma market in 2016/2017



SOURCE: IMS Market Prognosis Forecast (2011-16), Sept 2012

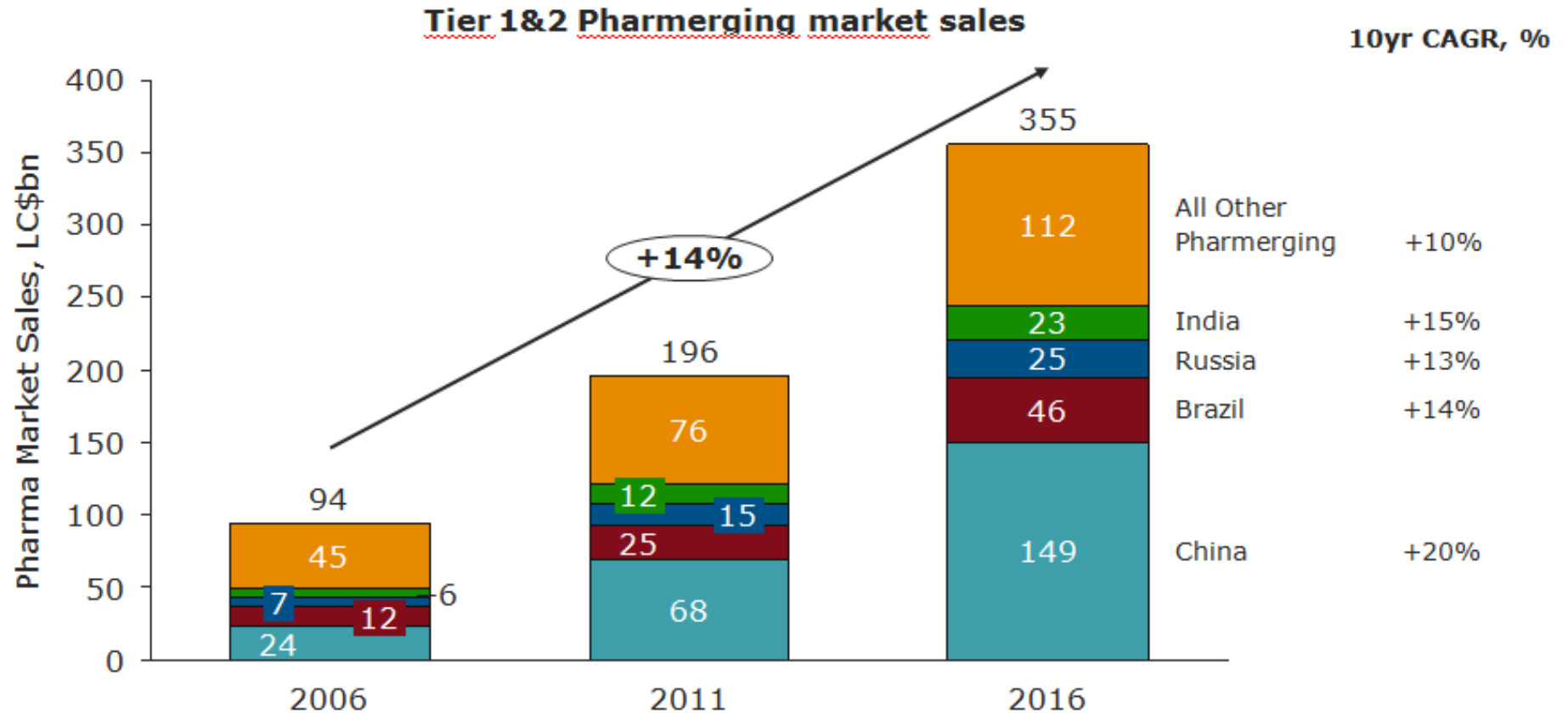
APAC contribution to global sales is expected to continue to grow from 12% to 17% by 2014

REGIONAL CONTRIBUTION TO GLOBAL SALES



SOURCE: IMS Market Prognosis, Sep 2012

China and India still represent the highest contribution to global growth (+35% by 2016)



SOURCE: IMS Market Prognosis, Sep 2012

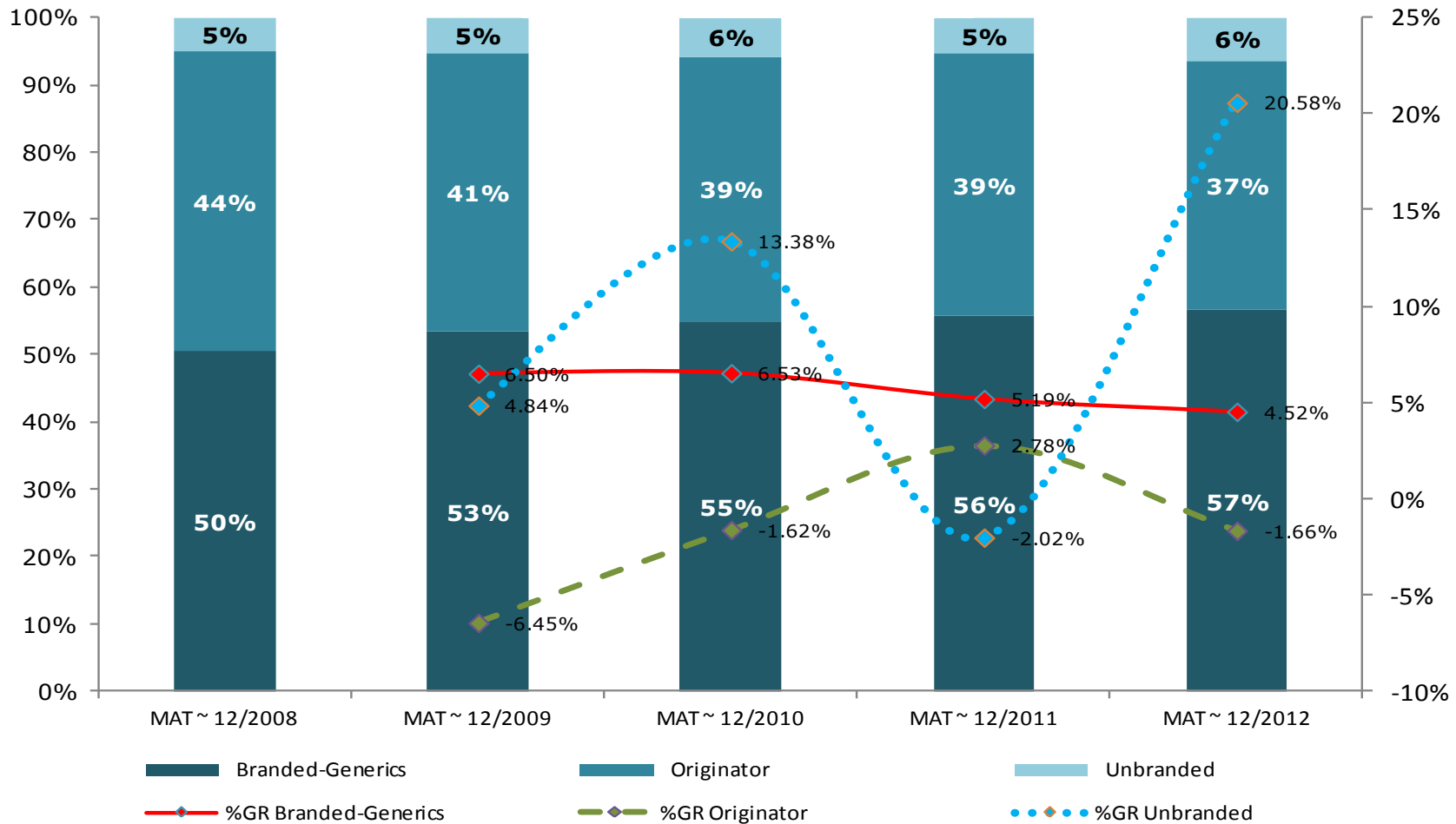
China and India continue to rise in sales ranks while Indonesia is forecasted to make the Top 20 list by 2016



SOURCE: IMS Market Prognosis Forecast (2011-16), Sept 2012

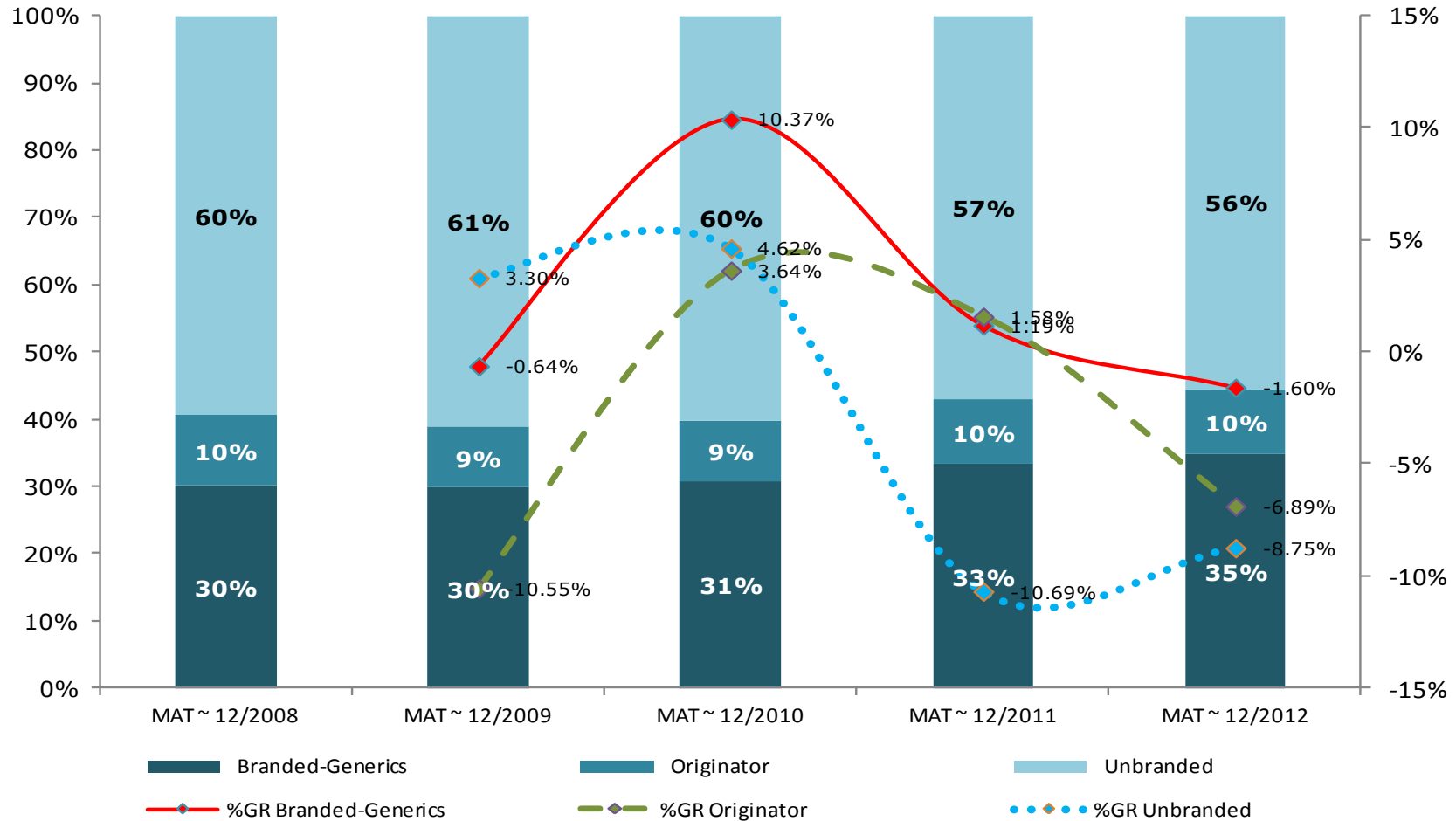
In terms of sales, market is driven by branded generics which have steadily increased share in the past 5 years

ORIGINATOR / BRANDED Gx / UNBRANDED Gx – Less V6V7 (Sales Value)



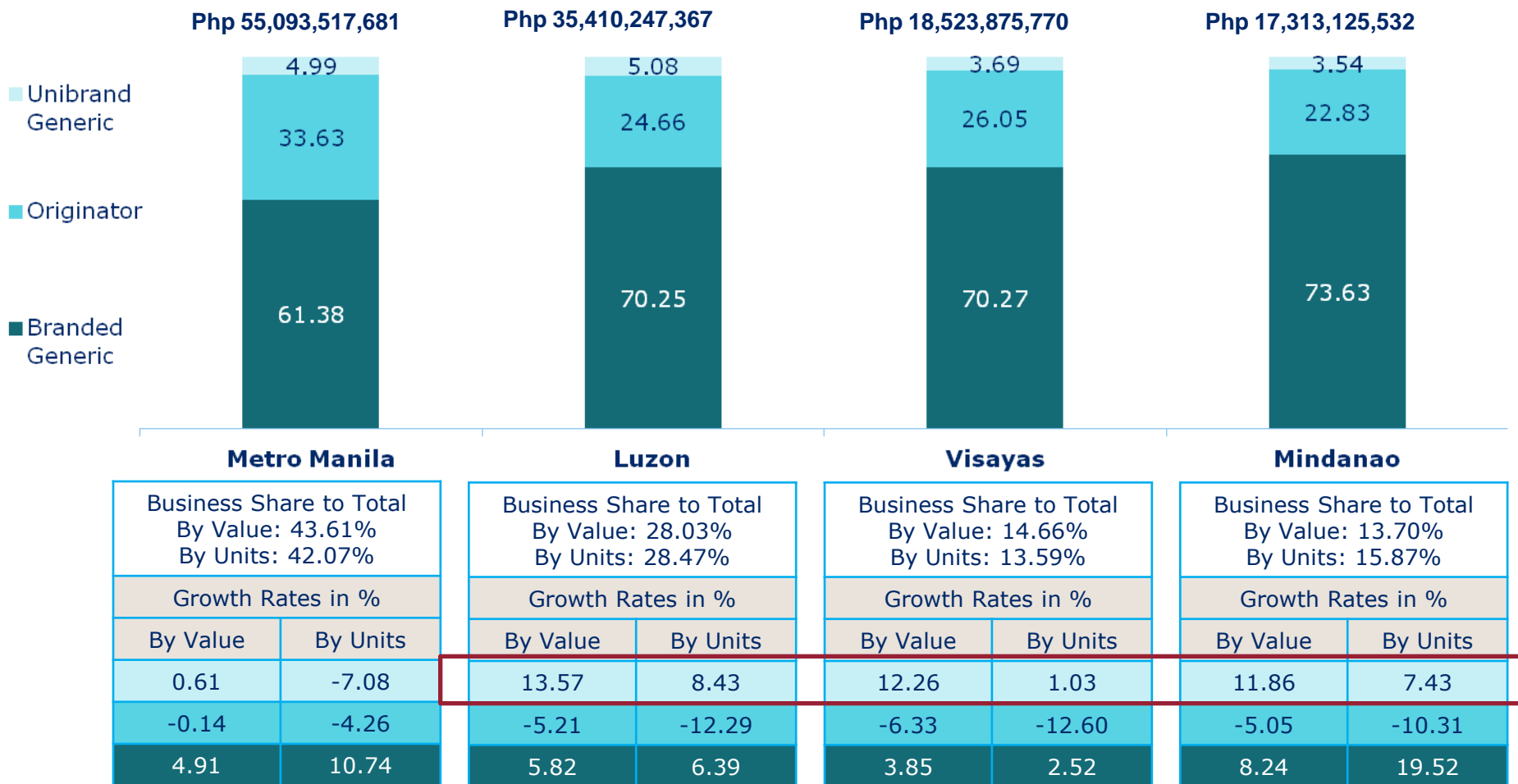
By volume, unbranded generics is largest

ORIGINATOR / BRANDED Gx / UNBRANDED Gx – Less V6V7 (Counting Units)



Branded generics contribution to total is largest. Unbrandeds, though small in share, show promising growth rates outside of Metro Manila where it is growing better

CATEGORY BUSINESS SHARE & GROWTH RATES PER REGION (MAT 5/2013)



Expansion of the Philippine generic market reflects similar global uptrend. US leads in value. APAC leads in volume

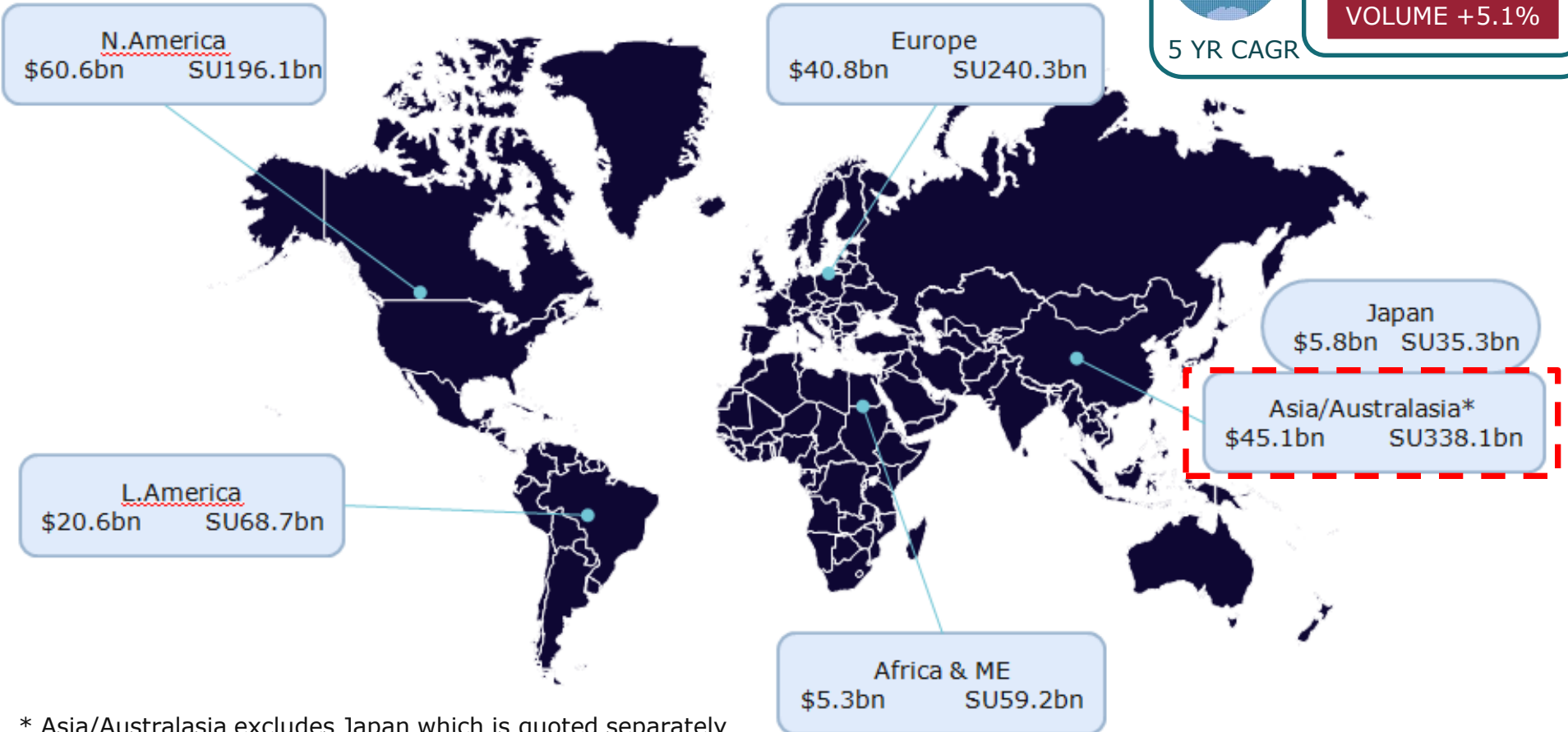
GLOBAL GENERIC MARKET: Value (178bn); Volume (938bn)



5 YR CAGR

SALES +12.2%

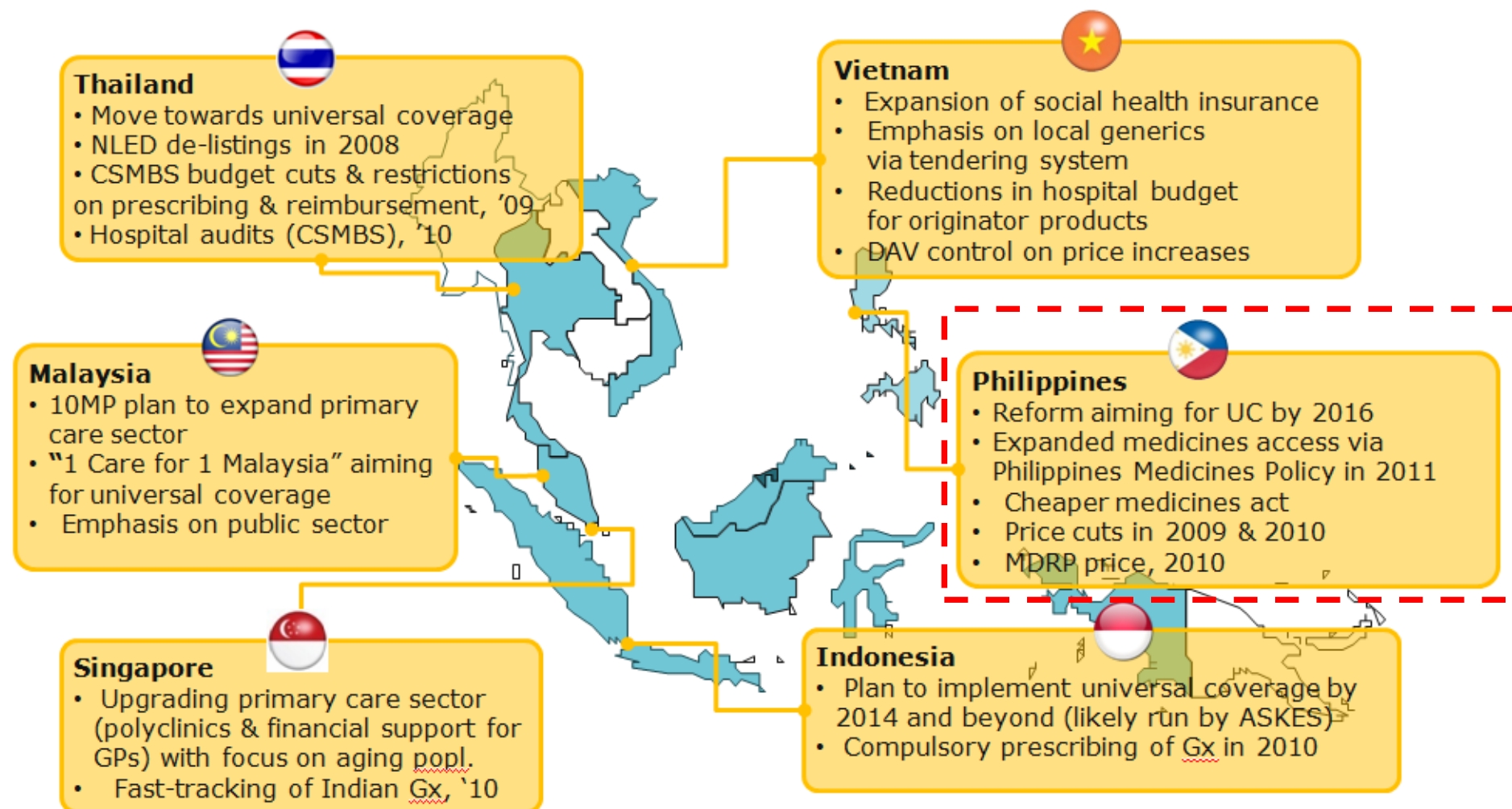
VOLUME +5.1%



* Asia/Australasia excludes Japan which is quoted separately

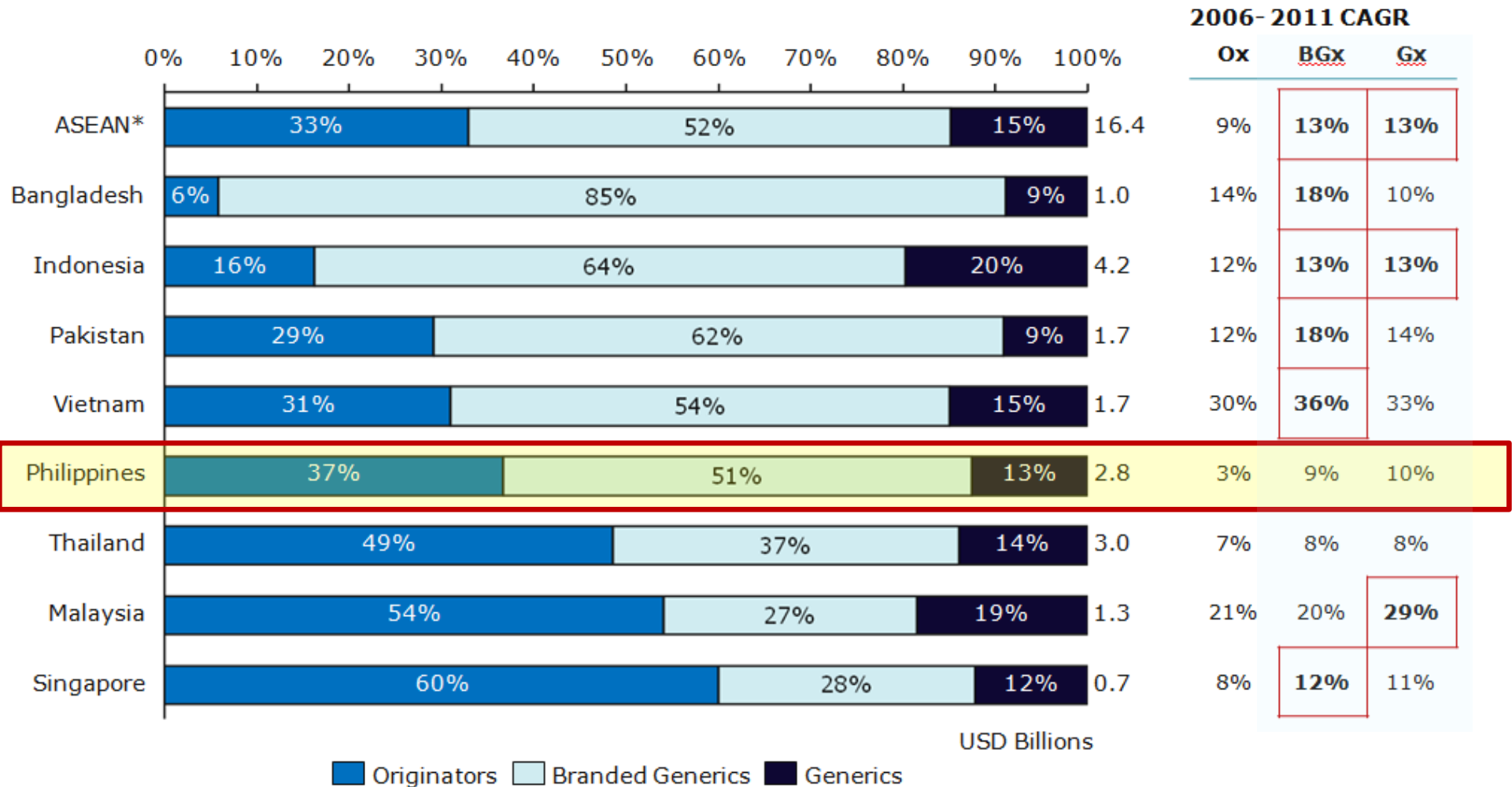
SOURCE: IMS Health, MIDAS, MAT Sept 2012, Rx only. Market Segmentation + LIC countries

In SEA, healthcare reform and cost containment are the dominant trends impacting the region



Generic penetration varies across SEA but has increased overall

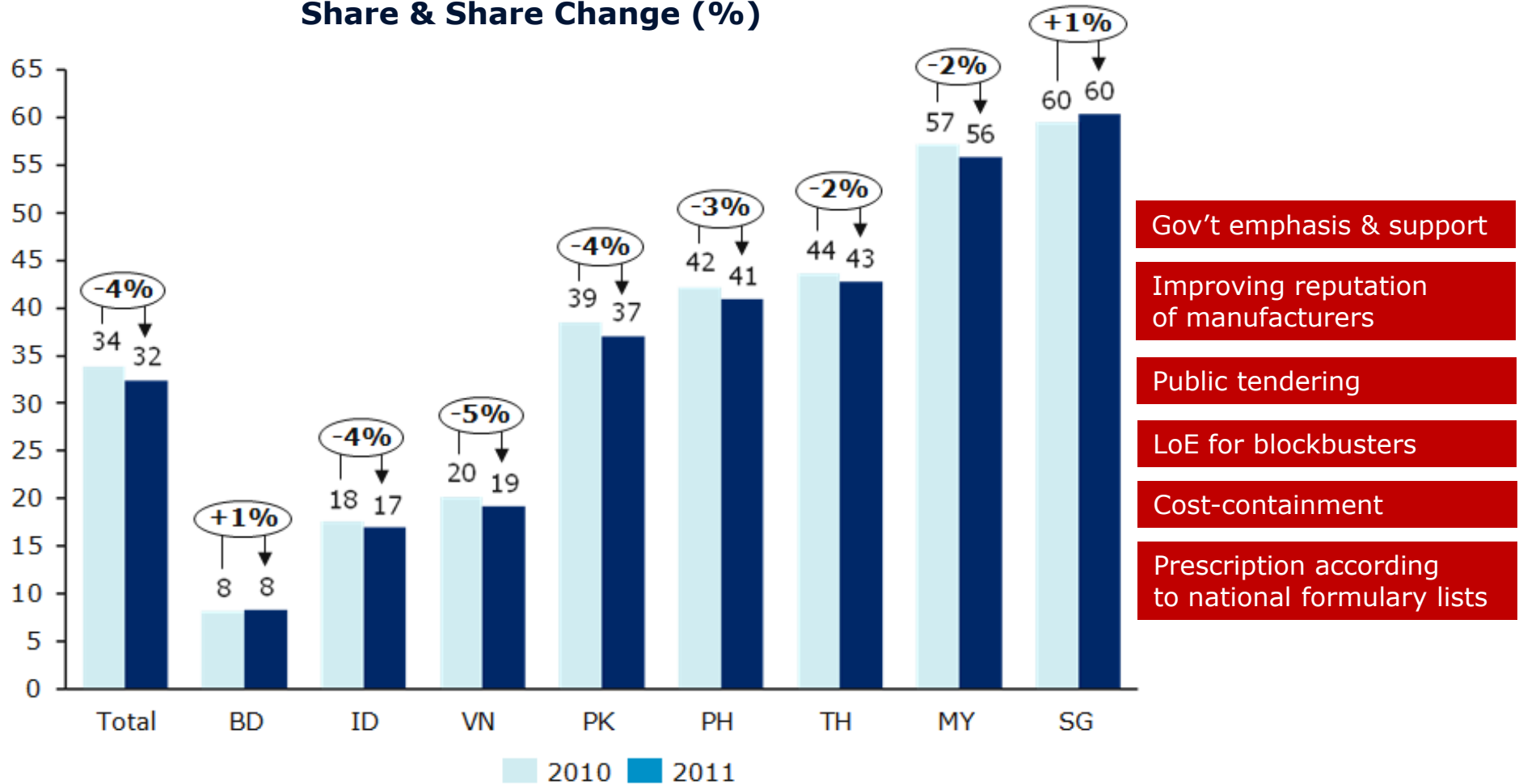
EXPANDED SEA OVERALL MARKET – Originator vs. Generic Penetration (2011)



Branded generic players stealing a march of MNC innovators

EXPANDED SEA TOP 10 MNC* MARKET SHARE BY COUNTRY (2010 vs. 2011)

Share & Share Change (%)

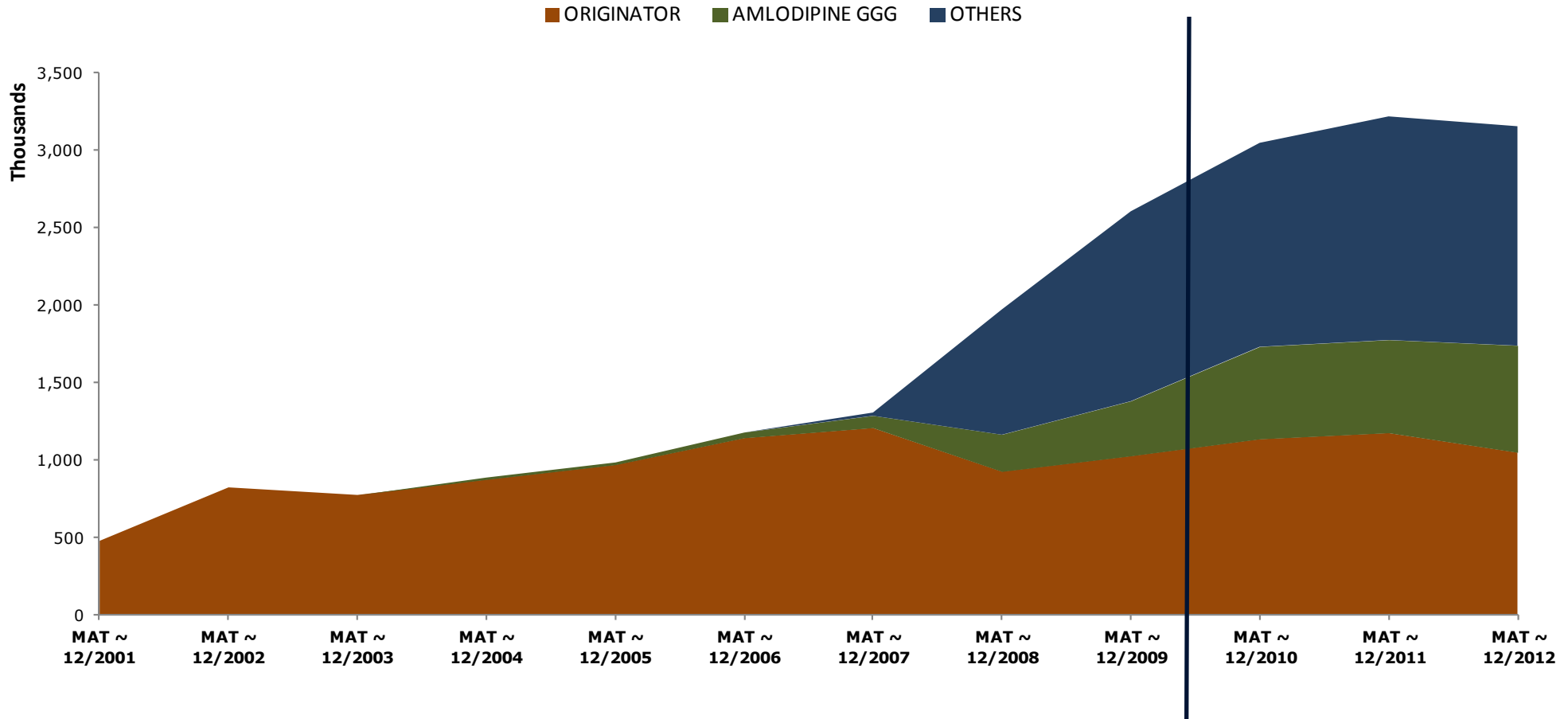


Agenda

- The Philippine pharma market (size & growth)
- Market share trends
 - Ethical vs. OTC
 - Retail vs. hospital sectors
 - Innovators vs. branded generics vs. unbranded generics
 - Philippines
 - Comparator Asian countries
- **Post-MDRP/GMAP scenario (snapshots for select molecules)**
- Summary: Prospects for the Philippine pharma market

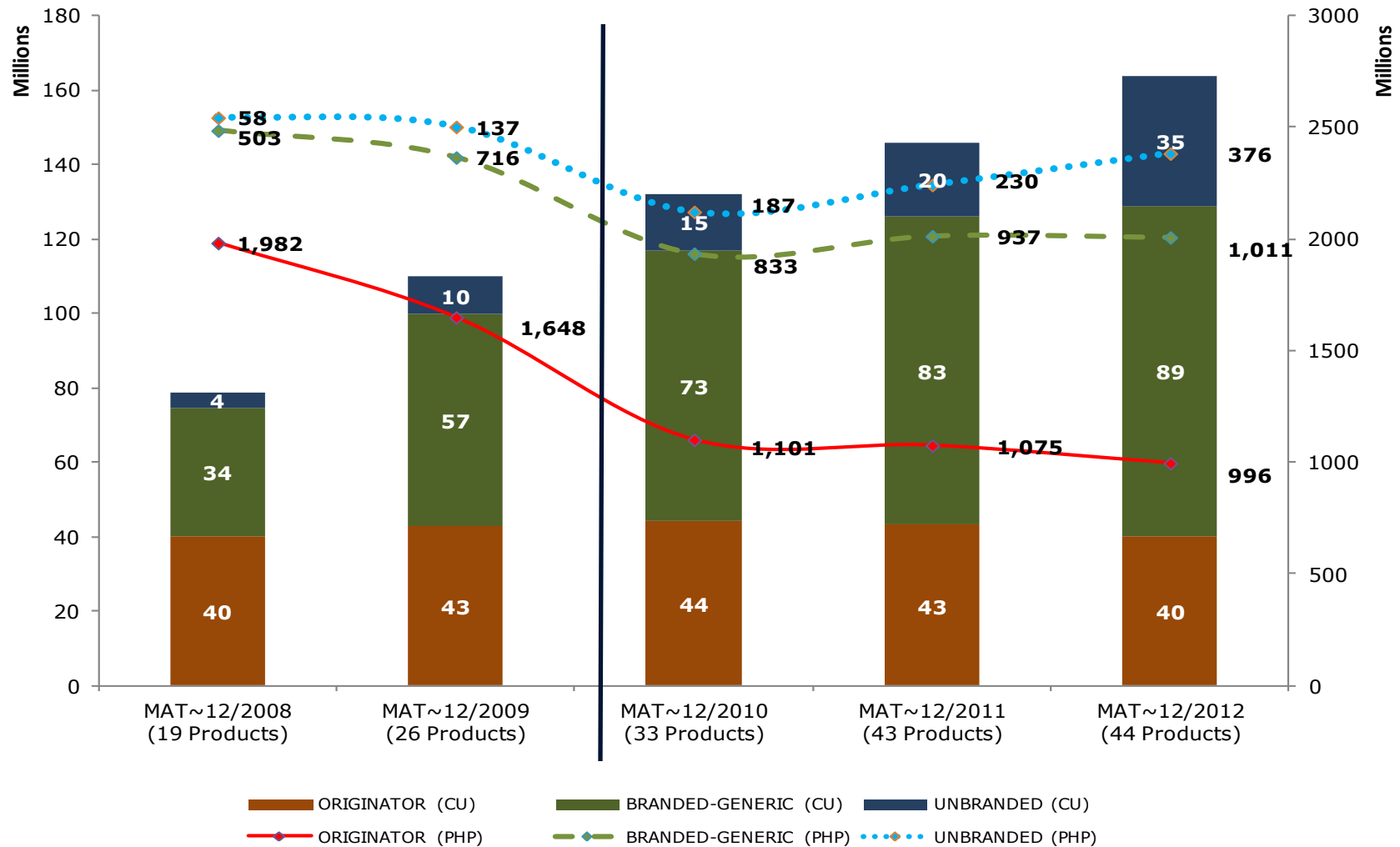
Originator Amlodipine appeared to have retained pre-MDRP prescription levels with indication of wider push for generics

AMLODIPINE PRESCRIPTION TRENDS (Originator / Branded Gx / Unbranded Gx)



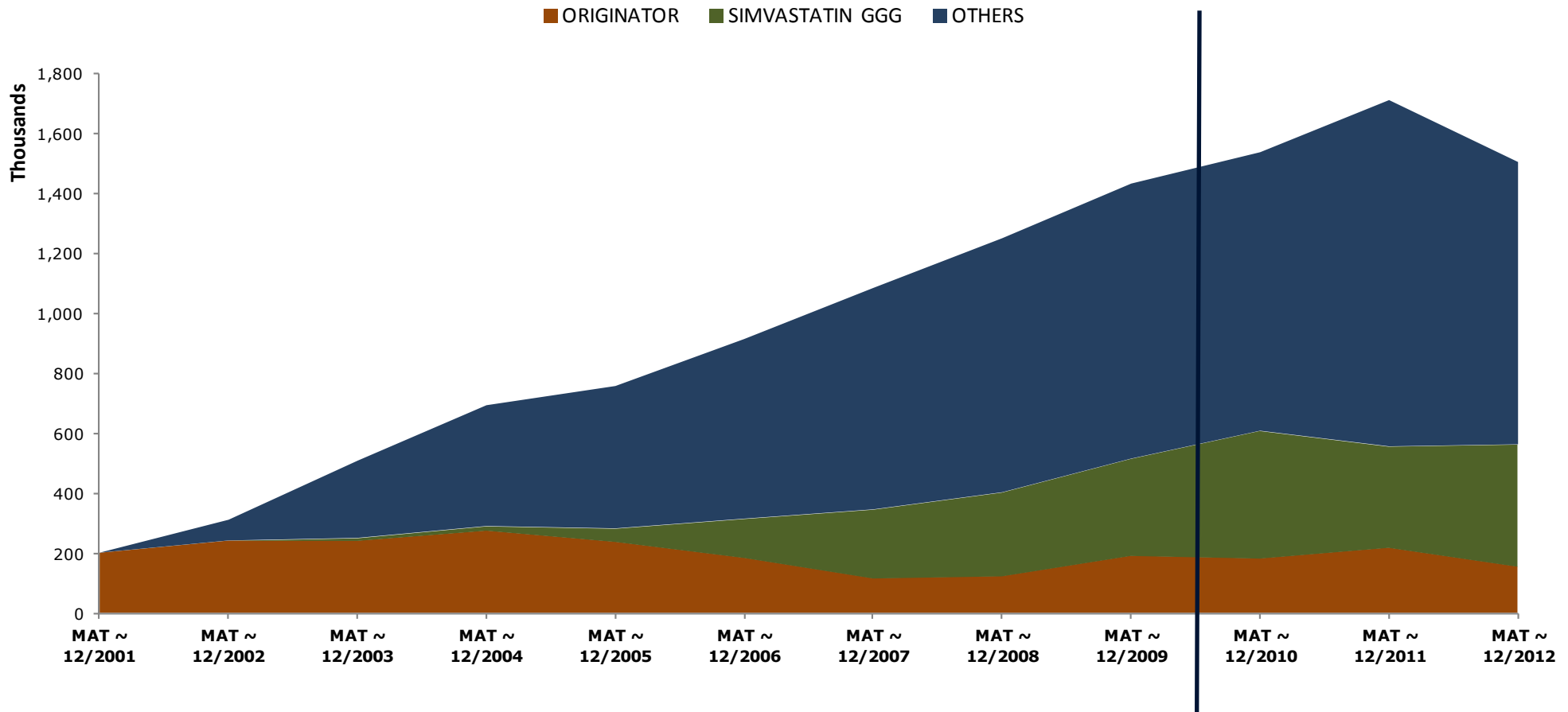
From 2009, generics dominated in both value and volume.
 New product introductions have likewise increased over time

AMLODIPINE SALES (Value / Volume)



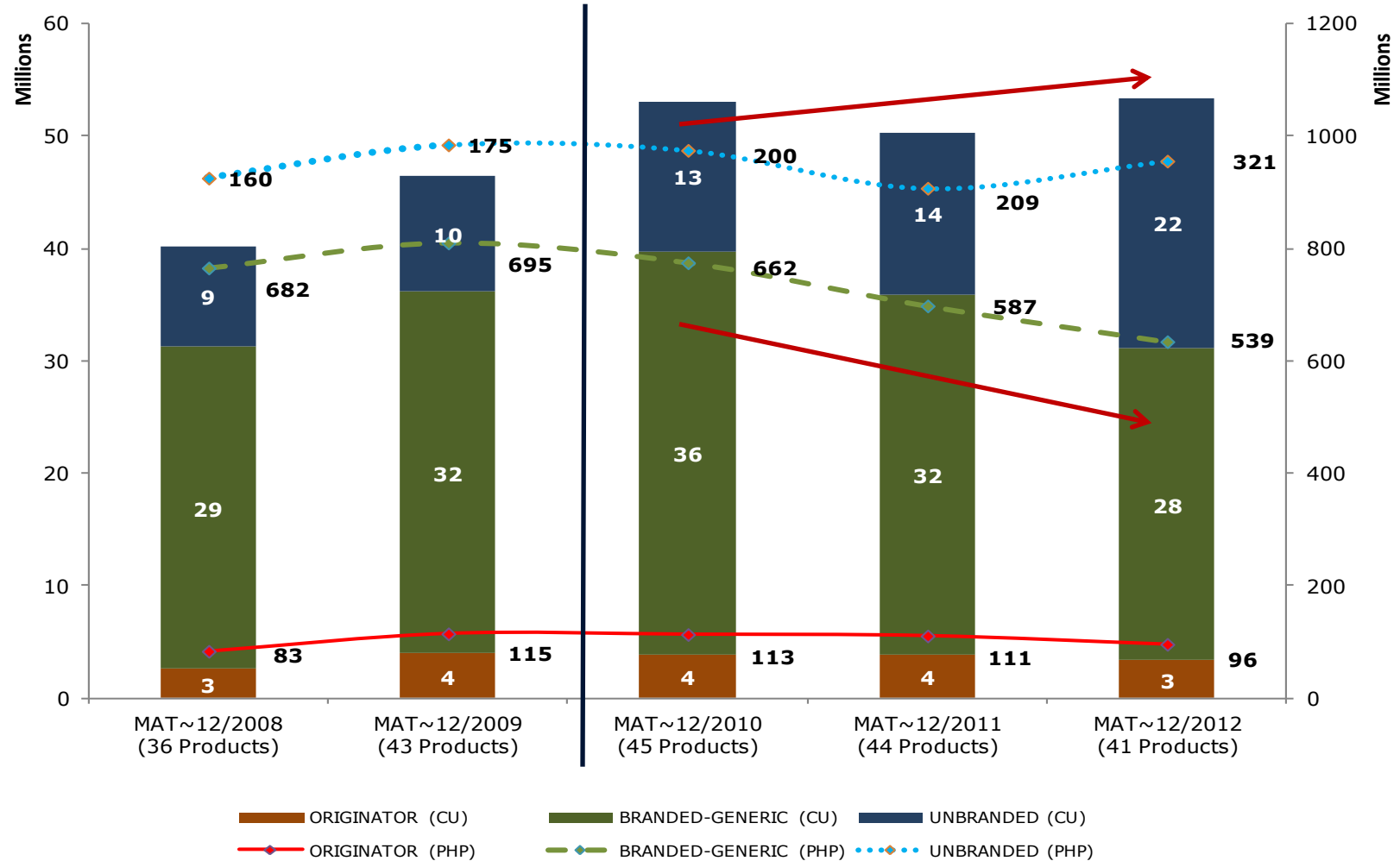
For Simvastatin, an almost similar prescription trend with an even stronger skew towards non-originator products

SIMVASTATIN PRESCRIPTION TRENDS (Originator / Branded Gx / Unbranded Gx)



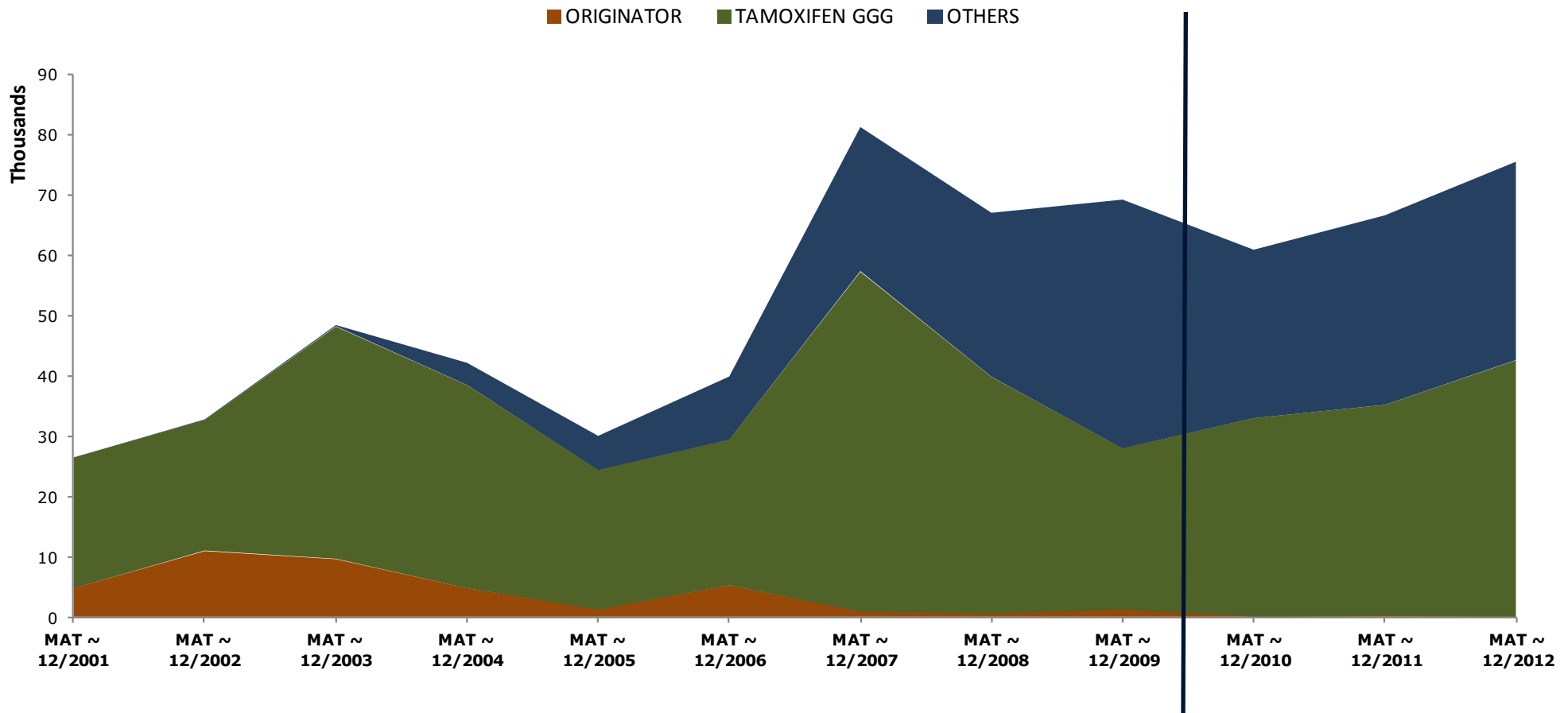
Value and volume figures show dominance of generics. Unbranded generic Simvastatin growing stronger in past 5 years

SIMVASTATIN SALES (Value / Volume)



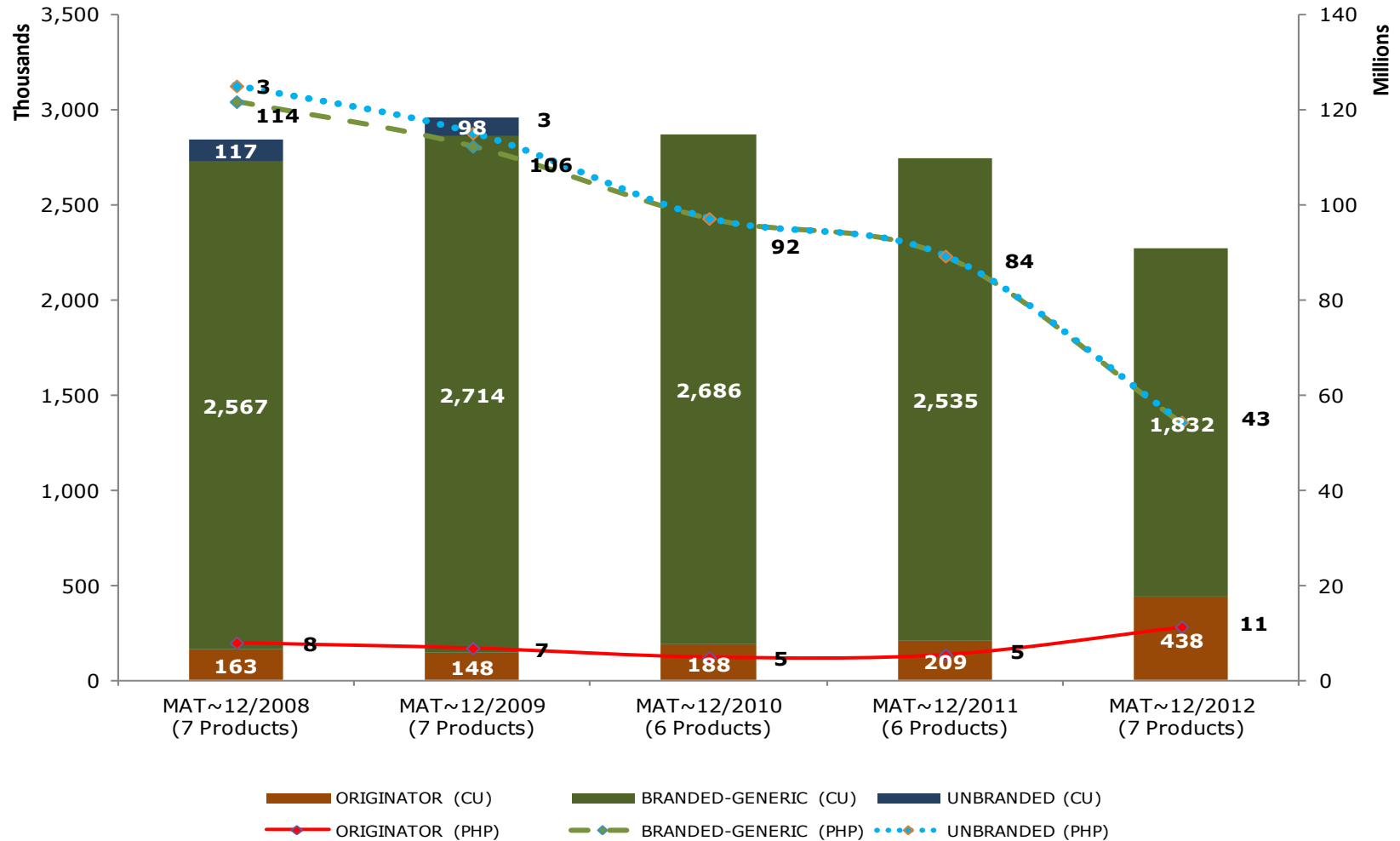
Indications of plateau in Originator Tamoxifen prescriptions post-MDRP. Prescription for generic variants remained high

TAMOXIFEN PRESCRIPTION TRENDS (Originator / Branded Gx / Unbranded Gx)



Some indications of generic weakness, however, in 2012

TAMOXIFEN SALES (Value / Volume)

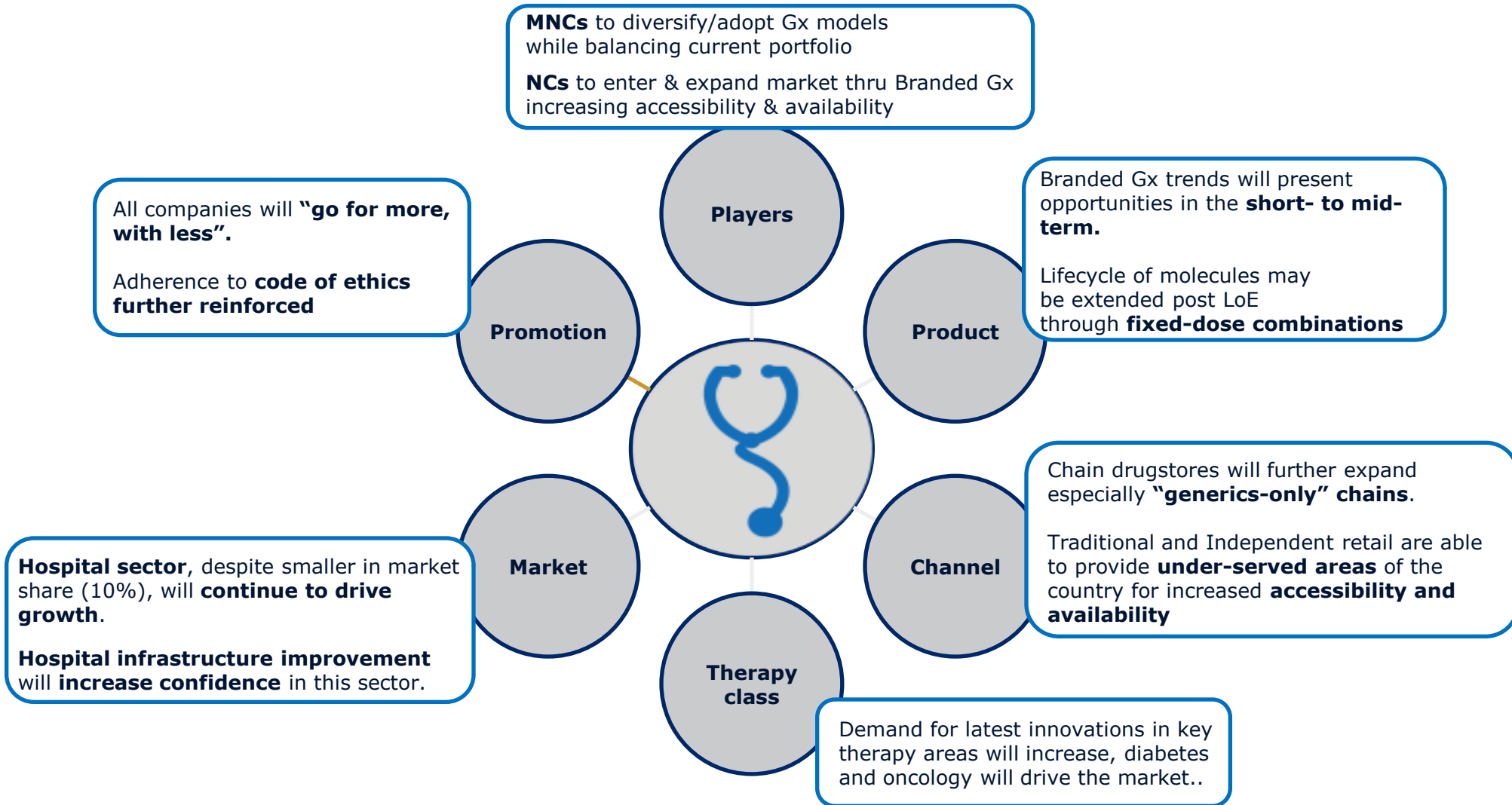


Agenda

- The Philippine pharma market (size & growth)
- Market share trends
 - Ethical vs. OTC
 - Retail vs. hospital sectors
 - Innovators vs. branded generics vs. unbranded generics
 - Philippines
 - Comparator Asian countries
- Post-MDRP/GMAP scenario (snapshots for select molecules)
- **Summary: Prospects for the Philippine pharma market**



Prospects for PH pharmaceutical/healthcare



Thank you very much.



Deejay Cromwell V. Sanqui

Product Manager – Philippines & Indonesia
IMS Health

dsanqui@ph.imshealth.com

+632 5885407 / +917 5535970