IMS Health & Quintiles are now IQVIA™

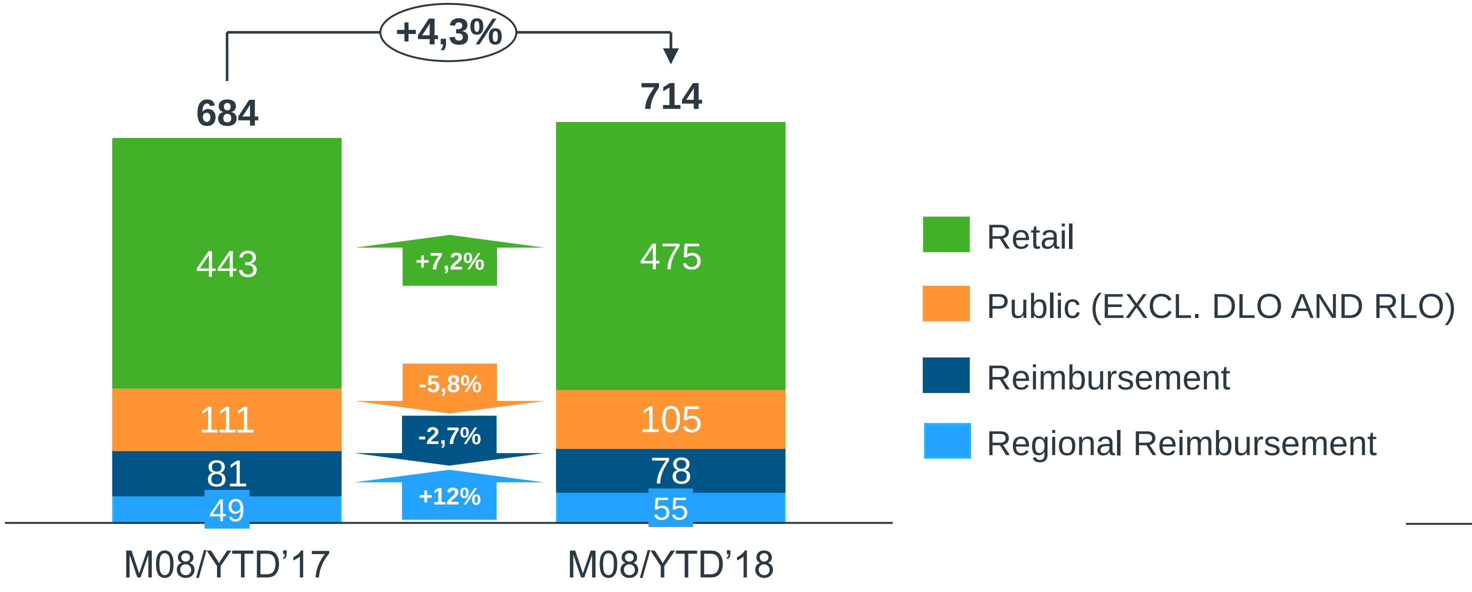
Facts from IQVIA

M08 2018

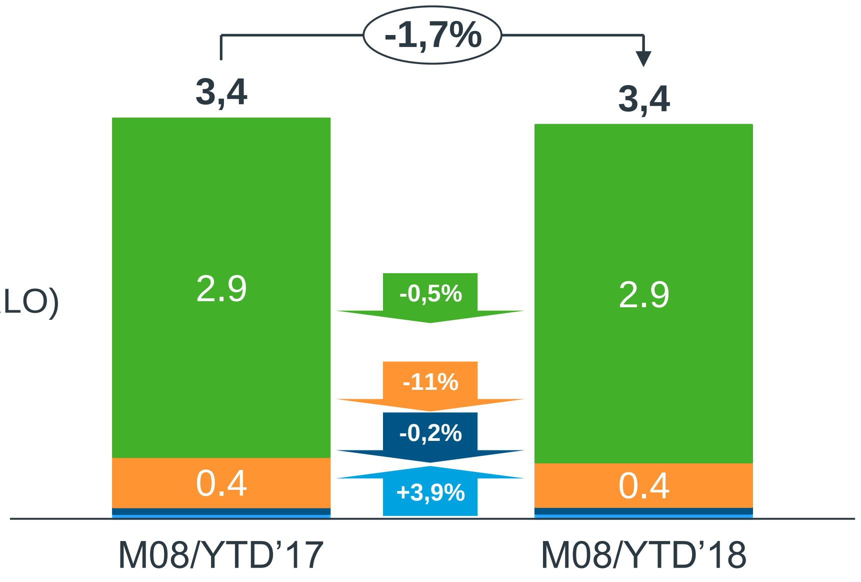
Russia pharma market growth in January-August 2018

Market grew by 4,3% in value and decreased by 1,7% in volume

VALUE, BLN RUB



VOLUME, BLN PACKS



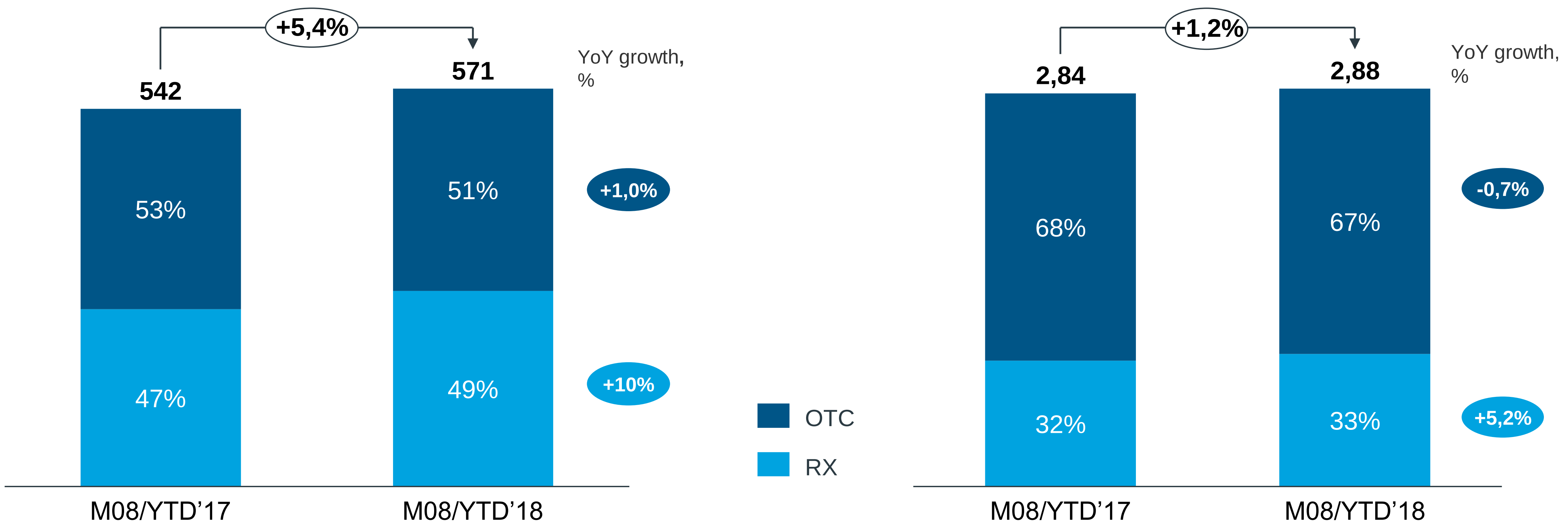
Indicator	RUB	USD	EUR	PACKS
Value M08/YTD 2018, Bln.	714	11,8	9,8	3,4
Growth M08/YTD,%	▲ 4,3%	▲ 0,3%	▼ -7,9%	▼ -1,7%

Source: IQVIA databases. Retail, Public, DLO, RLO (excluding food supplements and diagnostic agents), TRD Prices

Russia pharma market growth in January-August 2018

Retail Sell-Out: Market grew by 5,4% in value and by 1,2% in volume

VALUE, BLN RUB | **VOLUME, BLN PACKS**



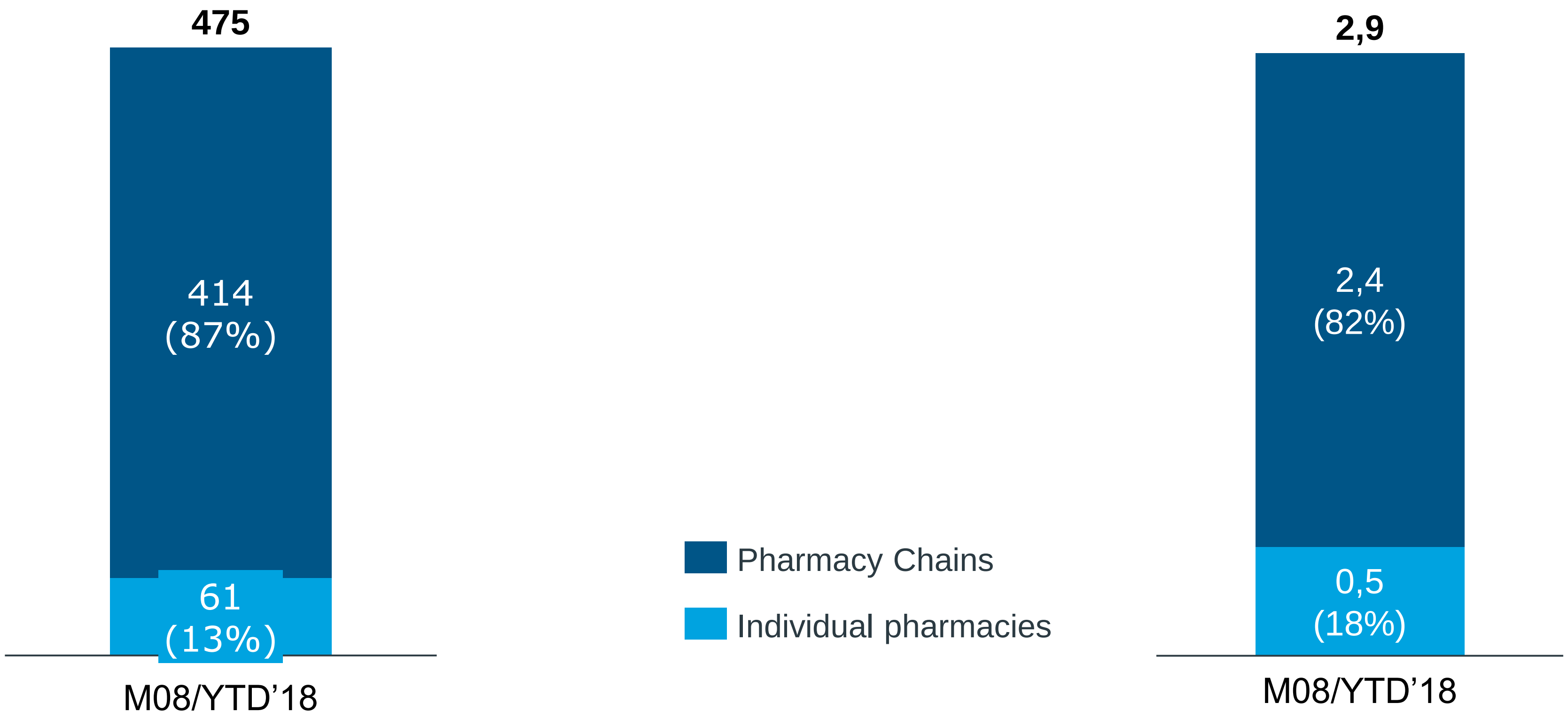
Source: Pharmatrend (excluding food supplements and diagnostic agents), FIN Prices

Russia retail market structure in January-August 2018

Retail Sell-In: Share of Pharmacy chains is 87% in value and 82% in volume

VALUE, BLN RUB

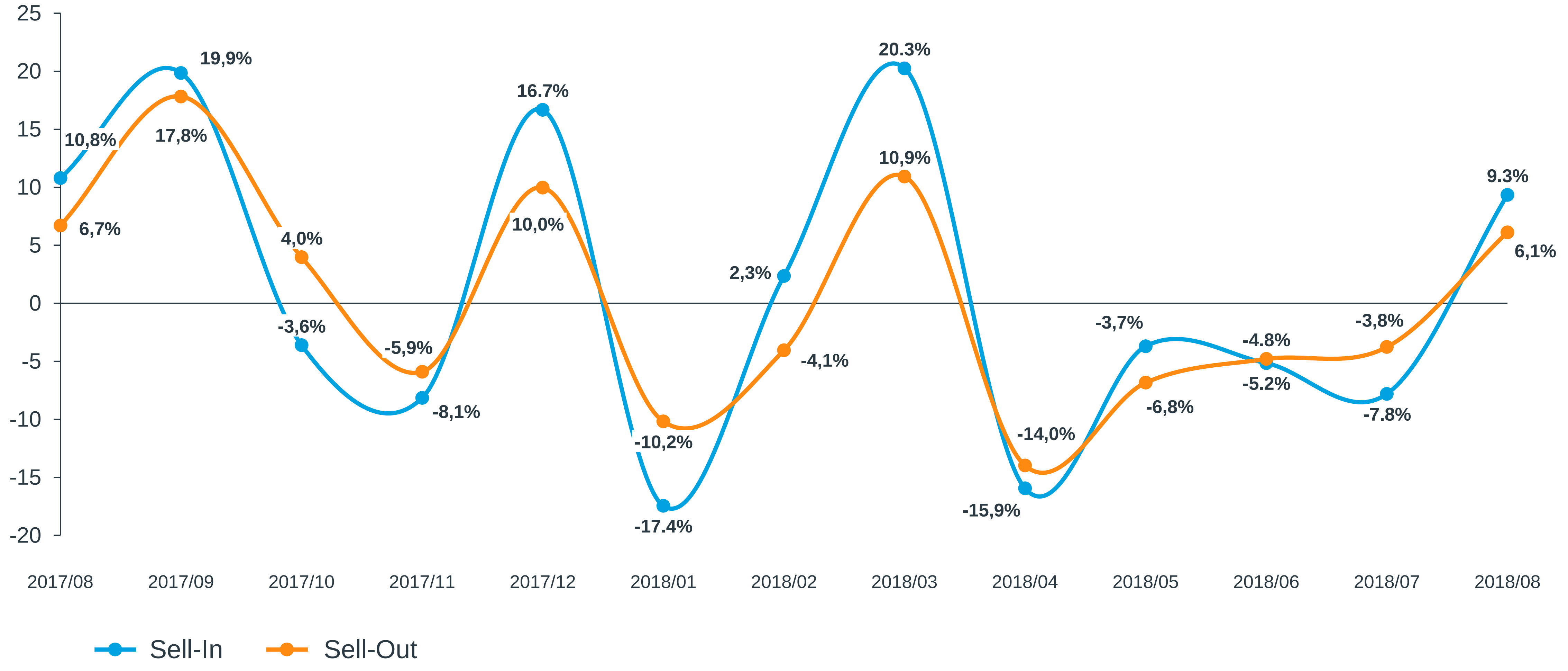
VOLUME, BLN PACKS



Source: Retail Audit (excluding food supplements and diagnostic agents), TRD Prices
Pharmacy chain – 5 or more pharmacies operating under one brand or ownership

Sell-In vs Sell-Out, OTC registered drugs

Month-Over-Month Growth Rates, volume



Source: Retail Audit and Pharmatrend. OTC registered drugs

TOP-15 corporations on Russian market, January-August 2018

		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	4%	-2%
1.	SANOFI-AVENTIS	4,8%	4%	3%
2.	BAYER HEALTHCARE	4,0%	8%	-6%
3.	JOHNSON & JOHNSON	2,9%	5%	3%
4.	TEVA	2,7%	1%	2%
5.	SERVIER	2,6%	3%	-1%
6.	PFIZER	2,5%	6%	-2%
7.	NOVARTIS	2,3%	21%	4%
8.	SANDOZ	2,3%	3%	2%
9.	OTCPHARM	2,1%	8%	4%
10.	GLAXOSMITHKLINE	2,0%	7%	-1%
11.	ABBOTT	2,0%	5%	2%
12.	NYCOMED/TAKEDA	1,9%	13%	6%
13.	MENARINI	1,9%	3%	-2%
14.	ASTRAZENECA	1,9%	4%	5%
15.	KRKA	1,8%	9%	5%

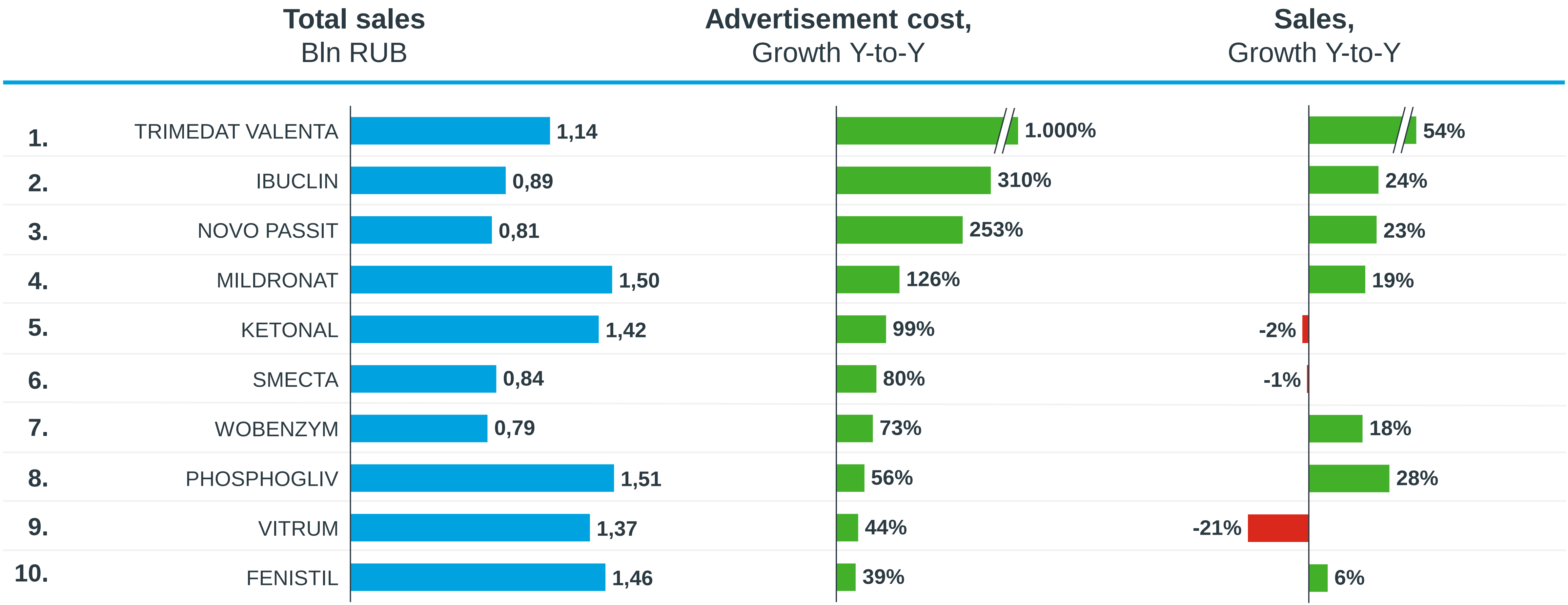
Source: IQVIA databases. Retail, Public, DLO, RLO (excluding food supplements and diagnostic agents), TRD Prices

TOP-15 brands on Russian market, January-August 2018

		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	4%	-2%
1.	REVLIMIDE	1,0%	40%	193%
2.	SOLIRIS	0,8%	13%	14%
3.	XARELTO	0,6%	39%	32%
4.	PREVENAR 13	0,5%	-8%	-9%
5.	DETRALEX	0,5%	8%	-2%
6.	TOUJEO SOLOSTAR	0,5%	19%	17%
7.	NATRIUM CHLORIDUM	0,5%	-11%	-3%
8.	ACTOVEGIN	0,5%	0%	-2%
9.	MEXIDOL	0,4%	8%	7%
10.	ACELLBIA	0,4%	-27%	-19%
11.	CARDIOMAGNYL	0,4%	5%	3%
12.	SOVIGRIPP	0,4%	55%	10%
13.	INGAVIRIN	0,4%	21%	15%
14.	KAGOCEL	0,4%	5%	-4%
15.	KALETRA	0,4%	-26%	-20%

Source: IQVIA databases. Retail, Public, DLO, RLO (excluding food supplements and diagnostic agents), TRD Prices

TOP-10 products by growth in advertisement investments in January-August 2018



The rank in calculated among TOP-200 Brands by sales with advertising cost greater than 50 mln RUB
Source: IQVIA databases. Pharmatrend, Mediascope data, FIN Prices

TOP-10 products by decline in advertisement investments in January-August 2018

		Total sales, Bln RUB	Advertisement cost, Growth Y-to-Y	Sales, Growth Y-to-Y
1.	IMUDON	0,86	-72%	-7%
2.	RINOSTOP	1,55	-66%	13%
3.	SUPRASTIN	1,24	-61%	4%
4.	PHOSPHALUGEL	1,05	-54%	9%
5.	XYMELIN	0,81	-53%	5%
6.	MAXILAC	0,76	-52%	11%
7.	KETOROL	0,76	-43%	4%
8.	MAGNE B6	1,54	-40%	-2%
9.	PIMAFUCIN	0,83	-39%	2%
10.	RINOFLUIMUCIL	0,76	-37%	-5%

The rank in calculated among TOP-200 Brands by sales with advertising cost greater than 50 mln RUB
Source: IQVIA databases. Pharmatrend, Mediascope data, FIN Prices

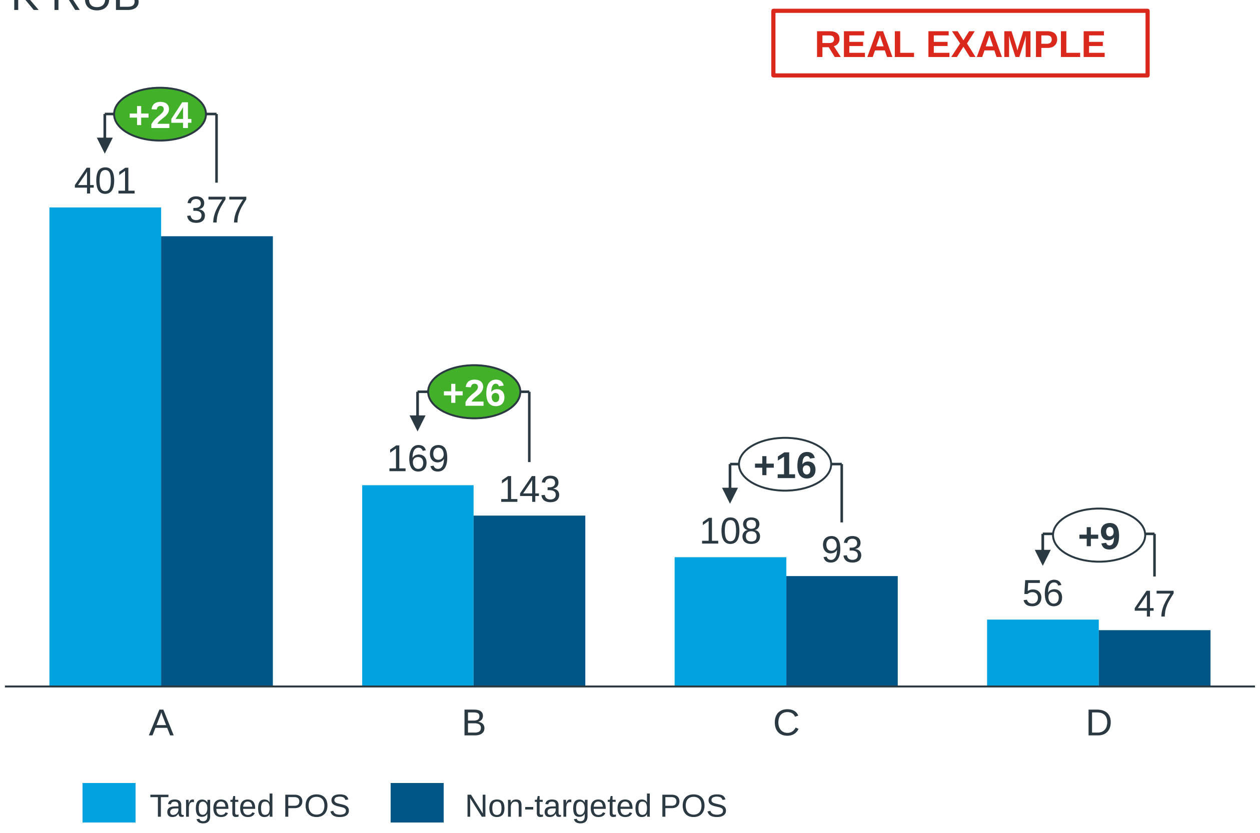
IMS Health & Quintiles are now IQVIA™

Pharmacy Segmentation and Targeting

To maximize sales with their salesforce, companies need to send their reps into stores where they can make the highest impact

Typically larger stores allow for higher impact as this real example shows

Annual sales per POS in targeted vs non-targeted POS, K RUB



Calling on high potential A-pharmacies delivers 2.7x more return per call than calling on D-pharmacies (real example, your individual ratio can be calculated)

Reallocating visits to A & B category pharmacies will allow to capture untapped market potential

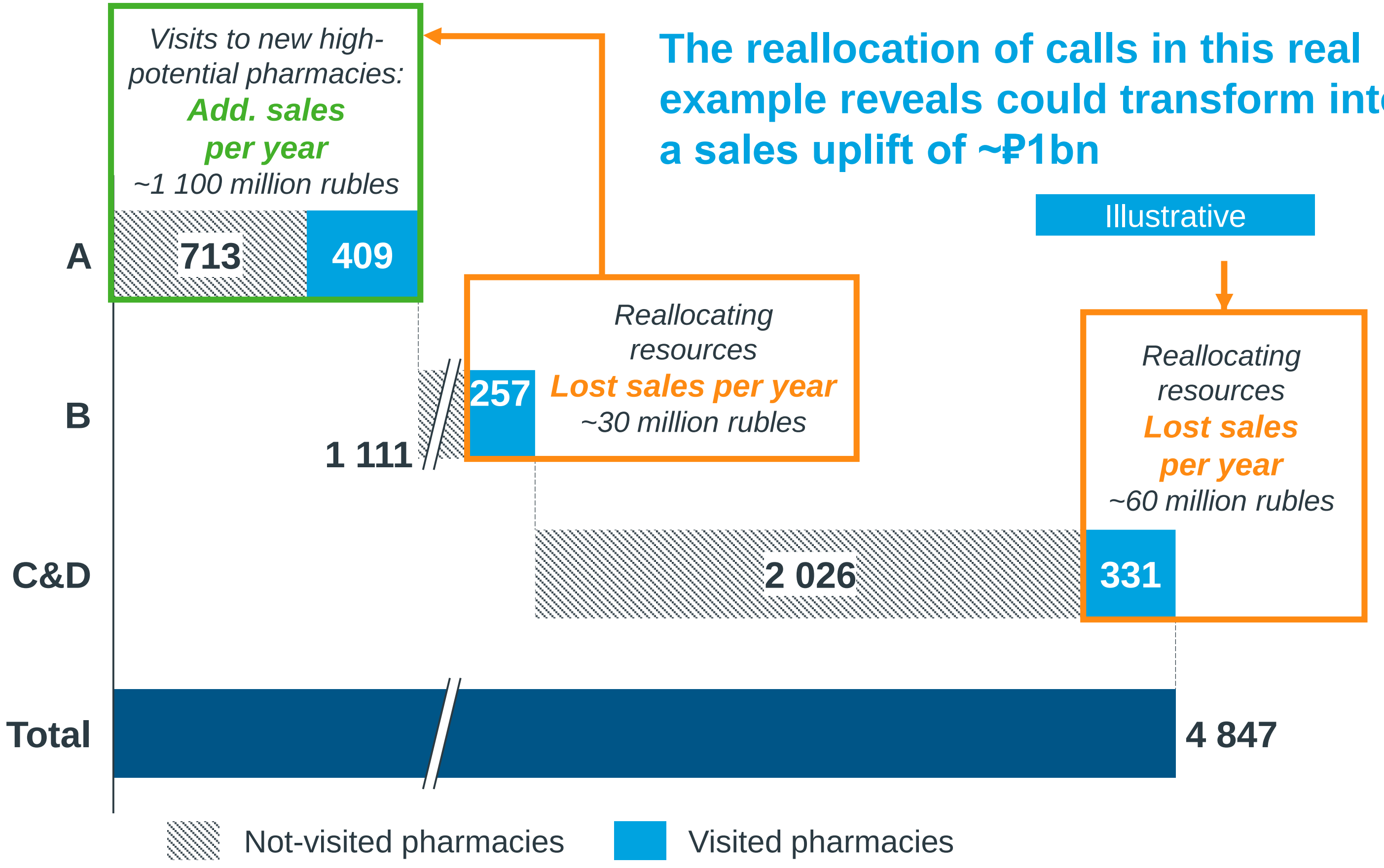
Impact

Client market share growth by 2-3 p.p.

Based on the call response of different shop sizes, we can calculate the full potential impact of pharmacy targeting

Therefore we theoretically shift the calls from low value pharmacies to high value pharmacies

The reallocation of calls in this real example reveals could transform into a sales uplift of ~₽1bn



~ 1 010 million rub

Additional OTC sales after reallocation of resources

=

~ 1 100 million rub

Potentially gained sales after starting visits to not-visited in 2017 A potential pharmacies*

−

~90 million rub

Potentially lost sales after reallocating resources from visited B, C & D potential pharmacies in 2017**

* Potentially gained sales after starting visits to not-visited A pharmacies = number of not-visited A pharmacies * (Average OTC sales in 1 visited A pharmacy in 2017 г. – Average OTC sales in not- visited A pharmacy in 2017)

** Potentially lost sales after reallocating resources from visited B, C & D pharmacies = number of visited C pharmacies * (Average OTC sales in 1 visited B,C & D pharmacy in 2017 – average OTC sales in 1 not-visited B,C & D pharmacy in 2017

Note: Calculation of the effect from resource reallocation incorporates relevant benchmarks from other projects where applicable

To perform this task to a high degree of accuracy, IQVIA has implemented new approach to segmentation projects in 2018

Data coverage and predictive analytic modeling have been significantly enhanced

01 **Accuracy increased to ~90%**

- Sales data on 40-45% POS, freshness: last month data
  - For 26K POS option: 8K real data POS in 2017 vs 10K in 2018
  - For 53K POS option: 8.5K real data POS in 2017 vs 16.5K real data POS in 2018
- Distributor's data down to POS
  - Data for 42K POS used in modelling (corresponding categories)
- Call pressure (ATC3 level)
- A-category pharmacies are phone called after modelling for double-check

02 **Full geo coverage**

- All Russia (53K POS) coverage
- Detailed info on 26K pharmacies

03 **Optimization tools**

- Excel tool for defining capacity and thresholds
- Assessment of sales uplift, review of detailing

04 **Visualization tools**

- Additionally – visualization in BI tool Spotfire is available

The data used has been extended and updated to improve the high quality of the results

“Contact us now got get additional information about our new predictive models!”

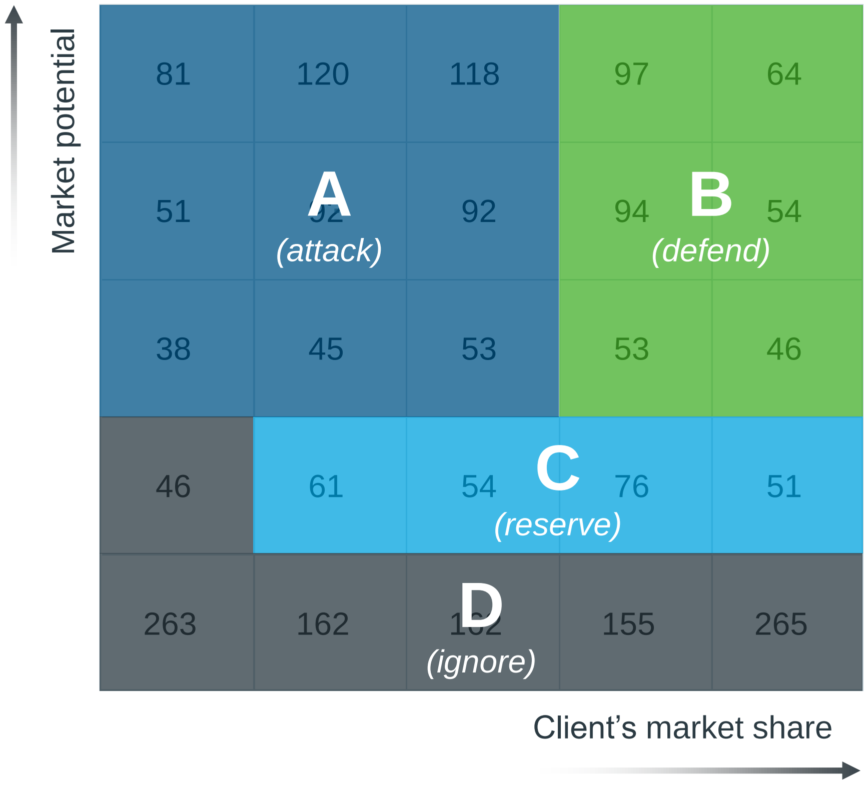
Type of data	Information	Sources
Pharmacy identification and characteristics	• Name of pharmacy, INN, unique ID (One Key) • Location, distance from metro/bus or train station / • Type of pharmacy, chain affiliation, format, opening hours • Type of window, number of cash-desks, floor size *26K POS in 80 cities*	• One Key universe data • Pharmacy census data • Chains data • Banking data
Region / neighborhood data	• Socio-demographic characteristics of the neighborhood / city • Population, average income, type of climate, number of hospitals, physicians, pharmacies • Macroeconomics, birth/death rates • Health/disease statistics: sales of category products in the region, incidence • Prescription by disease in the regional RLO *~53K POS universe*	• Open sources (Rosstat, MoH) • One key universe • IQVIA audits (retail, RLO, prescription)
POS sales, purchases and visiting activity	• Panel pharmacies (15K POS) sales in SKU (volume and value) by category etc. • Out-of-panel pharmacies (6K POS) sales in SKU (volume and value) by category, SKU etc. • Call pressure (visits per pharmacy) • Purchases of pharmacies (distributor’s data) *SKU sales: 21K POS* *Visiting, purchases: 53K*	• Raw IQVIA panel data • Raw out-of panel pharmacy data • Aggregated IQVIA MI reports
Execution (client data)	• Detailing: Number of F2F detailing, tele detailing, round tables, etc. • Order: Available / not, automated/not • Promotion: promos made / contracts • Sales of client products / categories *Client detailed POS*	• Client data (optional)

53K POS - number of POS available

As a result you will get a complete and reliable pharmacy segmentation to focus your sales team on highest sales potential

IQVIA pharmacy targeting – Outcomes

of Pharmacies



Illustrative

Available Resources	
Sales representatives	18
Average # calls/day	5
# of working days	210
Total call capacity	**18,900**

Segment	Frequency of Visits per Year	# of Pharmacies	Calls/ Year
a – Attack	24	177	4,248
b – Defend	18	141	2,538
c – Invest	16	491	7,856
d – Keep	12	367	4,404
e – Ignore	0	1,623	0
Total		**2,799**	**19,046**

- **1,176 pharmacies in basic target**
- **42% of pharmacies/80% of potential**
- In four distinct categories
- Average call frequency **16.2 pharmacy calls per year**

Kazakhstan pharma market growth in January-August 2018

Market decreased by 6,5% in value and by 3,4% in volume

VALUE, BLN KZT

VOLUME, BLN PACKS

Indicator	KZT	USD	EUR	PACKS
Value M08/YTD 2018, Bln.	280	0,84	0,70	0,40
Growth M08/YTD,%	-6,5%	-10%	-17%	-3,4%

Source: IQVIA databases. Retail, Hospital (excluding food supplements and diagnostic agents), TRD Prices

TOP-15 corporations on Kazakhstan market, January-August 2018

		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	-6%	-3%
1.	SANTO	6,0%	2%	1%
2.	SANOFI-AVENTIS	5,8%	-16%	-8%
3.	NOBEL-AFF	4,3%	18%	22%
4.	TEVA	3,4%	8%	8%
5.	BAYER HEALTHCARE	3,4%	-13%	-1%
6.	JOHNSON & JOHNSON	3,0%	-5%	8%
7.	GLAXOSMITHKLINE	2,9%	-10%	-2%
8.	NYCOMED/TAKEDA	2,5%	-6%	-11%
9.	PFIZER	2,3%	26%	-27%
10.	SANDOZ GROUP	2,3%	18%	-3%
11.	ABBOTT	2,2%	-2%	-11%
12.	GEDEON RICHTER	2,2%	-16%	-21%
13.	ROCHE	2,2%	-20%	-23%
14.	SERVIER	2,2%	-8%	-14%
15.	MENARINI	2,1%	8%	-10%

Source: IQVIA databases. Retail, Hospital (excluding food supplements and diagnostic agents), TRD Prices

TOP-15 brands on Kazakhstan market, January-August 2018

		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	-6%	-3%
1.	PREVENAR 13	1,7%	82%	78%
2.	HEXAXIM	1,5%	15%	-15%
3.	HERCEPTIN	1,0%	20%	38%
4.	IMMUTIN	0,9%	-9%	-7%
5.	ACTOVEGIN	0,7%	2%	0%
6.	BOOSTRIX	0,6%	-13%	-9%
7.	AVASTIN	0,6%	33%	15%
8.	SPIRITUS AETHYLIC	0,6%	78%	62%
9.	CEFAZOLIN	0,5%	-11%	-18%
10.	CANEPHRON N	0,5%	35%	9%
11.	HYLAK FORTE	0,5%	9%	11%
12.	OCTANATE	0,5%	-14%	-22%
13.	VIFERON	0,5%	-12%	-13%
14.	CORONIM 10	0,5%	102%	0%
15.	LANTUS	0,5%	34%	30%

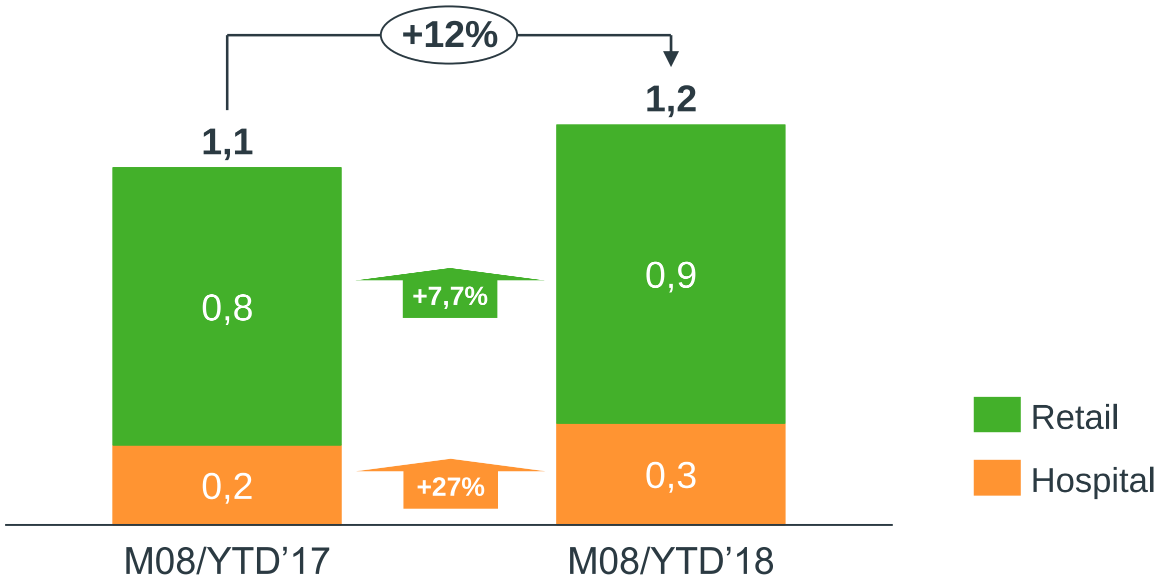
Source: IQVIA databases. Retail, Hospital (excluding food supplements and diagnostic agents), TRD Prices

IQVIA™

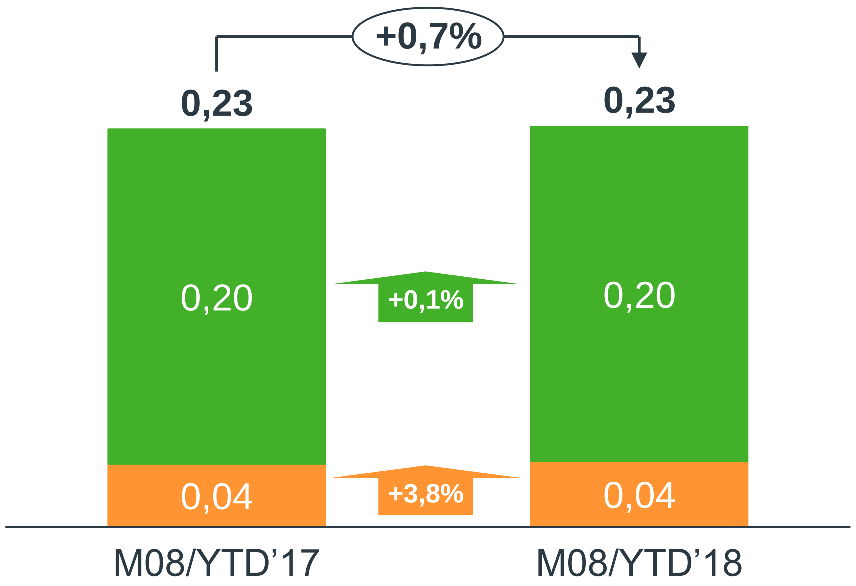
Belarus pharma market growth in January-August 2018

Market grew by 12% in value and by 0,7% in volume

VALUE, BLN BLR



VOLUME, BLN PACKS



Indicator	BLR	USD	EUR	PACKS
Value M08/YTD 2018, Bln.	1,20	0,60	0,50	0,23
Growth M08/YTD,%	▲ 12%	▲ 7,3%	▼ -1,7%	▲ 0,7%

Source: IQVIA databases. Retail, Hospital (excluding food supplements and diagnostic agents), TRD Prices

TOP-15 corporations on Belarus market, January-August 2018

		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	12%	1%
1.	BELMEDPREPARATY RUE	10,1%	7%	1%
2.	BORISOV ZMP	7,4%	9%	-2%
3.	LEKPHARM JLLC	5,1%	-2%	3%
4.	NOVARTIS	4,1%	30%	11%
5.	PHARMLAND JV LTD	3,2%	8%	12%
6.	BAYER HEALTHCARE	2,7%	22%	-3%
7.	SANOFI	2,6%	-1%	-16%
8.	PHARMTECHNOLOGY LTD	2,6%	2%	-7%
9.	GEDEON RICHTER	2,5%	3%	7%
10.	GSK	2,5%	23%	21%
11.	BERLIN-CH/MENARINI	2,3%	16%	5%
12.	NATIVITA JLLC	2,3%	119%	93%
13.	MINSKINTERCAPS MRUE	2,2%	7%	-4%
14.	KRKA	1,9%	26%	32%
15.	TAKEDA	1,7%	14%	34%

Source: IQVIA databases. Retail, Hospital (excluding food supplements and diagnostic agents), TRD Prices

TOP-15 brands on Belarus market, January-August 2018

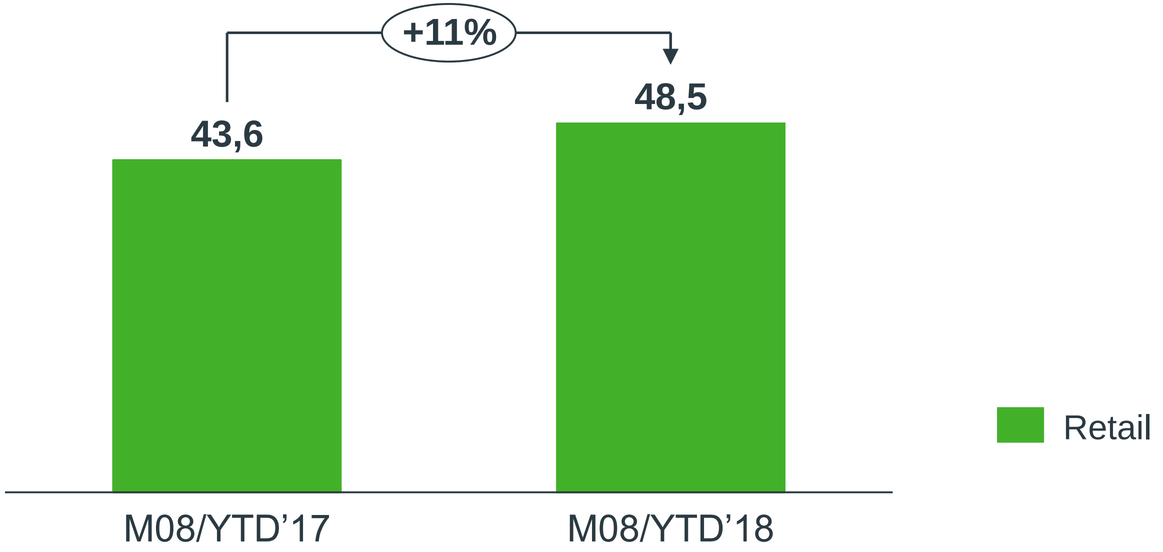
		Market share, M08/YTD’18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	12%	1%
1.	T-MAB	1,1%	43%	46%
2.	SODIUM CHLORIDE	1,0%	9%	7%
3.	LINEZOLID	1,0%	150%	42%
4.	OCTANATE	0,8%	190%	159%
5.	GLICLAZIDE MR	0,6%	7%	7%
6.	METFORMIN	0,6%	17%	12%
7.	R-MAB	0,6%	419%	615%
8.	LISINOPRIL	0,6%	2%	-4%
9.	ADVAGRAF	0,5%	830%	1 304%
10.	PROTAMINE-INSULIN HS	0,5%	-2%	1%
11.	LENALIDOMIDE	0,5%		
12.	XARELTO	0,5%	179%	262%
13.	CEREPRO	0,5%	17%	17%
14.	LOSARTAN	0,5%	14%	14%
15.	ATORVASTATIN	0,5%	16%	15%

Source: IQVIA databases. Retail, Hospital (excluding food supplements and diagnostic agents), TRD Prices

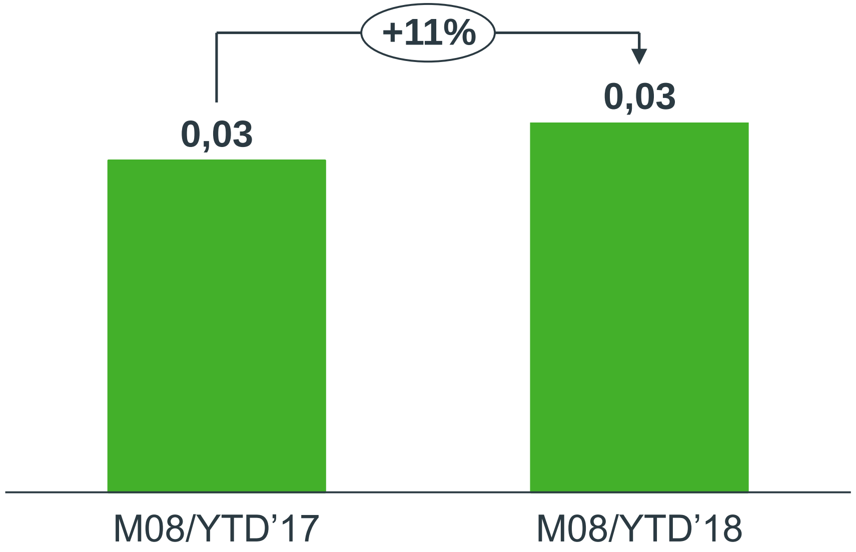
Armenia pharma market growth in January-August 2018

Market grew by 11% in value and by 11% in volume

VALUE, BLN AMD



VOLUME, BLN PACKS



Indicator	AMD	USD	EUR	PACKS
Value M08/YTD 2018, Bln.	48,5	0,1	0,1	0,03
Growth M08/YTD,%	▲ 11%	▲ 11%	▲ 3%	▲ 11%

Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

TOP-15 corporations on Armenia market, January-August 2018

		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	11%	11%
1.	NOVARTIS	6,4%	17%	15%
2.	BERLIN-CH/MENARINI	5,7%	18%	19%
3.	SERVIER	5,0%	31%	24%
4.	SANOFI	3,6%	0%	-1%
5.	GSK	3,6%	8%	13%
6.	EGIS	3,2%	7%	16%
7.	KRKA	3,2%	32%	19%
8.	GEDEON RICHTER	3,2%	5%	9%
9.	TAKEDA	3,0%	20%	21%
10.	DENK PHARMA	2,9%	19%	23%
11.	BAYER HEALTHCARE	2,5%	3%	0%
12.	ABBOTT	2,4%	-1%	12%
13.	ASTELLAS PHARMA	2,1%	1%	0%
14.	STADA	1,9%	7%	10%
15.	GL CORPORATION	1,8%	26%	15%

Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

TOP-15 brands on Armenia market, January-August 2018

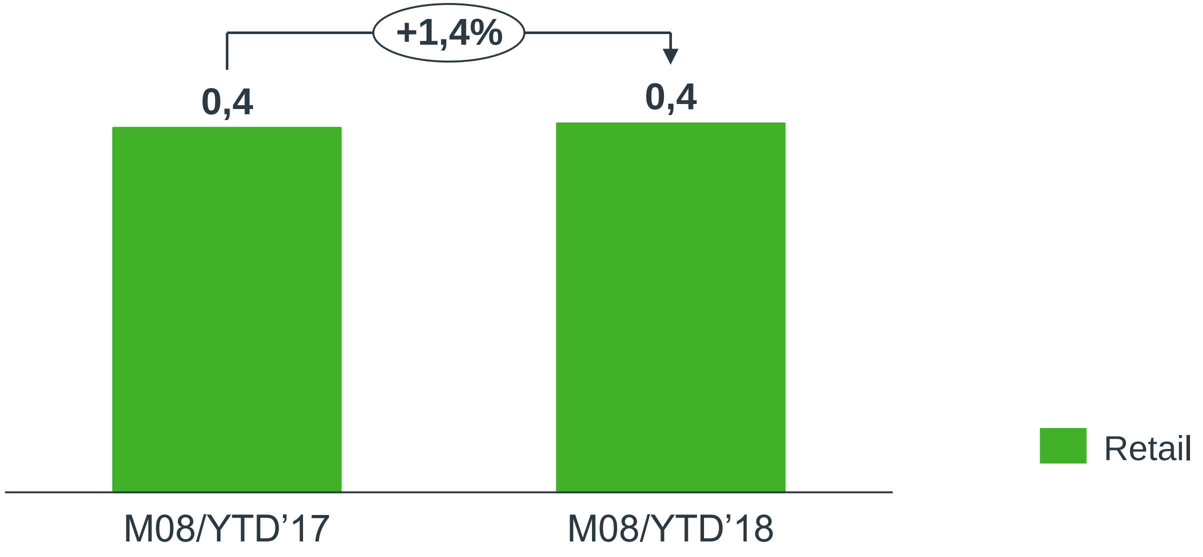
		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	11%	11%
1.	TRIPLIXAM	1,0%	48%	41%
2.	CARDIOMAGNYL	1,0%	47%	38%
3.	PRESTANCE	0,9%	27%	21%
4.	XARELTO	0,8%	18%	23%
5.	CONCOR	0,7%	4%	-5%
6.	ACTOVEGIN	0,7%	6%	-1%
7.	NIMESIL	0,7%	33%	30%
8.	NOLIPREL FORTE ARG	0,6%	46%	40%
9.	DUPHASTON	0,6%	8%	18%
10.	CEFTRIAXONE-ASTERIA	0,5%	22%	39%
11.	SODIUM CHLORIDE	0,5%	20%	19%
12.	AUGMENTIN	0,5%	2%	4%
13.	LENDACIN	0,5%	-2%	-4%
14.	CONCOR COR	0,4%	28%	20%
15.	NEBILET	0,4%	22%	25%

Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

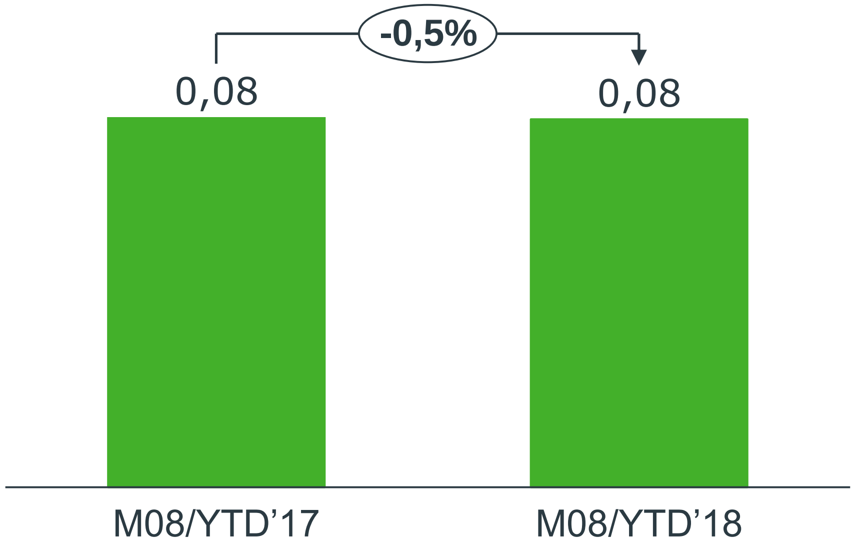
Georgia pharma market growth in January-August 2018

Market grew by 1,4% in value and decreased by 0,5% in volume

VALUE, BLN GEL



VOLUME, BLN PACKS



Indicator	GEL	USD	EUR	PACKS
Value M08/YTD 2018, Bln.	0,4	0,2	0,1	0,08
Growth M08/YTD,%	▲ 1,4%	▲ 2,3%	▼ -6,7%	▼ -0,5%

Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

TOP-15 corporations on Georgia market, January-August 2018

		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	1%	-1%
1.	BERLIN-CH/MENARINI	5,6%	1%	3%
2.	G.M.P. LTD	5,1%	-9%	-5%
3.	WORLD MEDICINE	4,9%	-2%	6%
4.	SERVIER	4,4%	-1%	3%
5.	AVERSI-RATIONAL LTD	4,2%	-1%	-10%
6.	SANOFI	3,9%	3%	1%
7.	KRKA	3,3%	7%	9%
8.	GSK	3,0%	1%	11%
9.	NOVARTIS	2,8%	-5%	-8%
10.	BAYER HEALTHCARE	2,4%	-3%	83%
11.	ASTRAZENECA	2,3%	7%	5%
12.	TAKEDA	1,9%	16%	10%
13.	ROCHE	1,8%	16%	1%
14.	GEDEON RICHTER	1,6%	3%	7%
15.	EGIS	1,6%	5%	13%

Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

TOP-15 brands on Georgia market, January-August 2018

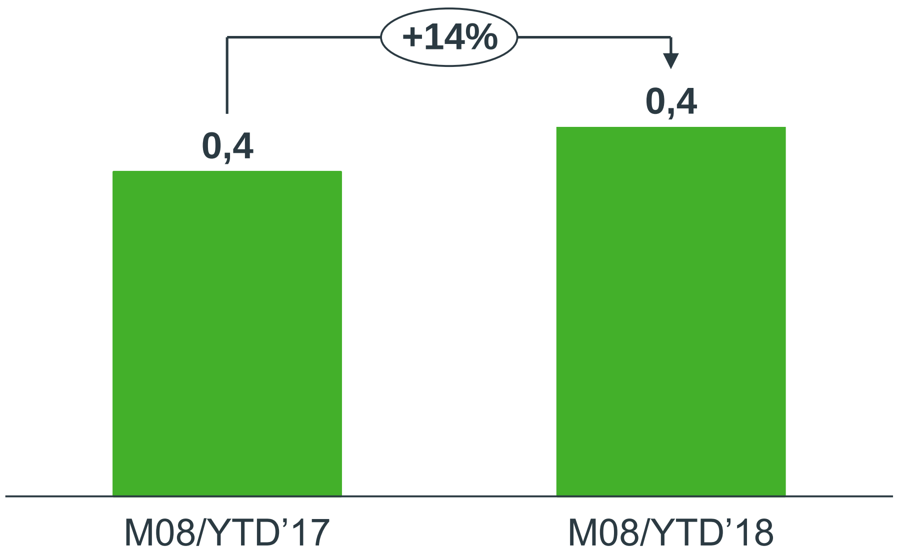
		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	1%	-1%
1.	CARDIOMAGNYL	0,9%	16%	14%
2.	AUGMENTIN	0,9%	4%	16%
3.	XARELTO	0,8%	-5%	10%
4.	DETRALEX	0,8%	3%	4%
5.	PRESTANCE	0,8%	-4%	-2%
6.	TRIPLIXAM	0,7%	10%	14%
7.	NO-SPA	0,7%	8%	6%
8.	NIMESIL	0,6%	-2%	1%
9.	SODIUM CHLORIDE	0,5%	50%	51%
10.	FRAXIPARINE	0,5%	2%	-15%
11.	DIABETON MR	0,5%	-13%	-5%
12.	CRESTOR	0,4%	7%	6%
13.	CLEXANE	0,4%	34%	8%
14.	HERCEPTIN	0,4%	14%	46%
15.	PULMICORT	0,4%	10%	1%

Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

Azerbaijan pharma market growth in January-August 2018

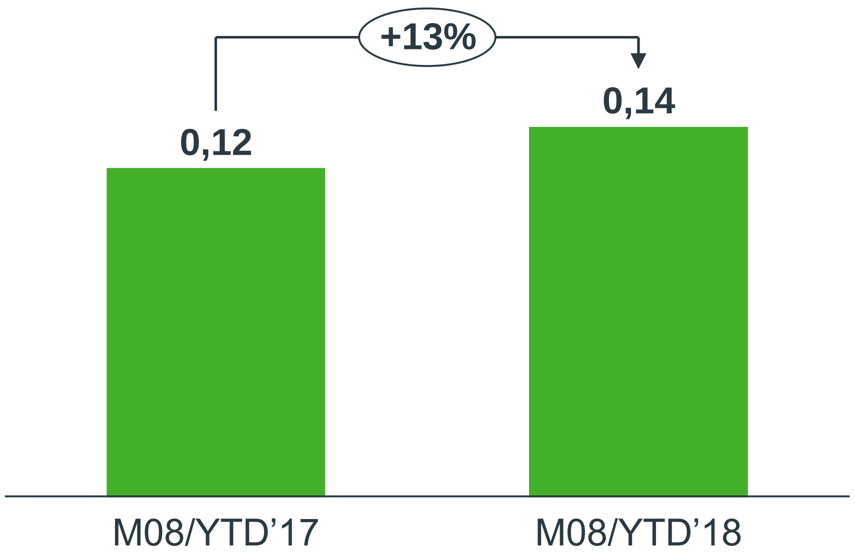
Market grew by 14% in value and by 13% in volume

VALUE, BLN AZN



Retail

VOLUME, BLN PACKS



Indicator	AZN	USD	EUR	PACKS
Value M08/YTD 2018, Bln.	0,4	0,2	0,2	0,14
Growth M08/YTD,%	▲ 14%	▲ 16%	▲ 6,5%	▲ 13%

Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

TOP-15 corporations on Azerbaijan market, January-August 2018

		Market share, M08/YTD'18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	14%	13%
1.	BERLIN-CH/MENARINI	3,5%	24%	22%
2.	SANOFI	3,2%	21%	21%
3.	NOVATOR PHARMA	3,1%	4%	0%
4.	KRKA	2,9%	17%	9%
5.	NOVARTIS	2,5%	25%	23%
6.	GSK	2,2%	9%	9%
7.	STADA	2,1%	18%	18%
8.	TAKEDA	2,0%	22%	24%
9.	SERVIER	1,9%	19%	17%
10.	VEFA ILAC SANAYI	1,8%	13%	13%
11.	EGIS	1,5%	27%	25%
12.	BORISOV ZMP	1,4%	48%	31%
13.	ACTAVIS	1,4%	12%	13%
14.	ACINO PHARMA AG	1,3%	26%	26%
15.	GEDEON RICHTER	1,3%	10%	8%

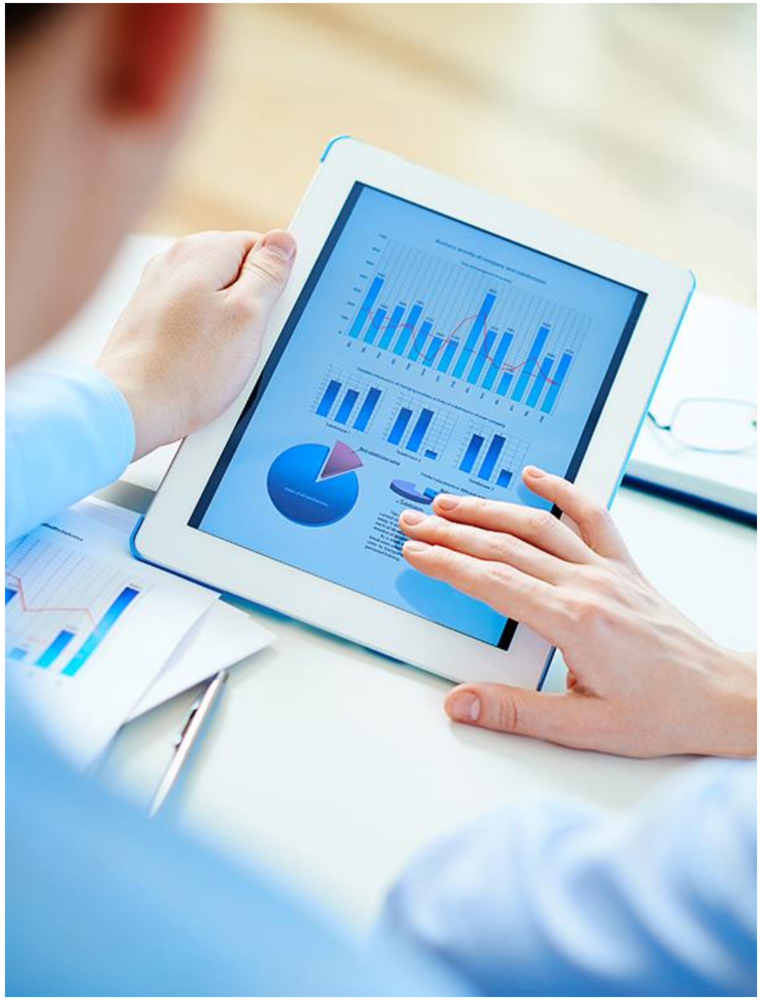
Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

TOP-15 brands on Azerbaijan market, January-August 2018

		Market share, M08/YTD’18	Value growth / decline	Volume growth / decline
	Total pharma market	100,0%	14%	13%
1.	SPASMALGON	1,0%	23%	23%
2.	ACTOVEGIN	1,0%	18%	20%
3.	NIMESIL	0,9%	48%	49%
4.	SODIUM CHLORIDE	0,7%	31%	33%
5.	RINGER`S SOLUTION	0,6%	71%	73%
6.	NUROFEN FOR CHILD	0,6%	37%	39%
7.	AUGMENTIN	0,5%	46%	43%
8.	CLEXANE	0,5%	45%	46%
9.	CONCOR	0,5%	26%	22%
10.	CARDIOMAGNYL	0,4%	35%	36%
11.	TRIOCEF	0,4%	16%	20%
12.	CEFTRIAXONE-AKOS	0,4%	51%	51%
13.	TRIPLIXAM	0,4%	59%	59%
14.	PRESTANCE	0,4%	10%	10%
15.	BIFEKT	0,4%	15%	15%

Source: IQVIA databases. Retail Market (exclude food supplements and diagnostic agents), TRD Prices

Please Contact Us for More Information



Svetlana Nikulina
Senior Sales Manager

svetlana.nikulina@IQVIA.com
+7 499 272 05 00

Anton Kalyapin
Senior Offering Manager

Anton.Kalyapin@IQVIA.com
+7 499 272 05 00

Nadezhda Kalinich
Client Service Representative

Nadezhda.Kalinich@IQVIA.com
+7 499 272 05 00