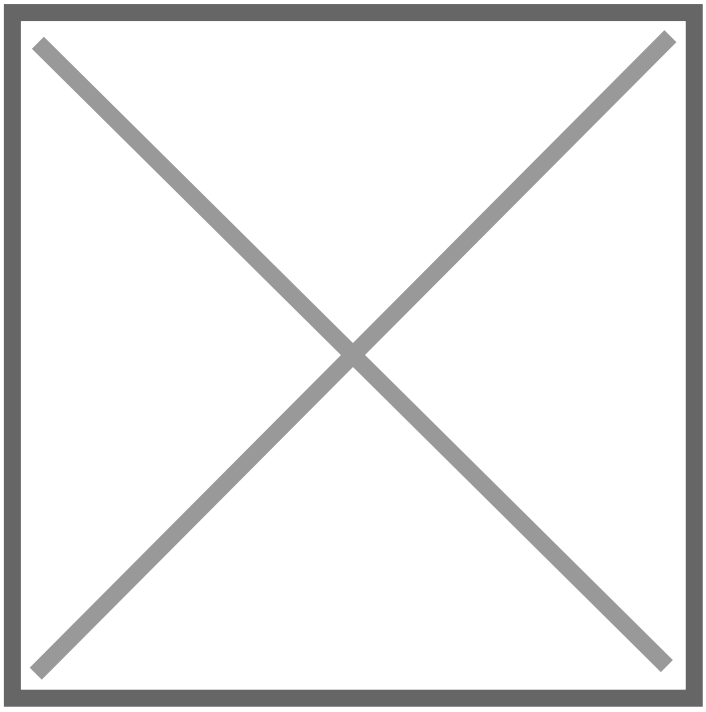
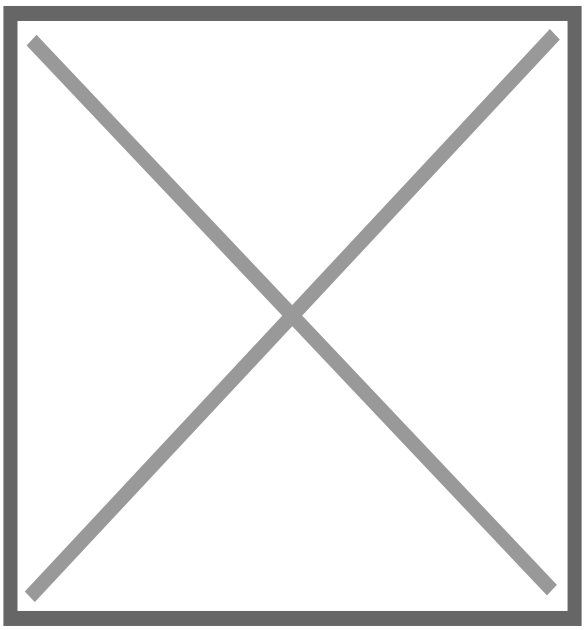
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Industry grows 3.4%, clocks $110 bn

07 July 2010 | News



In 2009, the Asia Pacific life science industry grew 3.4 percent clocking total revenues of $110.89 billion. The growth as expected was led by China, followed by India, South Korea, Australia and Singapore. The late entrant to the industry Malaysia doubled its contribution to overall revenues. It is a significant development even though the number is small. The life science thrust in Malaysia is beginning to show results.

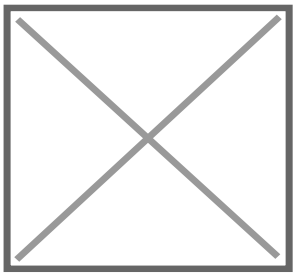


The industry, which according to BioSpectrum estimates was pegged, to grow between 3-5 percent in 2009 met the growth forecast, registering $110.89 billion in revenues. This figure includes total revenues from sales, licensing, and service income of the companies in the Asia Pacific region, excluding Japan.

The scope of the survey is limited to core life science companies spanning the segments of pharmaceuticals, biotechnology and medical devices across Australia-New Zealand, China, India, Malaysia, Singapore, South Korea and Taiwan. General healthcare and equipment providers are excluded from this survey. The BioSpectrum research team has used its discretion to make some exceptions to these exclusions keeping in view the industry landscape in various countries.
The countries where exceptions have been made include China, Taiwan and Malaysia. While the survey spanned all the publicly listed life science companies across stock exchanges in Asia the estimations on private companies was arrived at by a sample survey across countries, corroborated with market estimates from the various industry associations in respective countries.

The revenue figures across these Asia Pacific markets were standardized to US dollar and the calendar year to arrive at the estimates and company ranking. The growth has been estimated factoring in currency fluctuation, which is a global market reality today. (BioSpectrum Asia Pacific Survey 2010 does not use constant dollar rate.) Currency fluctuation has resulted in many of the companies showing a negative growth when standardized to US dollar.

Survey methodology

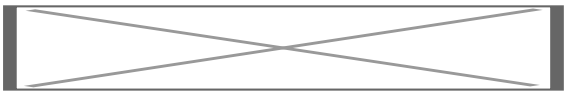


The third edition of BioSpectrum Asia Pacific Survey 2010 is an effort to give a rounded view of the progress the industry has made. Executed over a period of two months starting in April-May 2010 the survey was limited to publicly listed companies in the life sciences industry in the Asia Pacific region. We followed a twin approach of sending the questionnaire and also using the financial data of the publicly listed companies from the annual reports and information published with the stock exchanges. The scope of the survey was limited to publicly listed companies.

The biggest challenge in the entire exercise was arriving at the figures for the calendar year as several companies have different financial reporting system. Further, the data captured was in local currencies and it had to be converted to US Dollar figures. We sieved through the Annual Reports of over 400 companies and finally closed our survey for 333 companies that qualified. We collected the annual reports, quarterly results, half-yearly results and then arrived at the revenue figures. The data has been captured for the life sciences companies in Asia Pacific region, except Japan.

The survey covered all the life science companies that are listed in the stock exchanges in Asia Pacific, excluding Japan. This year's survey has scaled up participation from companies listed on China & Taiwan stock exchanges.

For all the companies, the revenues for the 12-month period (January to December) for 2007, 2008 and 2009 have been considered for the purpose of ranking and analysis. The exclusions to the calendar year are marked (*).Â Some industry figures have been arrived at by extrapolations and estimations. A sample survey of private companies has been factored into the survey numbers.

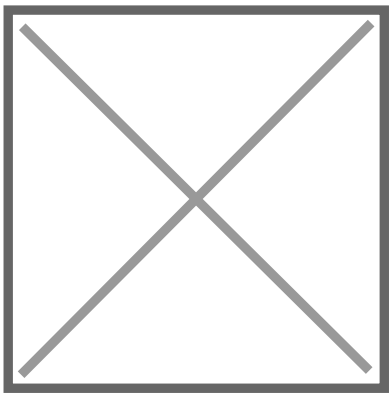


- Malaysia doubled its contribution to 3% from its small base of 1.4% in 2008.
- Publicly listed companies accounted for 49% share in the overall revenues.
- Pharma and BioPharma put together make up 92% of the publicly listed companies revenue, MedTech follows at 6% and Biotech makes up the rest.
- China and Taiwan growing at 52 and 46 percent respectively, leadg the growth in terms of speed.
- All major markets grew at a healthy double digit, with the exception of India which grew just 1.4%. India is a 21 billion market accounting for 19% of contribution in the overall revenue.

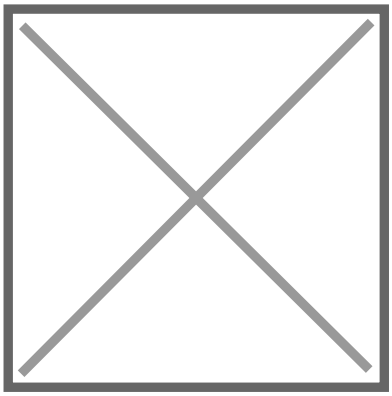
Percentage Growth by Region (Publicly Listed Companies)

Country	Revenue CY 2009 (In $ Mn)	RevenueÂ CY 2008 (In $ Mn)	Revenue CY 2007 (In $ Mn)	% change over CY 2008	% change over CY 2007
South Korea	5518.40	4984.61	5536.19	10.71	-9.96
Australia & New Zealand	9050.45	7542.17	6252.36	20.00	20.63
India	14585.56	14381.55	14082.60	1.42	2.12
Taiwan	2019.92	1380.74	725.70	46.29	90.26
China	22043.81	14520.12	5286.78	51.82	174.65
Singapore	321.13	273.60	155.94	17.37	75.45
Malaysia	698.83	649.31	123.73	7.63	424.78
Overall	54242.05	43734.13	32163.28	24.03	35.98

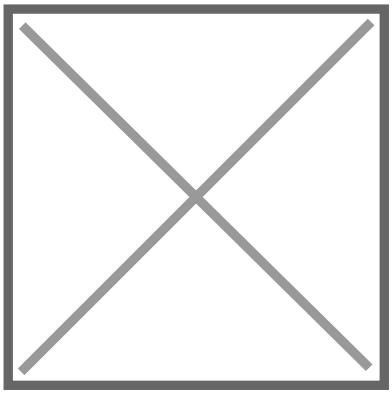
% Market Share by Region (Publicly listed companies)



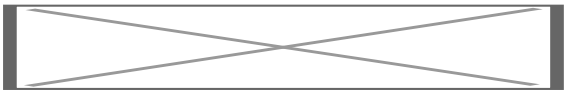
?-2009



?-2008



?-2007



Asia’s Top 20 Publicly Listed Life Science Companies by Revenue (2009)

Rank	Country	Company	Revenue CY 2009	Revenue CY 2008	Revenue CY 2007	% Growth over 2008
1	China	Sinopharm Group	6884.09	5588.51	—	23.18
2	Australia	CSL	4033.37	2846.27	2971.29	41.71
3	Australia	Sigma Pharmaceuticals	2592.35	2846.27	2300.22	-8.92
4	China	Shenzhen Accord Pharmaceutical	1601.42	—	—	—
5	India	Cipla	1176.68	1046.93	978.05	12.39
6	Australia	Resmed	1160.16	887.89	30.67	
7	India	Ranbaxy Laboratories	1047.66	1062.72	1164.96	-1.42
8	India	Dr Reddy’s Laboratories	955.19	852.33	870.15	12.07
9	China	China Pharmaceutical Group	913.33	—	—	—
10	China	Yunnan Baiyao Group	837.42	—	—	—

11	India	Cadila Healthcare	741.09	572.48	414.02	29.45
12	India	Lupin	725.31	645.51	683.52	12.36
13	China	North China Pharmaceutical	714.24	737.48	547.04	-3.15
14	China	Sanjiu Medical & Pharmaceutical	709.79	632.00	—	12.31
15	India	Aurobindo Pharma	663.12	548.17	542.29	20.97
16	China	Mindray Medical International	659.71	665.00	374.30	-0.80
17	South Korea	Dong-A	640.85	559.75	635.93	14.49
18	India	Sun Pharma	609.48	794.59	685.34	-23.30
19	China	The United Laboratories International	601.80	496.46	—	21.22
20	China	Guangzhou Pharmaceutical	556.40	517.22	1539.94	7.57

Revenue in $ mn

Top 20 companies contributed 82% of the overall revenues of publicly listed companies.

