



Overview of the Brazilian pharmaceutical & health sector

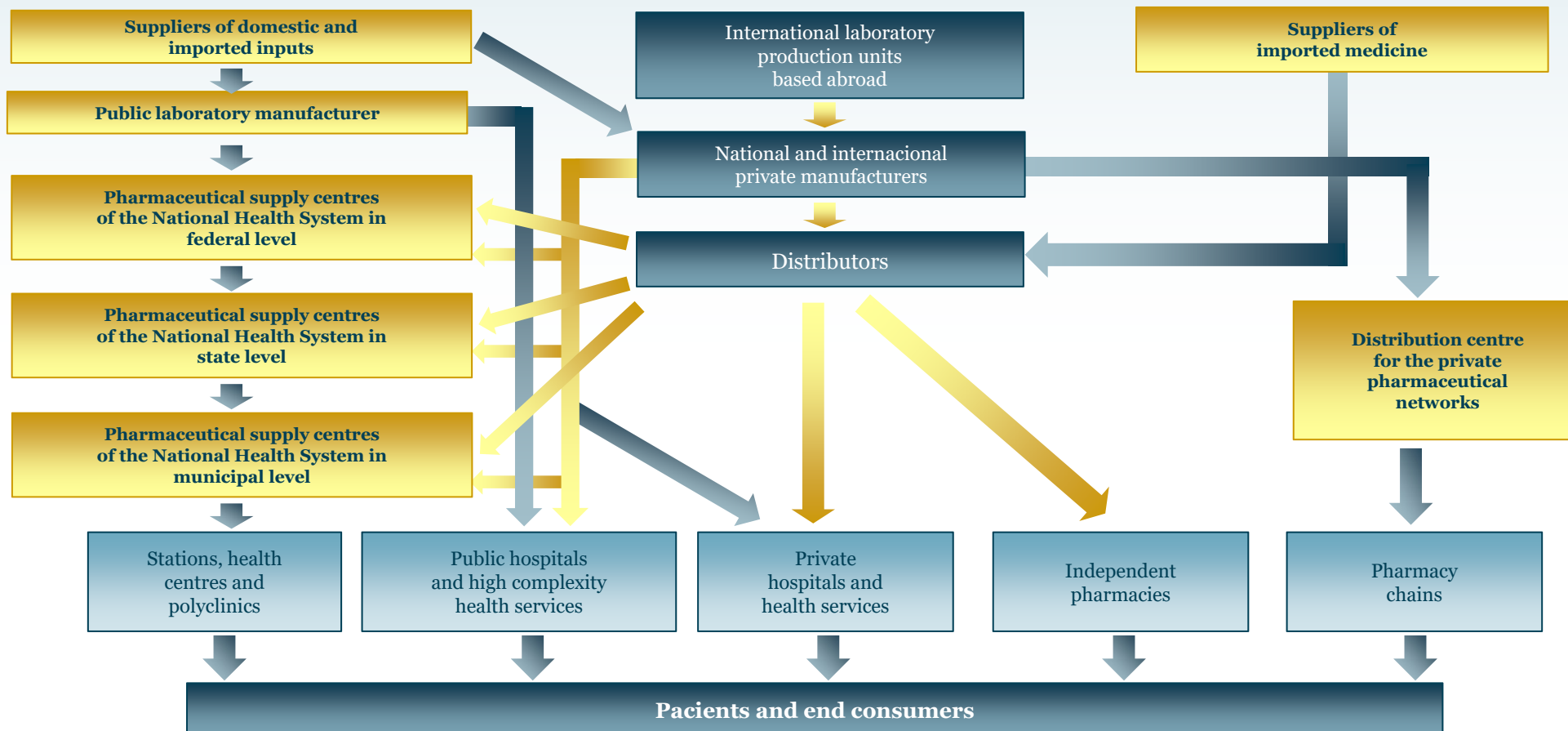
Industry report – partial free sample

Sao Paulo, July 2016



The pharmaceutical sector's supply chain in Brazil is highly complex and involves many different agencies and regulation entities

Pharmaceutical supply chain in Brazil

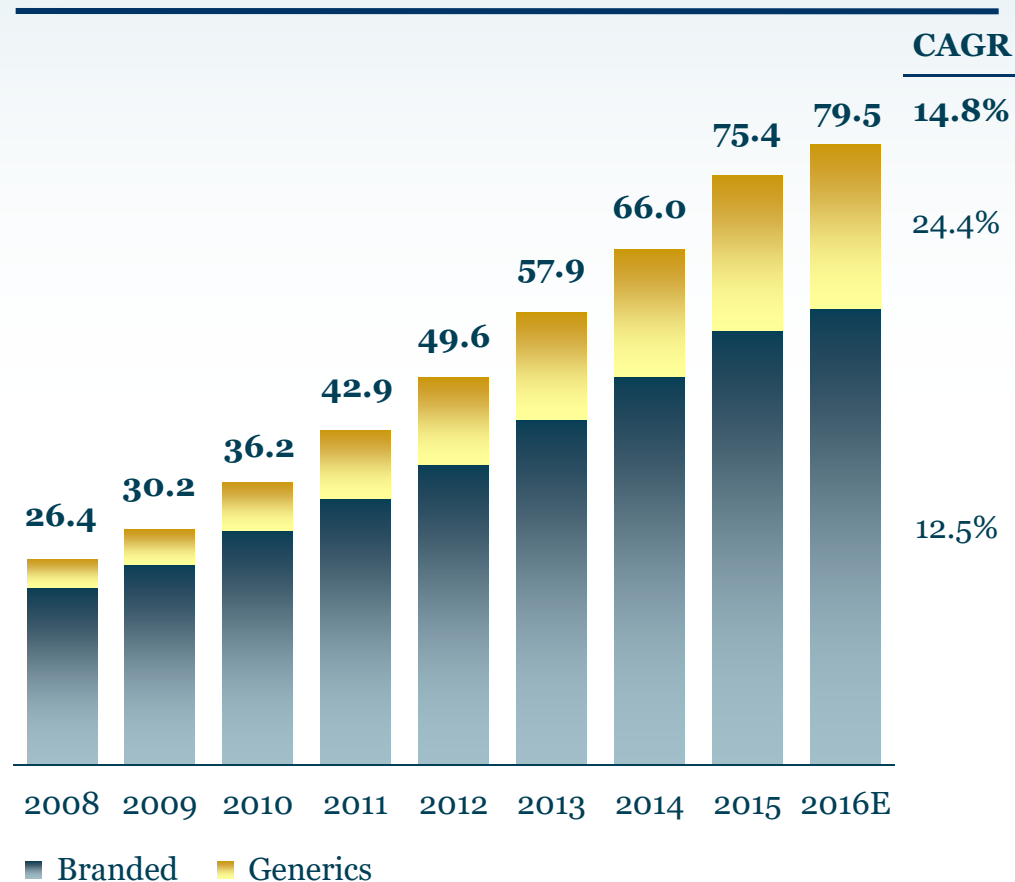




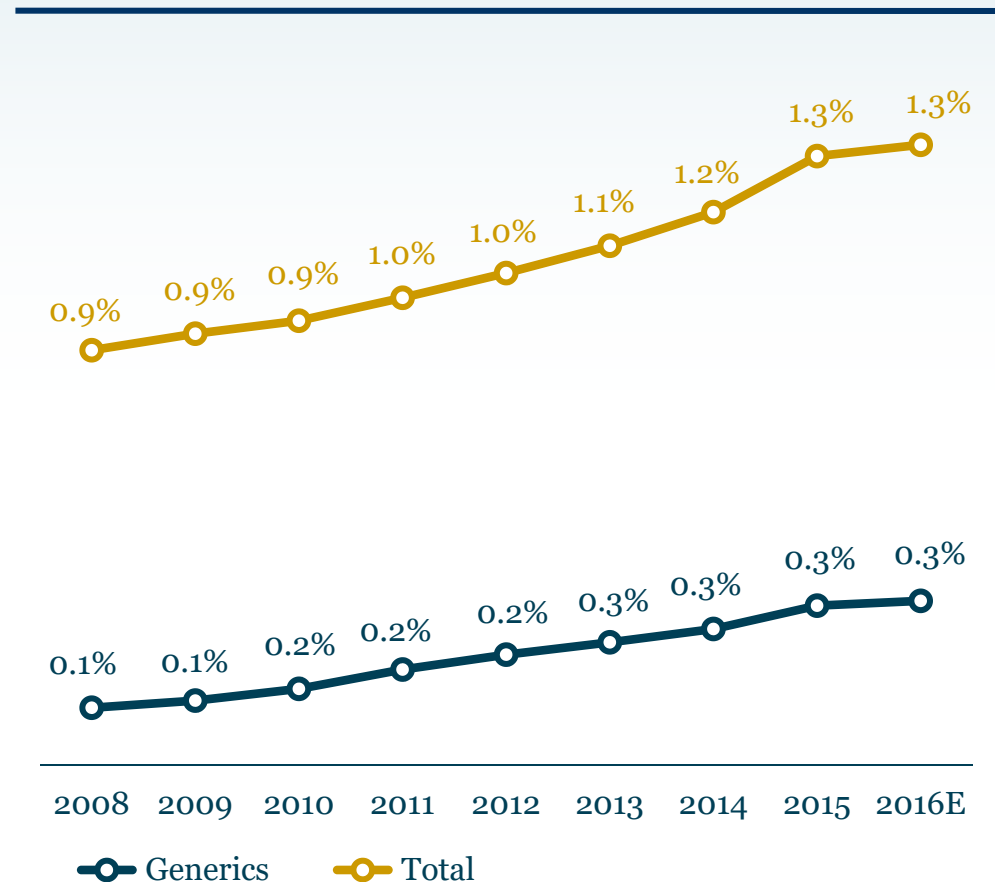
Sales have tripled in value between 2008 and 2016, with increased participation of generics but still low representation in the GDP

Brazilian pharmaceutical market size and share on national GDP

Pharmaceutical sales¹⁾ [BRL bn]



Share on national GDP



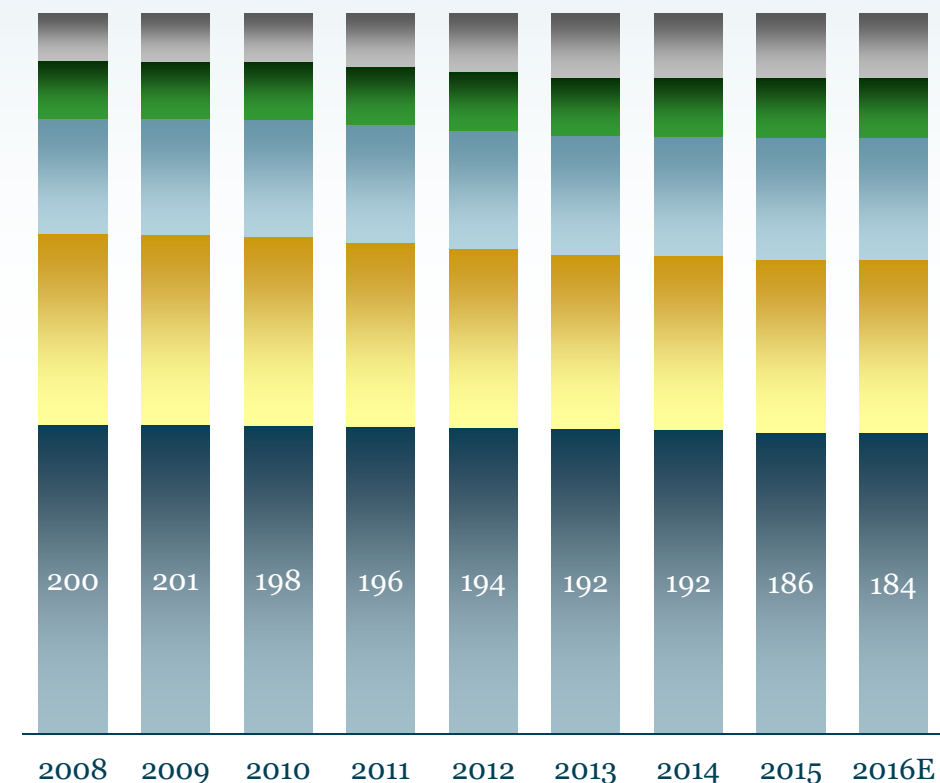
1) factory prices without discount and including taxes
Source: IMS Health, Sindusfarma, IBGE, FALKE Information analysis



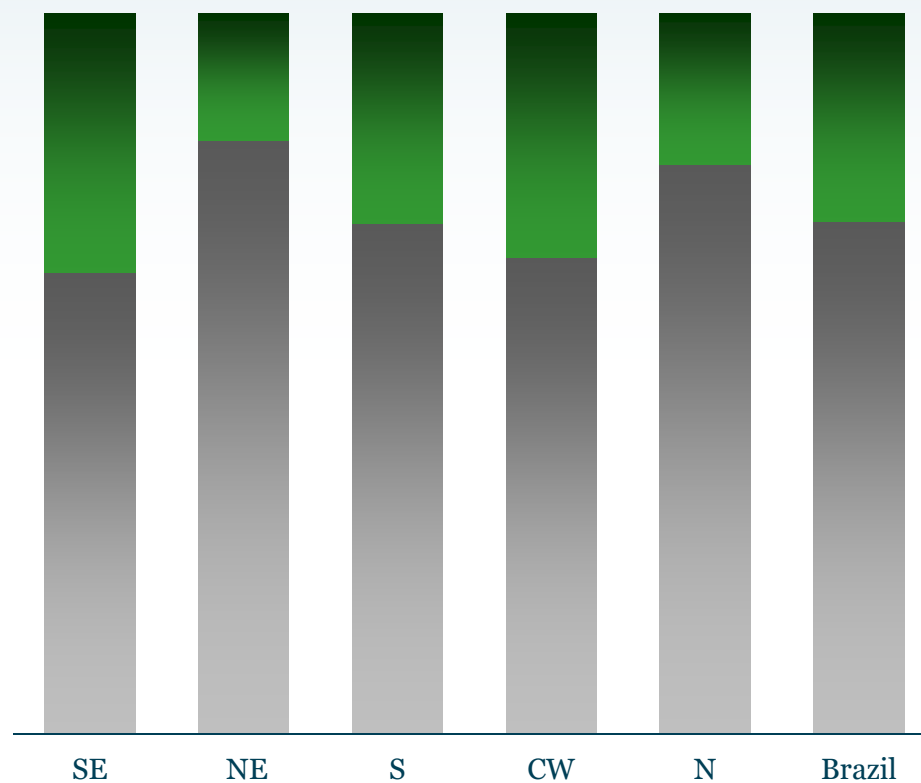
In the hospital sector, the number of beds has been decreasing since the beginning of the Lula government, even with high participation of SUS¹⁾

Number of existing hospital beds in Brazil

Breakdown per region ['000]



Share of SUS in 2015 [% of beds]



■ Southeast ■ Northeast ■ South ■ Centre-West ■ North

■ SUS ■ Non-SUS

1) SUS = Brazilian health system

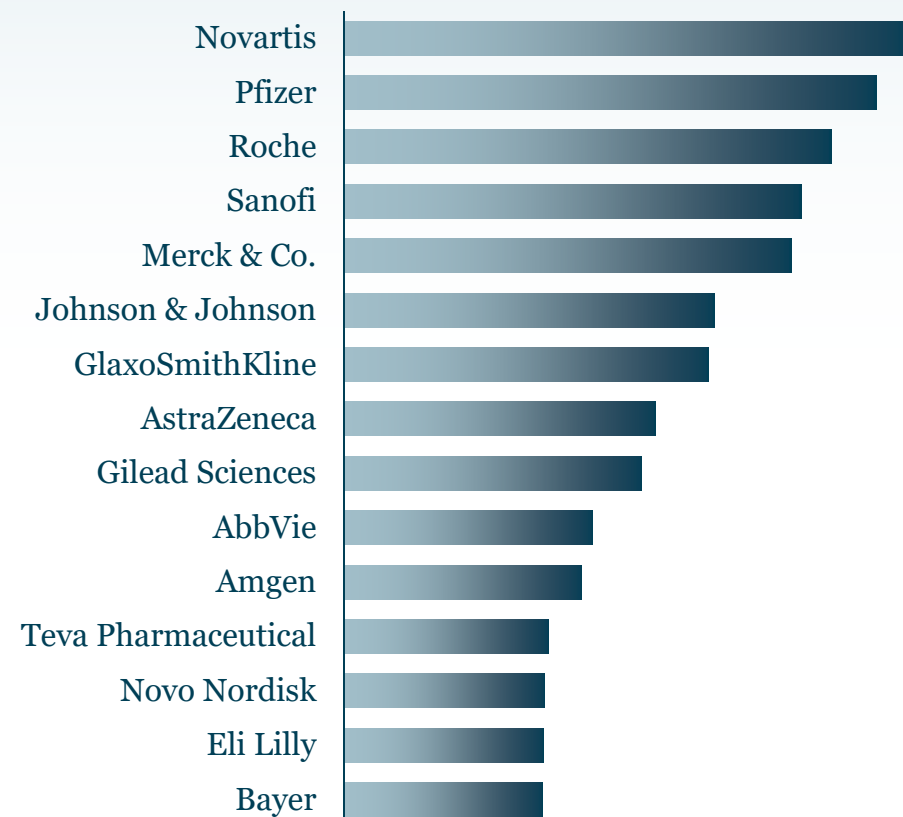
Source: IBGE, FALKE Information analysis and estimates



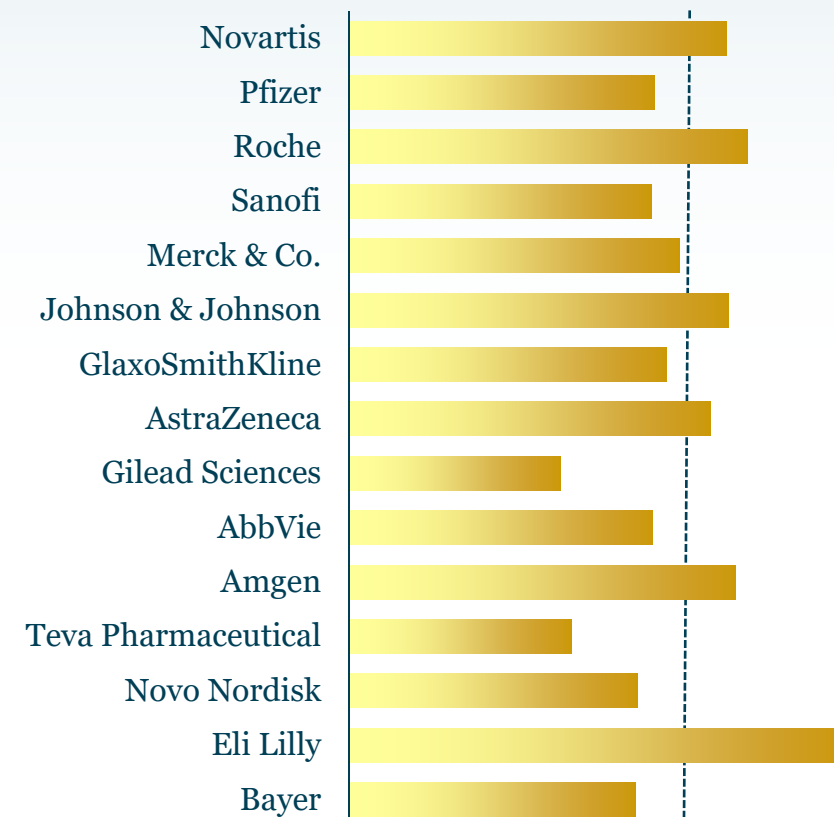
Among the 15 largest companies in sales, the average annual research and development investment reaches 18% of revenues

Ranking of the top pharmaceutical companies in the world in 2015 [USD bn]

Turnover



Research and development¹⁾



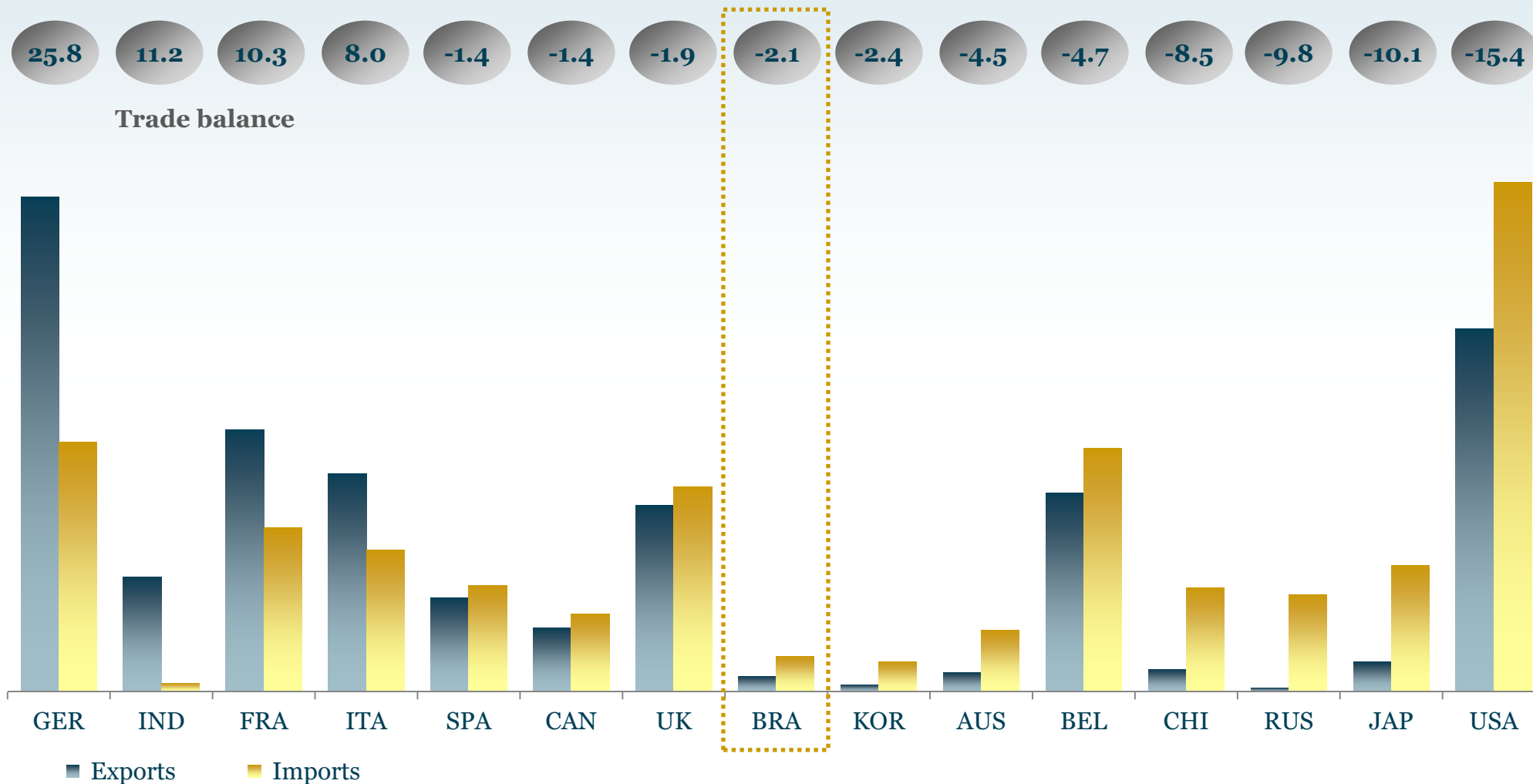
Average: 17,8%

1) as percentage of turnover
Source: IFPMA, FALKE Information analysis



The United States stand out as the main importer and only European countries and India have a surplus in their trade balance

Pharmaceutical products' foreign trade in the world in 2014 [US\$ FOB bn]





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