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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2004

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2004						
<i>(Rs. in thousands)</i>						
Sr. No.	Particulars	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
		30.09.2004	30.09.2003	30.09.2004	30.09.2003	31.03.2004
		Audited	Derived*	Audited	Audited	Audited
1.	Net Sales	1,705,598	1,409,073	3,307,995	2,404,508	5,018,824
2.	Other Income	34,473	4,621	71,064	8,573	15,638
3.	Total Expenditure (a+b+c+d+e)	1,160,075	934,954	2,285,713	1,608,301	3,405,453
	a. (Increase)/decrease in stock in trade	72,480	27,935	100,556	41,728	(142,010)
	b. Consumption of Raw Materials and Traded goods	805,269	726,522	1,572,237	1,198,924	2,695,682
	c. Power cost	58,659	40,944	116,052	80,747	171,125
	d. Employee cost	118,065	79,655	229,831	158,461	352,849
	e. Other Expenses	105,602	59,898	267,037	128,441	327,807
4.	Profit before Interest, Depreciation & Taxes (1+2-3)	579,996	478,740	1,093,346	804,780	1,629,009
5.	Interest and finance charges	5,659	3,092	12,160	11,766	15,677
6.	Depreciation	39,926	33,770	78,800	66,211	138,530
7.	Profit Before Taxation (4-5-6)	534,411	441,878	1,002,386	726,803	1,474,802
8.	Provision for current tax	31,640	102,219	55,060	169,310	194,453
9.	Provision for deferred tax	5,052	(2,291)	13,062	6,299	33,623
10.	Net Profit (7-8-9)	497,719	341,950	934,264	551,194	1,246,726
11.	Paid-up equity share capital	500,000	18,377	500,000	18,377	500,000
12.	Reserves excluding revaluation reserves	5,852,685	1,789,566	5,852,685	1,789,566	4,900,406
13.	Earnings per share (Par value of Rs.5/-)					
	Basic - (in Rs.)	5.26	3.80	9.88	6.12	13.85
	Diluted - (in Rs.)	5.14	3.80	9.64	6.12	13.85
14.	Aggregate of Non-Promoter Shareholding					
	- Number of Shares	35,452,439	28,459,720	35,452,439	28,459,720	38,459,721
	- Percentage of shareholding	35.45%	31.62%	35.45%	31.62%	38.46%

SEGMENT REPORTING FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2004						
<i>(Rs. in thousands)</i>						
Sr. No.	Particulars	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
		30.09.2004	30.09.2003	30.09.2004	30.09.2003	31.03.2004
		Audited	Derived*	Audited	Audited	Audited
1.	Segment revenue					
	a. Enzymes	252,463	169,480	477,692	347,817	700,996
	b. Pharma	1,472,059	1,246,070	2,868,866	2,081,596	4,353,660
	Total	1,724,522	1,415,550	3,346,558	2,429,413	5,054,656
	Less: Inter-segment revenue	(18,924)	(6,477)	(38,563)	(24,905)	(35,832)
	Net sales/Income from operations	1,705,598	1,409,073	3,307,995	2,404,508	5,018,824
2.	Segment results					
	Profit before interest, depreciation and tax from each segment					
	a. Enzymes	120,922	64,310	234,043	138,075	281,518
	b. Pharma	564,086	532,682	1,183,419	867,001	1,773,388
	c. Others	(22,338)	-	(33,107)	-	-
	Total	662,670	596,992	1,384,355	1,005,076	2,054,906
	Less: Interest	(5,659)	(3,092)	(12,160)	(11,766)	(15,677)
	Depreciation	(39,926)	(33,770)	(78,800)	(66,211)	(138,530)
	Unallocated corporate expenses net of unallocable income	(82,674)	(118,252)	(291,009)	(200,296)	(425,897)
	Profit before tax	534,411	441,878	1,002,386	726,803	1,474,802
3.	Capital employed					
	a. Enzymes	407,970	426,896	407,970	426,896	430,898
	b. Pharma	3,421,078	1,965,916	3,421,078	1,965,916	2,262,111
	c. Unallocable corporate assets	3,795,002	665,359	3,795,002	665,359	3,895,861
	Less: Corporate liabilities	(1,256,263)	(1,231,937)	(1,256,263)	(1,231,937)	(1,172,556)
	Total capital employed	6,367,787	1,826,234	6,367,787	1,826,234	5,416,314
	Less: Revaluation Reserve	(15,102)	(18,291)	(15,102)	(18,291)	(15,908)
	Capital employed net of revaluation reserves	6,352,685	1,807,943	6,352,685	1,807,943	5,400,406
Notes:						
1. The primary reporting of the Company has been performed on the basis of business segment. The Company is organised into two business segments, enzymes and active pharmaceutical ingredients ('Pharma'). Segments have been identified and reported based on the nature of the products, the risks and returns, the organisation structure and the internal financial reporting systems.						

CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2004						
<i>(Rs. in thousands)</i>						
Sr. No.	Particulars	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
		30.09.2004	30.09.2003	30.09.2004	30.09.2003	31.03.2004
		Audited	Derived*	Audited	Audited	Audited
1.	Net Sales	1,860,944	1,501,351	3,602,917	2,575,345	5,406,410
2.	Other Income	34,020	4,385	70,576	6,643	12,662
3.	Total Expenditure (a+b+c+d+e)	1,245,076	986,143	2,450,962	1,710,790	3,623,441
	a. (Increase)/decrease in stock in trade	72,480	27,935	100,556	41,728	(142,010)
	b. Consumption of Raw Materials and Traded goods	834,440	745,440	1,630,712	1,236,011	2,779,793
	c. Power cost	60,268	42,264	119,367	83,387	177,219
	d. Employee cost	158,662	103,082	308,999	205,269	457,483
	e. Other Expenses	119,226	67,422	291,328	144,395	350,956
4.	Profit before Interest, Depreciation & Taxes (1+2-3)	649,888	519,593	1,222,531	871,198	1,795,631
5.	Interest and finance charges	5,723	3,248	12,451	12,035	16,092
6.	Depreciation	47,286	40,348	93,235	78,101	162,828
7.	Profit Before Taxation (4-5-6)	596,879	475,997	1,116,845	781,062	1,616,711
8.	Provision for current tax	33,805	104,371	59,314	171,462	196,716
9.	Provision for deferred tax	5,052	(2,291)	13,062	6,299	33,623
10.	Net Profit before minority interest (7-8-9)	558,022	373,917	1,044,469	603,301	1,386,372
11.	Minority interest	(4,289)	2	(4,285)	4	10
12.	Net Profit (10-11)	562,311	373,915	1,048,754	603,297	1,386,362
13.	Paid-up equity share capital	500,000	18,377	500,000	18,377	500,000
14.	Reserves excluding revaluation reserves	6,181,465	1,915,063	6,181,465	1,915,063	5,113,435
15.	Earnings per share (Par value of Rs 5/-)					
	Basic (Rs.)	5.95	4.45	11.09	7.18	16.37
	Diluted (Rs.)	5.80	4.32	10.83	6.97	15.95
Notes						
1. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in India and comply with the Accounting Standard (AS 21) on Consolidated Financial Statements, Accounting Standard (AS 27) on Financial Reporting of Interests in Joint Venture issued by the Institute of Chartered Accountants of India to reflect the financial position and the results of operations of Biocon together with its subsidiary companies, Syngene, Clinigene and JV company, Biocon Biopharmaceuticals.						

Notes:

- The earnings considered in ascertaining the Company's earnings per share comprise of the net profit after tax. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the period/year and are adjusted for bonus shares and sub-division of shares for all period/years presented in these financial statements. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for deriving basic earnings per share, and also the weighted average number of shares, if any which would have been issued on the conversion of all dilutive potential equity shares. In accordance with the revised SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Revised), the ESOP Trust has been consolidated with the Company.
- Total number of shareholder complaints pending at the beginning of the quarter was 15. Complaints received during the quarter were 1,754. The complaints resolved during the quarter were 1,761. Complaints pending for redressal as at the end of the quarter were 8.
- The above results were reviewed by the Audit committee on October 19, 2004 and then approved by the Board of Directors at their meeting held on October 20, 2004.
- The figures have been reclassified wherever required, to conform with the classification in the financial statements for the quarter and half-year ended September 30, 2004.

* The figures for the quarter ended September 30, 2003 have been derived from the audited financial statements for the six month period ended 30.09.2003 and quarter ended 30.06.2003. The results for the quarter ended 30.06.2003 have been reviewed by the auditors in accordance with the guidance note on engagements to review financial statements.

For and on behalf of the Board

Sd/-

Kiran Mazumdar-Shaw
 Managing Director

Place: Bangalore Date: October 20, 2004