

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2006

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2006 <i>(Rs. in thousands)</i>						
Sr. No.	Particulars	Quarter ended 31.12.2006 (Audited)	Quarter ended 31.12.2005 (Audited)	Nine Months ended 31.12.2006 (Audited)	Nine Months ended 31.12.2005 (Audited)	Year ended 31.03.2006 (Audited)
1.	Net Sales	2,140,752	1,734,755	6,173,829	5,061,239	6,885,705
2.	Other Income	22,689	9,100	42,389	37,990	46,130
3.	Total Expenditure (a+b+c+d+e)	1,471,861	1,272,392	4,552,502	3,683,402	5,077,718
	a. (Increase)/decrease in stock in trade	(15,233)	(147,373)	(325,172)	(228,821)	(207,991)
	b. Consumption of Raw Materials	958,037	1,058,438	3,349,095	2,976,990	3,998,100
	c. Power cost	165,109	67,604	445,354	206,256	307,847
	d. Employee cost	169,199	109,344	439,427	320,755	420,600
	e. Other Expenses	194,749	184,379	643,798	408,222	559,162
4.	Profit before Interest, Depreciation & Taxes (1+2-3)	691,580	471,463	1,663,716	1,415,827	1,854,117
5.	Interest and finance charges	19,333	3,675	54,351	7,678	16,887
6.	Depreciation	160,987	57,037	407,672	170,342	228,496
7.	Profit Before Taxation (4-5-6)	511,260	410,751	1,201,693	1,237,807	1,608,734
8.	Provision for current tax (including Fringe Benefit Tax)	14,516	87,773	52,717	241,940	213,763
9.	Provision for deferred tax	21,646	(4,956)	38,418	(14,653)	60,141
10.	Net Profit (7-8-9)	475,098	327,934	1,110,558	1,010,520	1,334,830
11.	Paid-up equity share capital	500,000	500,000	500,000	500,000	500,000
12.	Reserves excluding revaluation reserves	8,693,889	7,476,123	8,693,889	7,476,123	7,517,739
13.	Earnings per share (Par value of Rs. 5/-)					
	- Basic - (in Rs.)	4.92	3.43	11.52	10.58	13.97
	- Diluted - (in Rs.)	4.89	3.39	11.43	10.44	13.79
14.	Aggregate of Non-Promoter Shareholding					
	- Number of Shares	39,884,842	36,884,842	39,884,842	36,884,842	39,884,842
	- Percentage of shareholding	39.88%	36.89%	39.88%	36.89%	36.89%

SEGMENT REPORTING FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2006 <i>(Rs. in thousands)</i>						
Sr. No.	Particulars	Quarter ended 31.12.2006 (Audited)	Quarter ended 31.12.2005 (Audited)	Nine Months ended 31.12.2006 (Audited)	Nine Months ended 31.12.2005 (Audited)	Year ended 31.03.2006 (Audited)
1.	Segment revenue					
	a. Enzymes	215,749	191,557	730,900	653,325	921,857
	b. Pharma	1,936,648	1,548,018	5,494,168	4,459,017	6,036,142
	c. Unallocated	141,739	-	141,739	-	-
	Total	2,294,136	1,739,575	6,366,807	5,112,342	6,957,999
	Less: Inter-segment revenue	153,384	4,820	192,978	51,103	72,294
	Net sales/Income from operations	2,140,752	1,734,755	6,173,829	5,061,239	6,885,705
2.	Segment results					
	Profit before interest, depreciation and tax from each segment					
	a. Enzymes	64,774	75,543	276,967	291,566	398,376
	b. Pharma	604,696	653,053	1,949,155	1,669,588	2,303,095
	c. Unallocated	64,812	-	64,812	-	-
	Total	734,282	728,596	2,290,934	1,961,154	2,701,471
	Less: Interest	19,333	3,675	54,351	7,678	16,887
	Depreciation	160,987	57,037	407,672	170,342	228,496
	Unallocated corporate expenses net of unallocable income	42,702	257,133	627,218	545,327	847,354
	Profit before tax	511,260	410,751	1,201,693	1,237,807	1,608,734
3.	Capital employed					
	a. Enzymes	554,027	456,096	554,027	456,096	488,610
	b. Pharma	6,996,433	6,902,910	6,996,433	6,902,910	7,113,193
	c. Unallocable corporate assets	3,532,364	1,675,260	3,532,364	1,675,260	2,087,044
	Less: Corporate liabilities	1,877,449	1,045,051	1,877,449	1,045,051	1,658,412
	Total capital employed	9,205,375	7,989,215	9,205,375	7,989,215	8,030,435
	Less: Revaluation Reserve	11,486	13,092	11,486	13,092	12,696
	Capital employed net of revaluation reserves	9,193,889	7,976,123	9,193,889	7,976,123	8,017,739

Note: (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. (2) The income, expense, assets and liabilities pertaining to Biocon Park Developer have been disclosed under "unallocated".

CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2006 <i>(Rs. in thousands)</i>						
Sr. No.	Particulars	Quarter ended 31.12.2006 (Audited)	Quarter ended 31.12.2005 (Audited)	Nine Months ended 31.12.2006 (Audited)	Nine Months ended 31.12.2005 (Audited)	Year ended 31.03.2006 (Audited)
1.	Net Sales	2,464,834	2,003,278	7,074,929	5,748,440	7,891,461
2.	Other Income	9,181	7,358	26,331	36,395	40,665
3.	Total Expenditure (a+b+c+d+e)	1,690,081	1,403,505	5,097,285	4,054,617	5,592,557
	a. (Increase)/decrease in stock in trade	(14,733)	(147,373)	(325,172)	(228,821)	(207,991)
	b. Consumption of Raw Materials	1,054,914	1,111,158	3,592,467	3,117,134	4,209,530
	c. Power cost	175,487	75,069	469,196	227,175	336,866
	d. Employee cost	253,966	165,552	658,968	473,451	617,914
	e. Other Expenses	220,447	199,099	701,826	465,678	636,238
4.	Profit before Interest, Depreciation & Taxes (1+2-3)	783,934	607,131	2,003,975	1,730,218	2,339,569
5.	Interest and finance charges	24,700	3,807	63,051	8,150	17,548
6.	Depreciation	183,026	74,663	470,187	219,607	296,532
7.	Profit Before Taxation (4-5-6)	576,208	528,661	1,470,737	1,502,461	2,025,489
8.	Provision for current tax (including Fringe Benefit Tax)	18,191	98,244	67,752	267,527	242,736
9.	Provision for deferred tax	21,426	(4,051)	36,341	(13,197)	62,918
10.	Net Profit before minority interest (7-8-9)	536,591	434,468	1,366,644	1,248,131	1,719,835
11.	Add/(Less): Minority interest	16,530	4,098	28,980	12,955	19,688
12.	Net Profit (10+11)	553,121	438,566	1,395,624	1,261,086	1,739,523
13.	Paid-up equity share capital	500,000	500,000	500,000	500,000	500,000
14.	Reserves excluding revaluation reserves	9,829,506	8,172,549	9,829,506	8,172,549	8,368,289
15.	Earnings per share (Par value of Rs 5/-)					
	- Basic - (in Rs.)	5.73	4.59	14.48	13.20	18.20
	- Diluted - (in Rs.)	5.68	4.53	14.37	13.03	17.97

Note: (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, 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. 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 Nil. Complaints received during the quarter were 39. All complaints received during the quarter were resolved and there were no complaints pending for redressal as at December 31, 2006.
- The above results were reviewed by the Audit committee on January 17, 2007 and then approved by the Board of Directors at their meeting held on January 18, 2007.
- The figures have been reclassified wherever required, to conform with the classification in the financial statements for the quarter and nine months ended December 31 2006.

For and on behalf of the Board

Sd/-
Kiran Mazumdar-Shaw
 Managing Director

Place: Bangalore Date: January 18, 2007