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FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH PERIOD ENDED DECEMBER 31, 2008.

FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2008.						CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2008.						SEGMENT RESULTS OF CONSOLIDATED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2008.							
(Rs. in Lakhs)						(Rs. in Lakhs)						(Rs. in Lakhs)							
Sl. No.	Particulars	Quarter ended 31.12.2008 (Unaudited)	Quarter ended 31.12.2007 (Audited)	Nine Months ended 31.12.2008 (Unaudited)	Nine Months ended 31.12.2007 (Audited)	Year ended 31.03.2008 (Audited)	Sl. No.	Particulars	Quarter ended 31.12.2008 (Unaudited)	Quarter ended 31.12.2007 (Audited)	Nine Months ended 31.12.2008 (Unaudited)	Nine Months ended 31.12.2007 (Audited)	Year ended 31.03.2008 (Audited)	Particulars	Quarter ended 31.12.2008 (Unaudited)	Quarter ended 31.12.2007 (Audited)	Nine Months ended 31.12.2008 (Unaudited)	Nine Months ended 31.12.2007 (Audited)	Year ended 31.03.2008 (Audited)
1.	a. Net Sales/Income from Operations	21,987	19,419	69,074	65,718	87,693	1.	a. Net Sales/Income from Operations	43,619	23,734	114,241	78,716	105,379	Segment revenue					
	b. Other Operating Income	560	627	1,942	1,400	2,023		b. Other Operating Income	190	198	603	198	379	a. Enzymes - Discontinued Operations	-	-	-	4,772	4,772
2.	Expenditure						2.	Expenditure						b. Pharma	37,544	19,419	98,573	61,207	83,254
	a. (Increase)/decrease in stock in trade and Work-in-Progress	(1,451)	241	(3,023)	(1,899)	(1,196)		a. (Increase)/decrease in stock in trade and Work-in-progress	(3,225)	(158)	(6,808)	(2,157)	(1,487)	c. Contract Research	6,383	4,476	16,460	13,287	18,078
	b. Consumption of Raw Materials	8,554	8,141	31,074	29,230	37,425		b. Consumption of Raw Materials	23,767	9,414	62,346	32,774	42,735	Total	43,927	23,895	115,033	79,266	106,104
	c. Purchase of traded Goods	872	672	2,077	2,043	2,913		c. Purchase of Traded Goods	1,278	245	1,891	1,617	2,257	Less: Inter-segment revenue	308	161	792	550	725
	d. Power cost	1,752	1,818	5,570	5,882	7,612		d. Power cost	1,615	1,900	5,455	5,981	7,656	Net sales/Income from operations	43,619	23,734	114,241	78,716	105,379
	e. Employee cost	2,131	1,690	6,246	5,532	6,957		e. Employee cost	4,937	2,818	13,008	8,756	11,261	Segment results					
	f. Depreciation	1,887	1,749	5,503	5,165	6,900		f. Depreciation	2,709	2,435	7,963	6,975	9,392	Profit before interest, depreciation and tax from each segment					
	g. Other Expenditure	4,231	2,935	10,455	9,104	11,402		g. Other Expenses	5,725	3,622	14,988	10,137	13,098	a. Enzymes - Discontinued Operations	-	-	-	1,185	1,185
	h. Total	17,976	17,246	57,902	55,057	72,013		h. Total	36,806	20,276	98,843	64,083	84,912	b. Pharma	11,818	7,482	30,117	25,325	32,336
3.	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	4,571	2,800	13,114	12,061	17,703	3.	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	7,003	3,656	16,001	14,831	20,846	c. Contract Research	2,276	1,519	4,163	4,538	5,782
4.	Other Income	1,608	1,916	3,711	2,132	3,205	4.	Other Income	1,432	1,893	3,822	2,184	3,262	Total	14,094	9,001	34,280	31,048	39,303
5.	Profit before Interest & Exceptional Items (3+4)	6,179	4,716	16,825	14,193	20,908	5.	Profit before Interest & Exceptional Items (3+4)	8,435	5,549	19,823	17,015	24,108	Less: Interest	363	196	1,153	739	1,018
6.	Interest	71	20	404	201	287	6.	Interest	363	196	1,153	739	1,018	Depreciation	2,709	2,435	7,963	6,975	9,392
7.	Profit after Interest but before Exceptional Items (5-6)	6,108	4,696	16,421	13,992	20,621	7.	Profit after Interest but before Exceptional Items (5-6)	8,072	5,353	18,670	16,276	23,090	Unallocated corporate expenses	4,572	3,107	10,919	9,438	9,443
8.	Tax Expense	439	138	1,243	547	1,064	8.	Tax Expense	580	169	1,341	692	1,289	Unallocated corporate income	(1,622)	(2,090)	(4,425)	(2,380)	(3,640)
9.	Net Profit from Ordinary Activities after Tax before exceptional items (7-8)	5,669	4,558	15,178	13,445	19,557	9.	Net Profit from Ordinary Activities after Tax before exceptional items (7-8)	7,492	5,184	17,329	15,584	21,801	Profit before tax and exceptional items	8,072	5,353	18,670	16,276	23,090
10.	Exceptional Items (Net of Tax expense) [Refer note 4 below]	(3,261)	23,846	(6,413)	23,846	23,937	10.	Exceptional Items (Net of Tax expense) [Refer note 4 below]	(4,580)	23,846	(10,576)	23,846	23,937	Capital employed					
11.	Net Profit from ordinary activities after tax (9+10)	2,408	28,404	8,765	37,291	43,494	11.	Net Profit from ordinary activities before minority interest (9+10)	2,912	29,030	6,753	39,430	45,738	a. Enzymes - Discontinued Operations	-	-	-	-	-
12.	Paid-up equity share capital (Face value of Rs. 5 each)	10,000	5,000	10,000	5,000	5,000	12.	Add/(Less): Minority interest [Refer note 7 below]	(48)	152	115	429	652	b. Pharma	116,471	95,264	116,471	95,264	85,566
13.	Reserves excluding revaluation reserves					127,725	13.	Share of Losses in Associates [Refer note 8 below]	44	-	44	-	-	c. Contract Research	19,873	20,803	19,873	20,803	21,389
14.	a. Earnings per share before exceptional Items (Face value Rs. 5/-)						14.	Net Profit (11 + 12 + 13)	2,820	29,182	6,824	39,859	46,390	d. Minority Interest	(2,694)	410	(2,694)	410	732
	Basic	2.94	4.72	7.86	13.91	20.25	15.	Paid-up equity share capital (Face value of Rs.5 each)	10,000	5,000	10,000	5,000	5,000	e. Unallocable	21,986	31,358	21,986	31,358	40,729
	Diluted	2.85	4.56	7.62	13.44	19.64	16.	Reserves excluding revaluation reserves					143,320	Total capital employed	155,636	147,835	155,636	147,835	148,416
	b. Earnings per share after exceptional Items (Face value Rs. 5/-)						17.	a. Earnings per share before exceptional items (Face value of Rs. 5 each)											
	Basic	1.25	29.39	4.54	38.58	45.02		Basic	3.83	5.52	9.01	16.56	23.25	a. Enzymes - Discontinued Operations	-	-	-	-	-
	Diluted	1.21	28.40	4.40	37.29	43.67		Diluted	3.72	5.34	8.74	16.02	22.55	b. Pharma	116,471	95,264	116,471	95,264	85,566
15.	Aggregate of Public Shareholding							b. Earnings per share after exceptional items (Face value of Rs. 5 each)						c. Contract Research	19,873	20,803	19,873	20,803	21,389
	- Number of Shares	78,165,024	39,098,427	78,165,024	39,098,427	39,096,427		Basic	1.48	30.19	3.56	41.20	48.03	d. Minority Interest	(2,694)	410	(2,694)	410	732
	- Percentage of shareholding	39.08%	39.09%	39.08%	39.09%	39.09%		Diluted	1.44	29.18	3.45	39.86	46.58	e. Unallocable	21,986	31,358	21,986	31,358	40,729
							18.	Aggregate of Public Shareholding											
								- Number of Shares	78,165,024	39,098,427	78,165,024	39,098,427	39,096,427						
								- Percentage of shareholding	39.08%	39.09%	39.08%	39.09%	39.09%						

Notes:

1. The above results have been reviewed by the Audit Committee on January 20, 2009 and approved by the Board of Directors of the Company at their meeting held on January 21, 2009. The financial results of the Company and the consolidated financial results for the quarter ended December 31, 2008 have been subjected to a limited review by the statutory auditors of the Company.
2. The Company had on September 15, 2008 allotted bonus shares to shareholders in the ratio of 1:1 and accordingly the paid up share capital has increased from Rs. 50 Crores to Rs. 100 Crores.
3. Effective April 30, 2008, Biocon acquired 71% equity interest in AxiCorp GmbH, Germany ('AxiCorp') through its wholly owned subsidiary company, Biocon SA, Switzerland. The financial statements of AxiCorp are drawn upto September 30, 2008 for the purposes of consolidation. Accordingly, the consolidated results of Biocon for the nine month period ended December 31, 2008 include the results of AxiCorp for the period from April 1, 2008 to September 30, 2008. The financial statements of other subsidiaries and joint venture company have been drawn up to the same reporting dates as that of Biocon, i.e. December 31, 2008.
4. Exceptional items:
a. Exceptional item for the quarter and nine month period ended December 31, 2008 comprise of mark to market loss in respect of foreign exchange forward contracts including realized gains / losses incurred on termination / cancellation of the said contracts of Rs 3,261 (net of taxes of Rs 239) and Rs 6,413 (net of taxes of Rs. 509) in the case of the Company and Rs 4,580 (net of tax of Rs 239) and Rs 10,576 (net of taxes of Rs 509) in respect of the consolidated financial results, respectively.

b. Effective October 1, 2007, the Company transferred its enzymes business to a third party and recorded a gain of Rs 25,390 (net of taxes of Rs 7,587).
c. In December 2007, the Company recorded an impairment of Rs 1,544 (net of tax of Rs 656) in respect of one of its intellectual property which was in development stage.
5. Profit before taxes of the Company and the Group include Rs 388 from the operating activities of the enzymes business for the nine month period ended December 31, 2007 and for the year ended March 31, 2008.
6. Profit after taxes of the Company and the Group include Rs 283 from the operating activities of the enzymes business for the nine month period ended December 31, 2007 and for the year ended March 31, 2008.
7. For the quarter and nine month period ended December 31, 2008, minority interest comprise profits of Rs 26 and losses of Rs 214 attributable to minority shareholder of Biocon Biopharmaceuticals Private Limited ('BBPL') and profits of Rs 22 and Rs 99 attributable to minority shareholders of AxiCorp respectively. For the periods ending December 31, 2007 and for the year ended March 31, 2008, minority interest comprises of losses attributable to minority shareholder of BBPL.
8. During the quarter ended December 31, 2008, the Company accounted for its share of losses in IATRICa Inc, USA, an associate in the consolidated financial results.
9. The primary segment reporting has been performed on the basis of business segments. Segments have been identified and reported based on the nature of the products, risks and returns, organizational structure and internal financial reporting systems.
10. Total number of shareholder complaints pending at the beginning of the quarter was one. Complaints received during the period were 65. All complaints with the exception of one complaint have been resolved as at December 31, 2008.
11. The prior period/year figures have been reclassified wherever required to conform to the classification of the current quarter.

For and on behalf of the Board of Directors

Sd/-
Kiran Mazumdar Shaw
Managing Director

Place: Bangalore Date: January 21, 2009