

FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2008

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(Rs. in thousands)

Sr. No.	Particulars	Quarter ended 31.03.2008	Quarter ended 31.03.2007	Year ended 31.03.2008 (Audited)	Year ended 31.03.2007 (Audited)
1.	Net Sales/ Income from operations	2,197,472	2,335,925	8,769,252	8,509,754
2.	Other Income	169,574	78,716	522,752	121,105
3.	Expenditure (a+b+c+d+e+f)	1,522,135	1,714,126	6,511,351	6,266,628
	a. (Increase)/decrease in stock in trade	80,750	103,344	(109,161)	(218,939)
	b. Consumption of Raw Materials	809,127	992,377	3,732,101	4,211,116
	c. Purchase of traded goods	87,013	41,246	291,344	165,824
	d. Power cost	173,001	175,361	761,171	620,715
	e. Employee cost	142,497	163,628	695,693	603,055
	f. Other Expenditure	229,747	238,170	1,140,203	884,857
4.	Profit before Interest, Depreciation & Taxes (1+2-3)	844,911	700,453	2,780,653	2,364,169
5.	Interest and finance charges	8,570	23,267	28,698	77,618
6.	Depreciation	173,513	168,388	689,980	576,060
7.	Profit Before Taxation (4-5-6)	662,828	508,798	2,061,975	1,710,491
8.	Provision for current tax (including fringe benefit tax)	31,172	(43,559)	105,716	9,158
9.	Provision for deferred tax	20,518	79,413	668	117,831
10.	Net Profit (7-8-9) before Exceptional Items	611,138	472,944	1,955,591	1,583,502
11.	Exceptional Items, net (Net of Tax Rs.683,892) [Refer Note 2 & 3 below]	9,079	-	2,393,654	-
12.	Net Profit after exceptional item	620,217	472,944	4,349,245	1,583,502
13.	Paid-up equity share capital	500,000	500,000	500,000	500,000
14.	Reserves excluding revaluation reserves	12,772,374	8,905,315	12,772,374	8,905,315
15.	Earnings per share before Exceptional Items (Par Value Rs 5/-)				
	Basic - (in Rs.)	6.33	4.89	20.25	16.38
	Diluted - (in Rs.)	6.14	4.87	19.64	16.30
16.	Earnings per share after Exceptional Items (Par Value Rs 5/-)				
	Basic - (in Rs.)	6.42	4.89	45.03	16.38
	Diluted - (in Rs.)	6.23	4.87	43.67	16.30
17.	Aggregate of Non-Promoter Shareholding				
	- Number of Shares	39,096,427	39,098,427	39,096,427	39,098,427
	- Percentage of shareholding	39.09%	39.09%	39.09%	39.09%

SEGMENT REPORTING FOR THE QUARTER AND YEAR ENDED MARCH 31, 2008

(Rs. in thousands)

Sr. No.	Particulars	Quarter ended 31.03.2008	Quarter ended 31.03.2007	Year ended 31.03.2008 (Audited)	Year ended 31.03.2007 (Audited)
1.	Segment revenue				
a.	Enzymes (Discontinued operations)	-	320,447	477,247	1,151,789
b.	Pharma	2,197,472	2,029,117	8,312,236	7,422,843
c.	Unallocated	-	-	-	-
	Total	2,197,472	2,349,564	8,789,483	8,574,632
	Less: Inter-segment revenue	-	13,639	20,231	64,878
	Net Sales / Income from operations	2,197,472	2,335,925	8,769,252	8,509,754
2.	Segment results (Profit before interest, depreciation and tax from each segment)				
a.	Enzymes (Discontinued operations)	-	118,816	118,513	450,967
b.	Pharma	713,112	874,484	3,235,234	2,813,713
c.	Unallocated	-	-	-	-
	Total	713,112	993,300	3,353,747	3,264,680
	Less: Interest	8,570	23,267	28,698	77,618
	Depreciation	173,513	168,388	689,980	576,060
	Unallocated corporate expenses	37,739	371,564	1,095,810	1,021,617
	Unallocable income	(169,538)	(78,717)	(522,716)	(121,106)
	Profit before tax excluding exceptional income	662,828	508,798	2,061,975	1,710,491
	Profit before tax including exceptional items	3,056,482	508,798	4,455,629	1,710,491
3.	Capital employed				
a.	Enzymes (Discontinued operations)	-	431,681	-	431,681
b.	Pharma	8,880,550	8,896,299	8,880,550	8,896,299
c.	Unallocable corporate assets	5,434,630	862,313	5,434,630	862,313
	Less: Corporate liabilities	1,033,217	773,888	1,033,217	773,888
	Total capital employed	13,281,963	9,416,405	13,281,963	9,416,405
	Less: Revaluation Reserve	9,489	11,090	9,489	11,090
	Capital employed net of revaluation reserves	13,272,474	9,405,315	13,272,474	9,405,315

Notes: (1) The primary reporting of the Company has been performed on the basis of business segment. The Company was organised into two business segments, Enzymes and Pharma. Effective October 1, 2007, the company divested the enzymes business to Novozymes South Asia Private Limited. 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 figures have been reclassified wherever required, to conform with the classification for the year ended March 31, 2008.

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2008

(Rs. in thousands)

Sr. No.	Particulars	Quarter ended 31.03.2008	Quarter ended 31.03.2007	Year ended 31.03.2008 (Audited)	Year ended 31.03.2007 (Audited)
1.	Net Sales	2,666,298	2,782,382	10,537,941	9,857,311
2.	Other Income	125,936	11,852	364,108	38,183
	Total Income	2,792,234	2,794,234	10,902,049	9,895,494
3.	Total Expenditure (a+b+c+d+e+f)	1,841,307	1,925,195	7,551,950	7,022,480
a.	(Increase)/decrease in stock in trade	77,467	103,446	(138,272)	(218,837)
b.	Consumption of Raw Materials and Traded goods	985,645	1,095,774	4,263,010	4,560,773
c.	Purchase of Traded goods	63,998	41,245	225,658	165,824
d.	Power cost	167,563	150,371	765,631	619,567
e.	Employee cost	250,509	250,131	1,126,091	909,099
f.	Other Expenditure	296,125	284,229	1,309,832	986,055
	Profit before Interest, Depreciation & Taxes (1+2-3)	950,927	869,039	3,350,099	2,873,014
5.	Interest and finance charges	27,944	34,512	101,801	97,563
6.	Depreciation	241,703	195,296	939,204	665,483
	Profit Before Taxation from ordinary activities (4-5-6)	681,280	639,231	2,309,094	2,109,968
8.	Provision for current tax (including fringe benefit tax)	33,590	(49,619)	112,209	18,133
9.	Provision for deferred tax	26,109	114,645	16,674	150,986
	Net Profit before minority interest (7-8-9)	621,581	574,205	2,180,211	1,940,849
11.	Add/(Less): Minority interest	22,336	32,787	65,229	61,767
	Net Profit before exceptional items (10+11)	643,917	606,992	2,245,440	2,002,616
13.	Exceptional Items, net (Net of Tax Rs. 683,892) [See notes 2 and 3 below]	9,079	-	2,393,654	-
	Net Profit	652,996	606,992	4,639,094	2,002,616
15.	Paid-up equity share capital	500,000	500,000	500,000	500,000
16.	Reserves excluding revaluation reserves	14,331,988	10,174,980	14,331,988	10,174,980
17.	Earnings per share before Exceptional Items				
	Basic	6.67	6.28	23.25	20.72
	Diluted	6.47	6.25	22.55	20.62
18.	Earnings per share after Exceptional Items				
	Basic	6.76	6.28	48.03	20.72
	Diluted	6.56	6.25	46.58	20.62
19.	Aggregate of Non-Promoter Shareholding				
	- Number of Shares	39,096,427	39,098,427	39,096,427	39,098,427
	- Percentage of shareholding	39.09%	39.09%	39.09%	39.09%

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, issued by the Institute of Chartered Accountants of India to reflect the financial position and the results of operations of Biocon together with its subsidiaries Syngene, Clirigene and its 51% JV company Biocon Biopharmaceuticals.
2. On January 10, 2008 the company has formed a Joint Venture Company "NeoBiocon FZ LLC" registered in Dubai. The financial statements of NeoBiocon for the period ended March 31, 2008 has been consolidated on proportionate basis.
3. Consequent to the Announcement made by the Institute of Chartered Accountants of India (ICAI) at its Council meeting held between March 27-29, 2008, based on the principles of prudence, the Company has recorded the losses of Rs. 27,821 on the forex derivatives (based on the portfolios) entered into by the Company and outstanding on the balance sheet date, on account of marking these derivatives to market (MTM).

Notes:

- The above audited results were reviewed by the Audit Committee on April 21, 2008 and then taken on record by the Board of Directors of the Company at its meeting held on April 22, 2008. There are no qualifications in Auditors' Reports for the period.
- On July 18, 2007, the Company entered into an agreement with Novozymes South Asia Private Limited for the divestment of the Company's Enzymes Business, lease of building and rendering of certain services. As per the said agreement, effective October 1, 2007, the Company transferred the Enzymes business for a consideration of Rs. 3,958,000. Accordingly, the Company has recorded a gain of Rs. 2,539,000 (net of taxes of Rs. 758,670 and related expenses, including a provision for contingencies of Rs. 50,000).
- In December 2007, in view of the recent adverse reports and declining sales trends in Natrecor/Neseritide, a comparable drug, the Company decided to record an impairment of Rs 154,400 (net of tax of Rs. 65,600) being the cost of one of its intellectual property for the Oral BNP product which was in a development stage.
- The profit before taxes includes Rs. Nil; Rs. 102,148; Rs. 38,795; Rs. 357,030 from operating activities of discontinuing operations, for each of the aforesaid periods respectively.
- The profit after taxes includes Rs. Nil; Rs. 72,579; Rs. 28,262; Rs. 260,339 from operating activities of discontinuing operations for each of the aforesaid periods respectively.

- Consequent to the Announcement made by the Institute of Chartered Accountants of India (ICAI) at its Council meeting held between March 27-29, 2008, based on the principles of prudence, the Company has recorded the losses of Rs. 15,100 on the forex derivatives (based on the portfolio) entered into by the Company and outstanding on the balance sheet date, on account of marking these derivatives to market (MTM).
- The Board has recommended, subject to the approval of the members, issue of Bonus Shares in the ratio of 1 : 1.
- The Board has recommended a dividend for the year (subject to the approval of the members at the ensuing Annual General Meeting) of Rs 3/- per equity share (60%) and a special dividend of Rs 2/- per share (40%).
- Total number of shareholder complaints pending at the beginning of the year were Nil. Complaints received during the year were 230. All complaints received during the year were resolved as at March 31, 2008.
- The results for the quarter ended March 31, 2008 and March 31, 2007 have been derived from the Audited financial statements for the year ended on that date and the financial statements for the nine month period ended December 31, 2007 and December 31, 2006 respectively.
- The Register of Members and Share Transfer register shall remain closed for a period of 7 days from July 5, 2008 to July 12, 2008 (both days inclusive) for the payment of Dividend.
- The figures have been reclassified wherever required, to conform with the classification in the financial statements of the year ended March 31, 2008.

For and on behalf of the Board

Sd/-
Kiran Mazumdar-Shaw
Managing Director

Place: Bangalore Date: April 22, 2008