

## FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2009

### FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2009

(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended 31.03.2009 (Unaudited)	Quarter ended 31.03.2008 (Unaudited)	Year ended 31.03.2009 (Audited)	Year ended 31.03.2008 (Audited)
1.	a. Net Sales/Income from Operations	22,160	21,975	91,234	87,693
	b. Other Operating Income	812	623	2,754	2,023
2.	Expenditure	18,896	16,956	76,796	72,013
	a. (Increase)/decrease in stock in trade and Work in Progress	367	808	(2,677)	(1,196)
	b. Consumption of Raw Materials	8,793	8,091	39,887	37,425
	c. Purchase of traded Goods	1,124	870	3,201	2,913
	d. Power cost	1,552	1,730	7,122	7,612
	e. Employee cost	1,953	1,425	8,200	6,957
	f. Depreciation	1,925	1,735	7,428	6,900
	g. Other Expenditure	3,182	2,297	13,635	11,402
3.	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	<b>4,076</b>	<b>5,642</b>	<b>17,192</b>	<b>17,703</b>
4.	Other Income	1,012	1,073	4,724	3,205
5.	<b>Profit before Interest &amp; Exceptional Items (3+4)</b>	<b>5,088</b>	<b>6,715</b>	<b>21,916</b>	<b>20,908</b>
6.	Interest	90	86	494	287
7.	<b>Profit after Interest but before Exceptional Items (5-6)</b>	<b>4,998</b>	<b>6,629</b>	<b>21,422</b>	<b>20,621</b>
8.	Tax Expense, net of reversals	(204)	517	1,040	1,064
9.	<b>Net Profit from Ordinary Activities after Tax before exceptional items (7-8)</b>	<b>5,202</b>	<b>6,112</b>	<b>20,382</b>	<b>19,557</b>
10.	Exceptional Items (Net of Tax expense) [Refer note 4 below]	(2,788)	91	(9,201)	23,937
11.	<b>Net Profit from ordinary activities after tax (9+10)</b>	<b>2,414</b>	<b>6,203</b>	<b>11,181</b>	<b>43,494</b>
12.	Paid-up equity share capital (Face value of Rs. 5 each)	10,000	5,000	10,000	5,000
13.	Reserves excluding revaluation reserves			127,272	127,725
14.	a. Earnings per share before Exceptional Items (Face value Rs. 5/-)				
	Basic	2.59	3.17	11.10	10.13
	Diluted	2.52	3.07	10.81	9.82
	b. Earnings per share after Exceptional Items (Face value Rs. 5 each)				
	Basic	1.25	3.21	5.79	22.52
	Diluted	1.22	3.12	5.64	21.84
15.	Public Shareholding				
	- Number of Shares	78,165,024	39,098,427	78,165,024	39,098,427
	- Percentage of shareholding	39.08%	39.08%	39.08%	39.08%
16.	Promoter and Promoter Group Shareholding				
	a) Pledged / encumbered				
	- Number of Shares	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- Number of Shares	121,834,976	60,901,573	121,834,976	60,901,573
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	60.92%	60.92%	60.92%	60.92%

### CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2009

(Rs. in Lakhs)

Sl. No.	Particulars	Quarter ended 31.03.2009 (Unaudited)	Quarter ended 31.03.2008 (Unaudited)	Year ended 31.03.2009 (Audited)	Year ended 31.03.2008 (Audited)
1.	a. Net Sales/Income from Operations	46,626	26,663	160,867	105,379
	b. Other Operating Income	181	181	784	379
		<b>46,807</b>	<b>26,844</b>	<b>161,651</b>	<b>105,758</b>
2.	Expenditure				
	a. (Increase)/decrease in stock in trade and Work-in-progress	6,324	775	(484)	(1,487)
	b. Consumption of Raw Materials	19,897	9,856	82,243	42,735
	c. Purchase of Traded Goods	195	640	2,086	2,257
	d. Power cost	1,478	1,676	6,933	7,656
	e. Employee cost	4,863	2,505	17,871	11,261
	f. Depreciation	3,062	2,417	11,025	9,392
	g. Other Expenses	4,894	2,961	19,882	13,098
	h. Total	<b>40,713</b>	<b>20,830</b>	<b>139,556</b>	<b>84,912</b>
3.	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	<b>6,094</b>	<b>6,014</b>	<b>22,095</b>	<b>20,846</b>
4.	Other Income	1,849	1,078	5,671	3,262
5.	<b>Profit before Interest &amp; Exceptional Items (3+4)</b>	<b>7,943</b>	<b>7,092</b>	<b>27,766</b>	<b>24,108</b>
6.	Interest	613	279	1,766	1,018
7.	<b>Profit after Interest but before Exceptional Items (5-6)</b>	<b>7,330</b>	<b>6,813</b>	<b>26,000</b>	<b>23,090</b>
8.	Tax Expense, Net of Reversals	(158)	597	1,183	1,289
9.	<b>Net Profit from Ordinary Activities after Tax before Exceptional Items (7-8)</b>	<b>7,488</b>	<b>6,216</b>	<b>24,817</b>	<b>21,801</b>
10.	Exceptional Items (Net of Tax expense) [Refer note 4 below]	(4,143)	91	(14,719)	23,937
11.	<b>Net Profit from ordinary activities before minority interest (9+10)</b>	<b>3,345</b>	<b>6,307</b>	<b>10,098</b>	<b>45,738</b>
12.	Add/(Less): Minority interest [Refer note 6 below]	(828)	223	(713)	652
13.	Share of Losses in Associates [Refer note 7 below]	(29)	-	(73)	-
14.	<b>Net Profit (11 + 12 + 13)</b>	<b>2,488</b>	<b>6,530</b>	<b>9,312</b>	<b>46,390</b>
15.	Paid-up equity share capital (Face value of Rs. 5 each)	10,000	5,000	10,000	5,000
16.	Reserves excluding revaluation reserves			141,846	143,320
17.	a. Earnings per share before exceptional items (Face value of Rs. 5 each)				
	Basic	3.44	3.34	12.45	11.63
	Diluted	3.35	3.24	12.12	11.28
	b. Earnings per share after exceptional items (Face value of Rs. 5 each)				
	Basic	1.29	3.38	4.83	24.02
	Diluted	1.26	3.28	4.70	23.29
18.	Public Shareholding				
	- Number of Shares	78,165,024	39,096,427	78,165,024	39,096,427
	- Percentage of shareholding	39.08%	39.08%	39.08%	39.08%
19.	Promoter and Promoter Group Shareholding				
	a) Pledged / encumbered				
	- Number of Shares	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- Number of Shares	121,834,976	60,901,573	121,834,976	60,901,573
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	60.92%	60.92%	60.92%	60.92%

### SEGMENT RESULTS OF CONSOLIDATED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2009

(Rs. in Lakhs)

Particulars	Quarter ended 31.03.2009 (Unaudited)	Quarter ended 31.03.2008 (Unaudited)	Year ended 31.03.2009 (Audited)	Year ended 31.03.2008 (Audited)
Segment revenue				
a. Enzymes - Discontinued Operations	-	-	-	4,772
b. Pharma	41,142	22,048	139,715	83,254
c. Contract Research	7,159	4,791	23,619	18,078
<b>Total</b>	<b>48,301</b>	<b>26,838</b>	<b>163,334</b>	<b>106,104</b>
Less: Inter-segment revenue	1,675	175	2,467	725
<b>Net sales/Income from operations</b>	<b>46,626</b>	<b>26,663</b>	<b>160,867</b>	<b>105,379</b>
Segment results				
Profit before interest, depreciation and tax from each segment				
a. Enzymes - Discontinued Operations	-	-	-	1,185
b. Pharma	11,143	9,283	40,243	31,494
c. Contract Research	2,620	1,216	6,646	5,545
<b>Total</b>	<b>13,763</b>	<b>10,499</b>	<b>46,889</b>	<b>38,224</b>
Less: Interest	613	279	1,766	1,018
Depreciation	3,062	2,417	11,025	9,392
Unallocated corporate expenses	3,986	2,249	13,541	8,365
Unallocated corporate income	(1,228)	(1,259)	(5,443)	(3,641)
<b>Profit before tax and exceptional items</b>	<b>7,330</b>	<b>6,813</b>	<b>26,000</b>	<b>23,090</b>
Capital employed				
a. Enzymes - Discontinued Operations	-	-	-	-
b. Pharma	116,120	79,176	116,120	79,176
c. Contract Research	20,110	22,150	20,110	22,150
d. Minority Interest	(2,260)	732	(2,260)	732
e. Unallocable	20,235	45,620	20,235	45,620
<b>Total capital employed</b>	<b>154,205</b>	<b>147,678</b>	<b>154,205</b>	<b>147,678</b>

#### Notes:

- The above results have been reviewed by the Audit Committee on April 27, 2009 and approved by the Board of Directors of the Company at their meeting held on April 28, 2009. The Directors have recommended, subject to the approval of the members dividend of 60% (Rs 3) per share on the enhanced share capital of the Company.
- During the year ended March 31, 2009, the Company 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 up to December 31, 2008 for the purposes of consolidation. Accordingly, the consolidated results of Biocon for the year ended March 31, 2009 include the results of AxiCorp for the period from April 1, 2008 to December 31, 2008. The financial statements of other subsidiaries and joint venture company have been drawn up to the same reporting dates as that of the Company, i.e. March 31, 2009.
- In February 2009, Biocon SA acquired an additional 7.4% equity interest in AxiCorp GmbH.
- Exceptional items:
  - Exceptional item for the quarter and year ended March 31, 2009 include 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 2,988 (net of taxes of Rs 265) and Rs 9,401 (net of taxes of Rs 773) in the case of the Company and Rs 4,343 (net of tax of Rs 265) and Rs 14,919 (net of taxes of Rs 773) in respect of the consolidated financial results, respectively.
  - Exceptional items for the quarter and year ended March 31, 2009 also include write back of utilised provision for contingencies relating to transfer of its enzymes business of Rs. 200, created in the prior year.
  - 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).
  - 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.
- Profit before taxes and profit after taxes of the Company and the Group for the year ended March 31, 2008 include Rs 388 and Rs 283 from the operating activities of the enzymes business, respectively.

- For the quarter and year ended March 31, 2009, minority interest comprise profits of Rs 200 and Rs 299 respectively attributable to minority shareholders of AxiCorp, net of losses recognized amounting to Rs 628 and Rs 414 pertaining to the losses of the joint venture partner in Biocon Biopharmaceuticals Private Limited ('BBPL').
- During the quarter and year ended March 31, 2009, the Company accounted for its share of losses in IATRICa Inc, USA, an associate company in the consolidated financial results.
- 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.
- For the quarter and year ending on March 31, 2009 and for the quarter ended March 31, 2008, consequent to the transfer of the enzymes business, the Company operated in a single business segment of pharmaceuticals. Hence, standalone segment results have been given only for the year ended March 31, 2008.
- Total number of shareholder complaints pending at the beginning of the quarter was one. Complaints received during the quarter were 36. All complaints with the exception of one have been resolved as at March 31, 2009. The complaint pending as of March 31, 2009 has been resolved subsequently.
- On September 15, 2008, the Company 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 by utilization of securities premium.
- During the year ended March 31, 2009, the Company has subscribed to share capital for Rs 5 in Biocon Research Limited (BRL), a wholly owned subsidiary.
- During the year ending March 31, 2009, pursuant to Companies (Accounting Standards) Amendments Rules, 2009 notified on March 31, 2009, the Company has adjusted foreign exchange losses incurred on long term foreign currency monetary items so far as they relate to the acquisition of a depreciable capital asset, to the cost of such asset. Hitherto, such foreign exchange differences were taken to the profit and loss account. Accordingly, the charge to consolidated profit and loss account for the year ended March 31, 2009 is lower by Rs. 353, with a consequential impact on net block of fixed assets and balance in profit and loss account. There has been no impact of the above adoption on the standalone financial results of the Company.
- 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**  
Chairman & Managing Director

Place: Bangalore Date: April 28, 2009