

FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013

STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013

(Rs. in Lakhs)

Sl. No.	Particulars	3 months ended 31.03.2013	Preceding 3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012	Year ended 31.03.2013	Previous year ended 31.03.2012
		(Audited) (refer note 10 below)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Income from operations					
	a) Net Sales/ Income from Operations (Net of excise duty)	63,012	63,422	58,922	242,760	204,903
	b) Other Operating Income	696	869	2,098	5,770	3,749
	Total income from operations (net)	63,708	64,291	61,020	248,530	208,652
2	Expenses					
	a) Cost of materials consumed	27,317	27,145	23,545	100,189	81,900
	b) Purchases of stock in trade	1,875	1,883	1,786	6,931	7,699
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	(1,584)	(1,932)	(1,363)	(2,652)	(4,454)
	d) Employee benefits expense	10,901	9,459	8,134	38,944	30,761
	e) Depreciation and amortisation expenses	4,587	4,613	4,307	17,442	17,442
	f) Other expenses	13,988	12,708	14,549	50,820	41,014
	Total Expenses	57,084	53,876	50,958	174,362	174,362
3	Profit from operations before other income, finance costs and exceptional items (1-2)	6,624	10,415	10,062	36,368	34,290
4	Other Income	1,185	1,674	1,222	5,266	6,181
5	Profit from ordinary activities before finance costs and exceptional items(3+4)	7,809	12,089	11,284	41,634	40,471
6	Finance Costs	95	287	300	810	1,223
7	Profit from ordinary activities after finance cost before exceptional items (5-6)	7,714	11,802	10,984	40,824	39,248
8	Exceptional items, net (refer note 5 and 6 below)	20,191	-	-	20,191	-
9	Profit from ordinary activities before tax (7+8)	27,905	11,802	10,984	61,015	39,248
10	Tax expense	2,814	2,521	1,204	9,750	5,408
11	Net profit for the period from continuing operations (9-10)	25,091	9,281	9,780	51,265	33,840
12	Net profit pertaining to discontinued operations (refer note 3 below)	-	-	-	-	-
13	Net profit for the period/year (11+12)	25,091	9,281	9,780	51,265	33,840
14	Minority interest	(230)	(105)	-	(383)	-
15	Net profit after tax and minority interest (13+14)	24,861	9,176	9,780	50,882	33,840
16	Paid-up equity share capital (Face value of Rs.5 each)	10,000	10,000	10,000	10,000	10,000
17	Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	259,373	217,165
18	Earnings per share (of Rs. 5 each) (not annualised)					
	(a) Basic	12.70	4.68	4.99	25.99	17.27
	(b) Diluted	12.56	4.65	4.94	25.75	17.11

Part 2 Select Information for the Period					
A	Shareholding Particulars - Standalone/Consolidated				
1	Public Shareholding				
	- Number of Shares	78,075,854	78,075,854	78,175,854	78,175,854
	- Percentage of shareholding	39.04%	39.04%	39.09%	39.09%
2	Promoters and Promoter Group Shareholding				
	a) Pledged/encumbered	-	-	-	-
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- Number of Shares	121,924,146	121,924,146	121,824,146	121,824,146
	- Percentage of shares (as a % of the total shareholding of the promoter & promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	60.96%	60.96%	60.91%	60.91%

Notes:
1. The financial results of the Company and the consolidated financial results for the year ended March 31, 2013 have been audited by the statutory auditors of the Company. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on April 25, 2013.
2. The Directors have recommended, subject to the approval of the members at the ensuing Annual General Meeting, a dividend for the year of Rs 5/- per equity share (100%) and a special dividend of Rs 2.50/- per share (50%), taking the total dividend for the year to Rs 7.50/- per share (150%).
3. During the quarter ended June 30, 2011, Biocon SA, a subsidiary of the Company, transferred its entire shareholding in the equity capital of its subsidiary, AxiCorp GmbH, Germany ('AxiCorp'), to certain third parties. The financial results of AxiCorp have been disclosed separately as "Net Profit pertaining to discontinued operations". The following table gives the financial information/effect pertaining to the discontinued operations.

Particulars	Previous Year ended 31.03.2012 (Audited)
Net sales/income from operations	24,460
Profit after tax (Net of Minority Interest)	324
Less: Loss of sale of Investment in Subsidiary	324
Net Profit attributable to Discontinued operations	-

4. Pursuant to the approval of the Board of Directors, the Company has filed an application with the Honorable High Court of Karnataka, for merger of Biocon Biopharmaceuticals Limited, a wholly owned subsidiary, with the Company with an appointed date of April 1, 2012. Pending approval of the Court and other relevant authorities, no effect of the above has been given in the standalone financial statements of the Company for the quarter and year ended March 31, 2013.

STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013

(Rs. in Lakhs)

Sl. No.	Particulars	3 months ended 31.03.2013	Preceding 3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012	Year ended 31.03.2013	Previous year ended 31.03.2012
		(Audited) (refer note 10 below)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Income from operations					
	a) Net Sales/ Income from Operations (Net of excise duty)	45,757	48,691	42,120	183,748	150,480
	b) Other Operating Income	1,822	1,979	1,140	10,052	5,105
	Total income from operations (net)	47,579	50,670	43,260	193,800	155,585
2	Expenses					
	a) Cost of materials consumed	21,848	22,132	19,687	82,999	69,712
	b) Purchases of stock in trade	2,348	2,421	2,217	8,570	8,570
	c) Changes in inventories of finished goods, work-in-progress and stock in trade	(2,264)	(656)	(1,057)	(1,790)	(4,142)
	d) Employee benefits expense	6,575	5,334	5,124	22,762	19,160
	e) Depreciation and amortisation expenses	2,391	2,392	2,421	9,508	9,400
	f) Other expenses	11,270	10,735	8,638	40,690	28,930
	Total Expenses	42,168	42,358	37,030	162,739	131,630
3	Profit from operations before other income, finance costs and exceptional items (1-2)	5,411	8,312	6,230	31,061	23,955
4	Other Income	861	1,953	1,126	5,147	6,655
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	6,272	10,265	7,356	36,208	30,610
6	Finance Costs	49	79	79	123	170
7	Profit from ordinary activities after finance costs before exceptional items (5-6)	6,223	10,264	7,277	36,085	30,440
8	Exceptional items, Net (refer note 6 below)	1,385	-	-	1,385	-
9	Profit from ordinary activities before tax (7-8)	4,838	10,264	7,277	34,700	30,440
10	Tax Expense	1,009	2,243	1,047	7,130	4,890
11	Net Profit for the period (9-10)	3,829	8,021	6,230	27,570	25,550
12	Paid-up equity share capital (Face Value of Rs.5 each)	10,000	10,000	10,000	10,000	10,000
13	Reserve excluding Revaluation Reserves as per balance sheet	-	-	-	210,594	199,557
14	Earnings per share (of Rs 5/- each) (not annualised)					
	(a) Basic	1.95	4.10	3.18	14.08	13.04
	(b) Diluted	1.91	4.07	3.15	13.95	12.92

5. During the year ended March 31, 2012, based on an evaluation of the prevalent regulatory framework, industry practices and ethics/governance requirements relating to clinical trials and the regulatory submissions already initiated/ filed, Biocon SA, a wholly owned subsidiary of the Company (together referred to as 'Biocon'), had determined that it had continuing obligations to complete clinical development and regulatory activities relating to Biocon's Biosimilar Insulin portfolio comprising of Biosimilar Insulin and Biosimilar Insulin Analogs. Accordingly, pursuant to the termination of the customer contract in March 2012, as at March 31, 2012, Biocon deferred the balance amount of the upfront amounts of Rs 49,290 lakhs received from the customer, to be recognized in the consolidated statement of profit and loss in subsequent periods in line with costs incurred towards such clinical trials and development activities. During the quarter ended March 31, 2013, December 31, 2012 and year ended March 31, 2013, Rs 634 lakhs, Rs 635 lakhs and Rs 3,393 lakhs respectively has been netted off against expenses incurred towards such clinical trial and development activities.
In February 2013, Biocon SA entered into an agreement with another customer for the global development and commercialization of Biosimilar Insulin Analogs (the Agreement), granting the customer exclusive rights to commercialize Biosimilar Insulin Analogs in certain countries. The clinical development and regulatory activities in respect of such Biosimilar Insulin Analogs is now being carried out in accordance with the Agreement. As such, Biocon has now determined that it does not have continuing obligations for clinical trials and development activities in respect of Biosimilar Insulin Analogs. Accordingly, based on an allocation in proportion of estimated future development spends on these programs, Rs 21,504 lakhs of deferred revenues allocated to Biosimilar Insulin Analogs (net of amounts already recognized in the consolidated statement of profit and loss) has been recognized as an exceptional income in the consolidated statement of profit and loss for the quarter and year ended March 31, 2013 and is disclosed under exceptional items. Considering that Biocon has continuing obligations in respect of Biosimilar Insulin, the remainder of deferred amounts of Rs 28,001 lakhs continues to be recognized in the consolidated statement of profit and loss in line with costs to be incurred towards clinical trials and development activities of Biosimilar Insulin.
The statutory auditors of the Company have drawn an Emphasis of Matter in this regard, in their Auditors' Report on the consolidated financial statements.

6. During the year ended March 31 2013, there have been certain developments in connection with the investments held by the Company in Iatrica, Inc arising due to patent filings, which are contrary to contractual obligations. Pursuant to this, on a prudent basis, the Company has created a provision of Rs 1,385 lakhs and Rs 1,310 Lakhs for diminution, in the value of investments in Iatrica Inc in the standalone and consolidated financial statements, respectively, in the quarter and year ended March 31, 2013.
7. Total income from operations for the quarter ended March 31, 2013, December 31, 2012 and year ended March 31, 2013 (standalone and consolidated) include Rs Nil, Rs Nil and Rs 3,064 Lakhs, respectively, towards one time income/compensation from few parties.
8. Segment Reporting : a. Standalone financial results: The Company operates in a single business segment of biopharmaceuticals.
b. 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 products, risks and returns, organizational structure and internal financial reporting systems.
9. Information on investor complaints:

	3 months ended 31.03.2013
Pending at the beginning of the quarter	-
Received during the quarter	19
Disposed off during the quarter	17
Remaining unresolved at the end of the quarter	2

The two complaints remaining unresolved have already been resolved during April 2013.
10. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, 2013 and the unaudited published year-to-date figures up to December 31, 2012, being the date of the end of the third quarter of the financial year which were subjected to limited review.
11. Prior period/year figures have been reclassified wherever required to conform to the classification of the current period.

SEGMENT DETAILS OF AUDITED CONSOLIDATED RESULTS FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in Lakhs)

Particulars	3 months ended 31.03.2013	Preceding 3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012	Year ended 31.03.2013	Previous year ended 31.03.2012
	(Audited) (refer note 10 below)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Segment Revenue					
a.Pharma	46,838	50,132	48,983	191,831	166,823
b.Contract Research & Manufacturing Services	17,367	14,626	12,933	58,829	44,573
Total	64,205	64,758	61,916	250,660	211,396
Less: Inter-segment revenue	497	467	896	2,130	2,744
Net sales / Income from continuing operations	63,708	64,291	61,020	248,530	208,652
Segment results					
Profit before interest, depreciation and tax from each segment					
a.Pharma	18,288	19,665	16,001	75,444	61,154
b.Contract Research & Manufacturing Services	5,490	5,577	4,589	21,081	14,966
Total	23,778	25,242	20,590	96,525	76,120
Less: Interest	95	287	300	810	1,223
Depreciation and amortisation	4,587	4,613	4,307	17,930	17,442
Unallocated corporate expenses	12,567	10,214	6,221	42,227	24,388
Unallocated corporate income	(1,185)	(1,674)	(1,222)	(5,266)	(6,181)
Profit before tax and before exceptional items	7,714	11,802	10,984	40,824	39,248
Capital employed					
a.Pharma	128,336	123,036	93,664	128,336	93,664
b.Contract Research & Manufacturing Services	55,045	37,987	34,310	55,045	34,310
c.Unallocable	92,612	93,967	99,650	92,612	99,650
d.Minority interest	(6,530)	(533)	(380)	(6,530)	(380)
Total capital employed	269,463	254,457	227,244	269,463	227,244

Standalone Statement of Assets and Liabilities		Consolidated Statement of Assets and Liabilities	
(Rs. in Lakhs)		(Rs. in Lakhs)	
Particulars	As at March 31, 2013 (Audited)	As at March 31, 2012 (Audited)	As at March 31, 2012 (Audited)
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	10,000	10,000	10,000
(b) Reserves and surplus	210,684	199,644	217,244
Sub total-Shareholders' funds	220,684	209,644	227,244
2 Non-current liabilities			
(a) Long-term borrowings	3,996	6,052	16,397
(b) Deferred tax liabilities (Net)	3,020	3,490	4,122
(c) Other long-term liabilities	10,830	6,490	42,372
(d) Long-term provisions	-	-	-
Sub total-Non-current liabilities	17,846	16,032	63,287
3 Current liabilities			
(a) Short-term borrowings	7,727	8,680	8,482
(b) Trade payables	26,504	25,110	34,547
(c) Other current liabilities	6,794	7,691	34,653
(d) Short-term provisions	21,768	14,875	24,652
Sub total-Current liabilities	62,793	56,356	102,332
TOTAL - EQUITY AND LIABILITIES	301,323	282,032	441,614
B ASSETS			
1 Non-current assets			
(a) Fixed Assets and Intangible Assets, net	90,260	76,752	181,068
(b) Non-current investments	16,599	16,640	1,216
(c) Long-term loans and advances	47,128	53,429	6,445
(d) Deferred tax asset, net	-	-	777
(e) Long term loans and advances	24,834	18,457	24,834
(f) Other non-current assets	4,051	2,867	4,051
Sub total-Non current assets	153,987	146,821	217,614
2 Current assets			
(a) Current investments	45,298	49,060	52,207
(b) Inventories	35,887	34,040	39,844
(c) Trade receivables	42,698	44,500	59,969
(d) Cash and cash equivalents	17,925</		