



## 28th Annual J.P. Morgan Healthcare Conference

January 12, 2010

**Kiran Mazumdar-Shaw, Chairman & Managing Director, Biocon Group**

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in such forward-looking statements. Important factors that could cause actual results to differ materially from our expectations include, amongst others general economic and business conditions in India, our ability to successfully implement our strategy, our research and development efforts, our growth and expansion plans and technological changes, changes in the value of the Rupee and other currency changes, changes in the Indian and international interest rates, change in laws and regulations that apply to the Indian and global biotechnology and pharmaceuticals industries, increasing competition in and the conditions of the Indian biotechnology and pharmaceuticals industries, changes in political conditions in India and changes in the foreign exchange control regulations in India. Neither our company, nor our directors, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after this date or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Statements on Strategy or on Direction of policy should not be construed as events which require prior notification to Indian Regulatory Authorities. Such events will crystallize only once full regulatory steps have been taken in India.



- Established in 1978
- Listed in India since 2004, > \$1Billion market cap
- Consolidated revenues ~ \$450M\* (TTM)
- Unique bio-pharma business model : Products & Services
- Robust research pipeline & strong patent portfolio
- Global scale USFDA compliant bio-manufacturing base
- 4000+ employees

**BIO-PHARMA INDUSTRY IS RE-CALIBRATING**

**A DIFFERENTIATED BUSINESS MODEL**

**STRONG PRODUCT PIPELINE FOR GLOBAL MARKETS**

**FINANCIAL & OPERATIONAL TRACK RECORD**

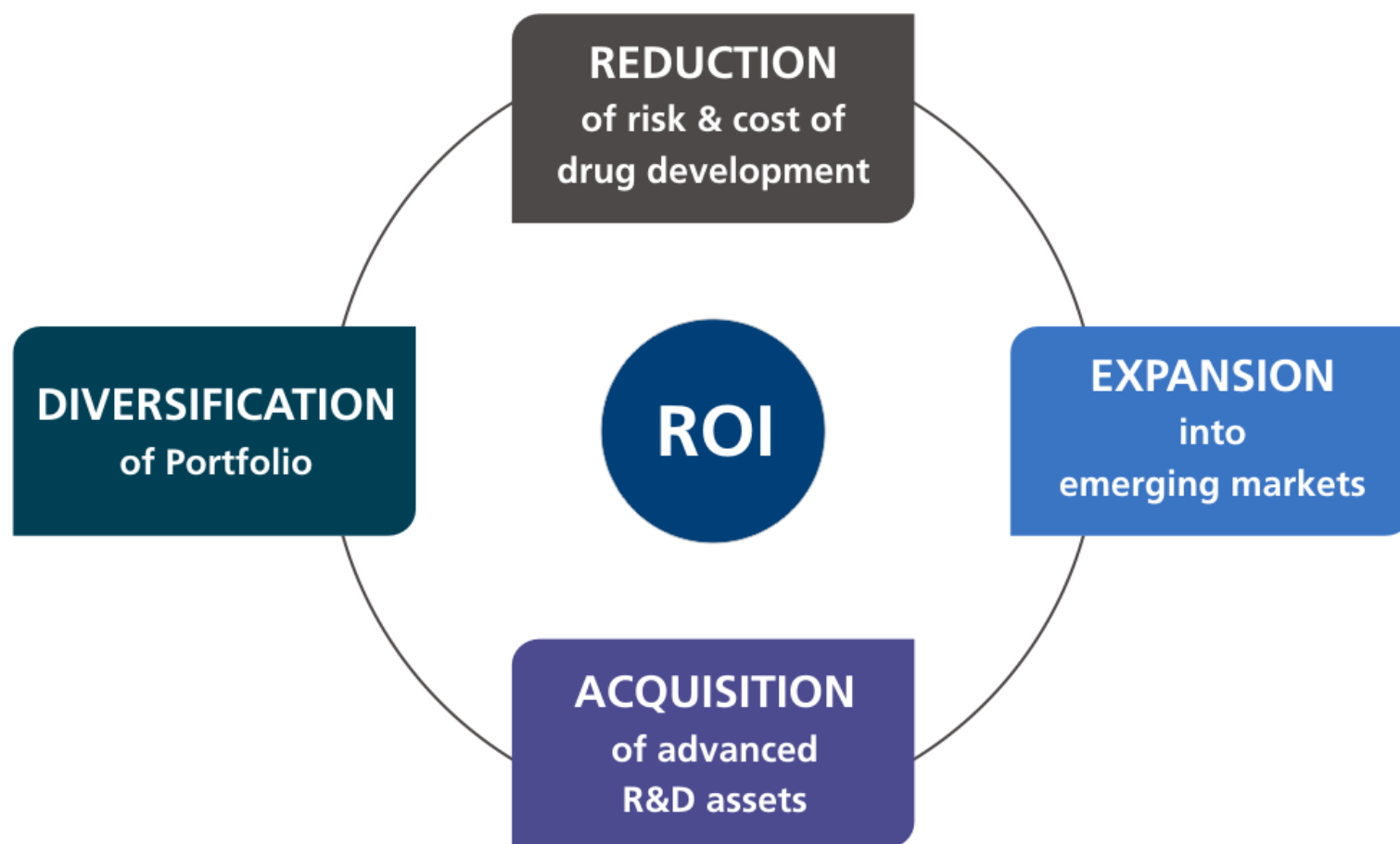
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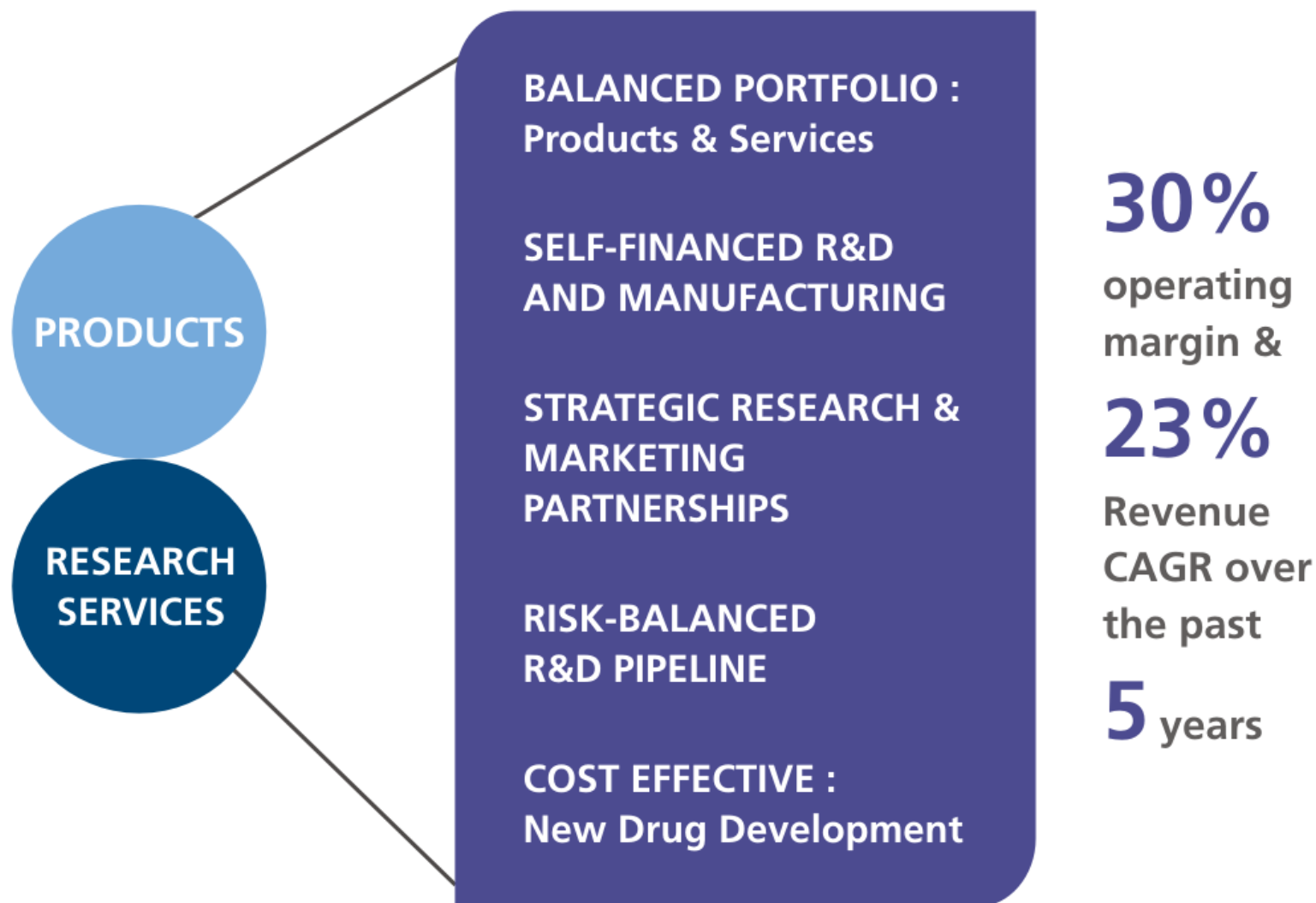
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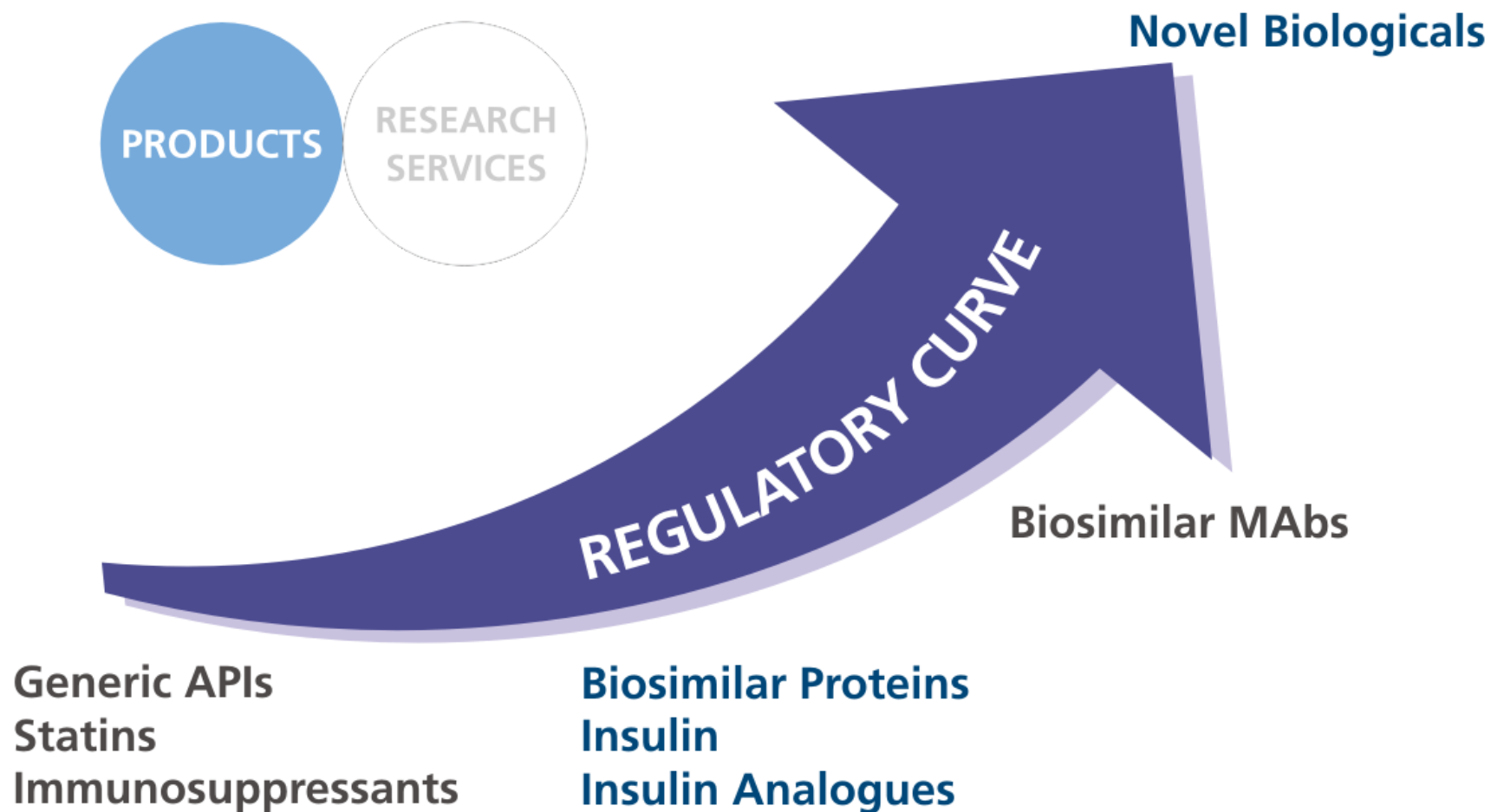
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# A DIFFERENTIATED BUSINESS MODEL



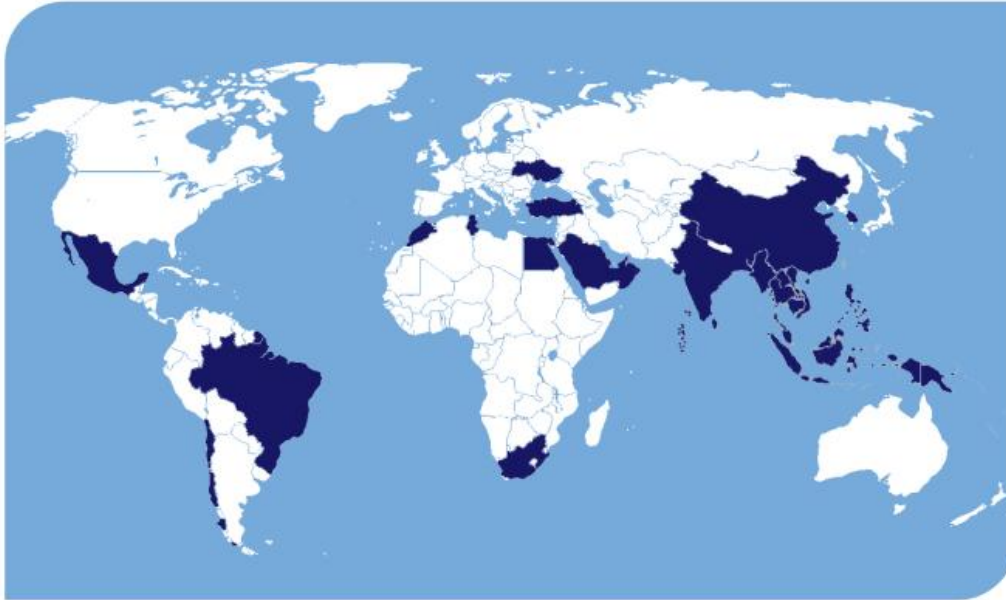


# BALANCED PORTFOLIO : PRODUCTS



## ACCELERATING TIME TO MARKET

		SEGMENT	PRODUCT	MARKET
Branded Formulations	SHORT	SMALL MOLECULES	Generic APIs: Statins, Immunosuppressants	Developed markets (US & Europe)
	SHORT TO MEDIUM	BIOSIMILARS	Insulins & MABs	India & Emerging markets
	LONG	BIOSIMILARS & NOVEL DRUGS	Insulins, MABs Oral Insulin, Anti-CD6, phybrid, Immunoconjugates	Global
		Diversified revenue streams	~50 products across therapeutic areas	Global reach



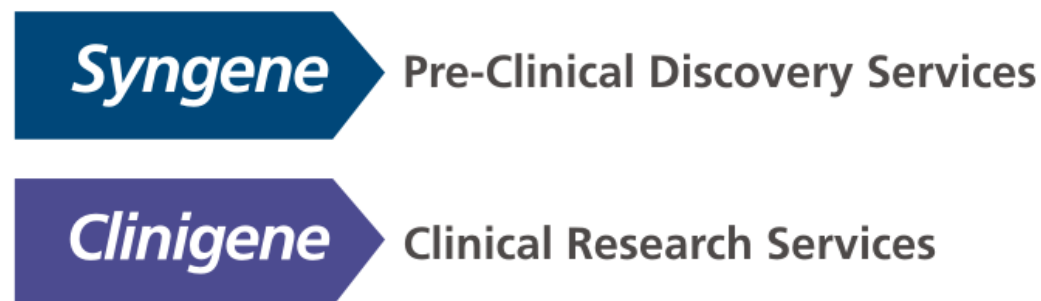
Marketing alliances in emerging markets :  
**LATAM, Mexico, Middle East, North Africa, Asia, China, Turkey, etc**

Emerging markets will be an important growth driver for the future

India & Emerging markets account for **40%** of our revenues



### GLOBAL CLIENT BASE



Estimated cost savings of **50-60%** for clinical trials done in India\*

Global R&D outsourcing reached **21%** of total spend in 2009 (<1% in 1997)

**36%** Revenue CAGR in last 5 years

# GLOBAL SCALE MANUFACTURING BASE



- Amongst the world's largest producers of Statins & Immunosuppressants
- Asia's largest Insulin producer
- USFDA approved API & Aseptic fill-finish facilities





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# HIGH POTENTIAL PRODUCT PIPELINE

Product	Areas	Names	Discovery	Preclinical	Phase I	Phase II	Phase III	Market
Novel Molecules	Diabetes	Oral Insulin						
	Oncology / Inflammation / Auto immune	Anti-CD6						
	Oncology	Anti-EGFR						
	Oncology	Anti-CD 20						
	Diabetes	Peptide Hybrid						
	Oncology	Targeted Immunoconjugates						
Biosimilars	Oncology/ Immunology	Biosimilar MABs						
	Diabetes	Insulin & Analogues						rH Insulin, Glargine
	Oncology	Others						GCSF, EPO

## 2 novel drugs in late stage clinical trials

**Oral Insulin** : Potentially addressing 300 million diabetes patients worldwide

**Anti-CD6** : Entering Phase III Human clinical trials for Psoriasis which affects 3% of global population

## IN-105 : Conjugated peptide

Lower immunogenicity & mitogenicity

Comparable safety & good clearance profile

Metabolically equivalent

## Established oral delivery



Stable tablet formulation

4 Phase I studies completed

A Phase II study shows  
IN-105 absorption is  
proportional to dose  
administered

## IN-105 Product Profile

Monotherapy

Combination therapy with metformin,  
sulfonylurea, PPAR agonists, DPP4i, etc

Pre-meal insulin in combination with basal  
insulins

## Currently undergoing trials in India as an add-on therapy to metformin

6 month double blind placebo controlled  
trials in type 2 diabetes patients who are  
poorly controlled on metformin & primary  
endpoint as HbA1c control

**US IND filed in December 2009**



# Anti-CD6 MAb : RESPONSE PICTURES

- **Target: CD6**

is a type I cell membrane glycoprotein belonging to the scavenger receptor cysteine-rich (SRCR) superfamily group B.

- **CD6 is predominantly expressed by T cells & a B cell subset**

- **CD6 binds ALCAM**

(activated leukocyte cell adhesion molecule) which is expressed on

- Activated T cells, B cells & Monocytes
- Skin fibroblasts, keratinocytes & rheumatoid arthritis synovium

- **Phase III clinical trials in Psoriasis to commence recruitment in Q1 2010**

## Planned Activities

- Phase III Double Blind Pivotal trial in Psoriasis
- Phase II/ III Double Blind Pivotal trial in RA
- Phase I/ II Double Blind trial in MS
- Phase I/II Double Blind trial in T1DM

0.4mg/kg once every 4 weeks



Day 1

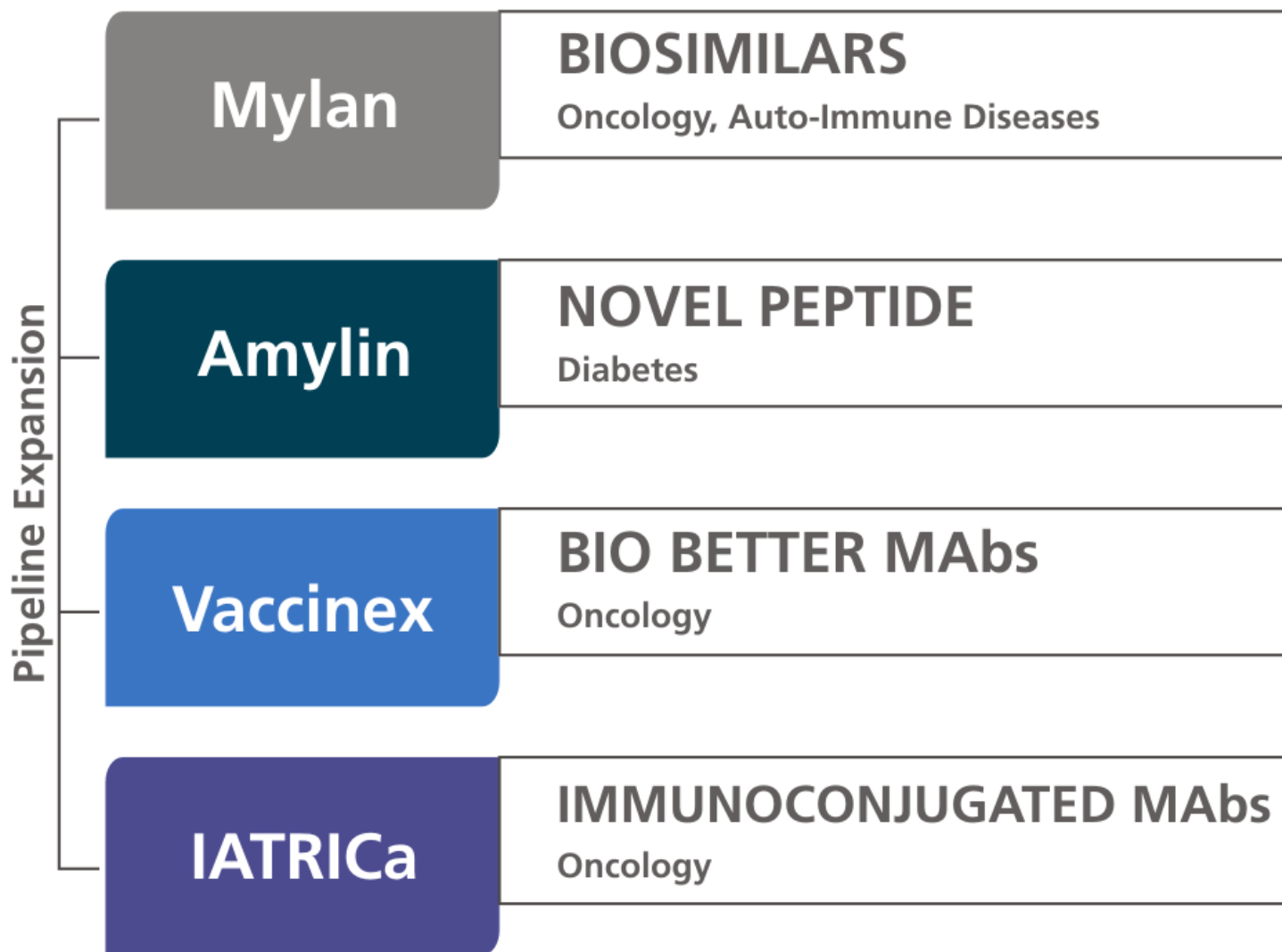
Day 29

0.8 mg/kg once every 4 weeks



Day 1

Day 57



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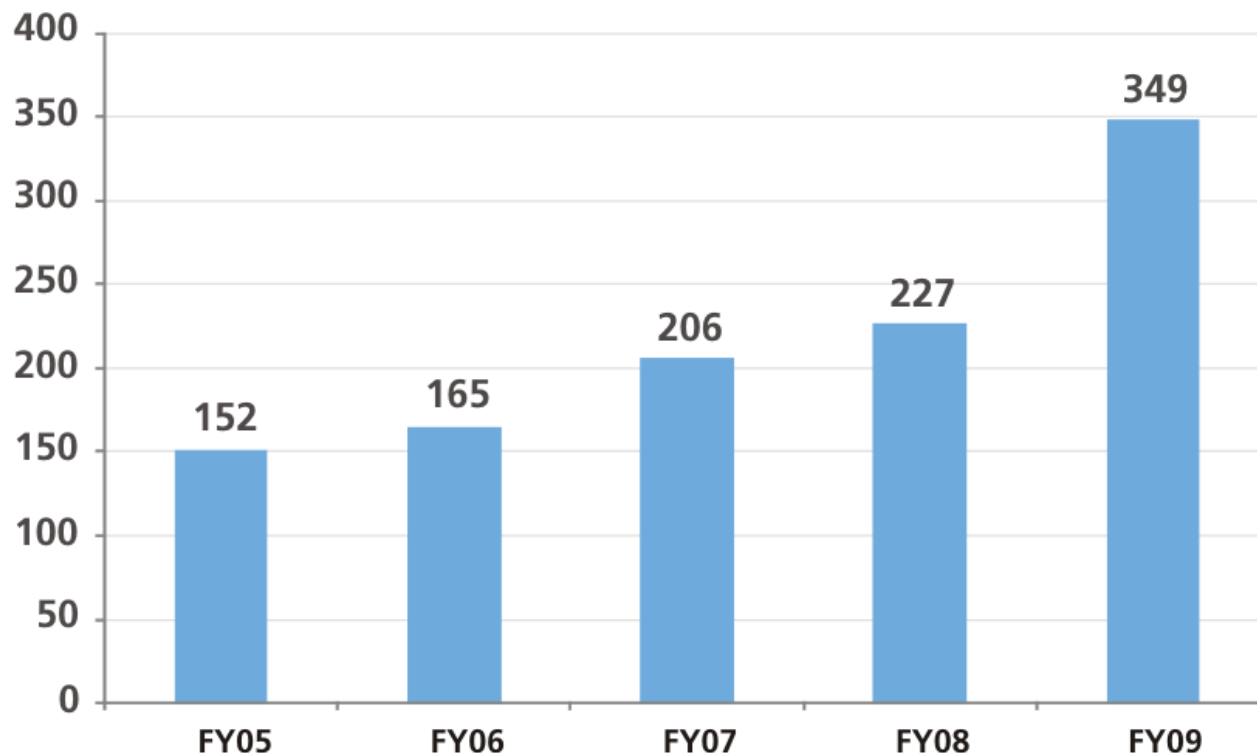
**STRONG PRODUCT PIPELINE FOR GLOBAL MARKETS**

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## TOP LINE 5 YEAR REVENUE CAGR OF 23%



USD Mn      Total Revenues



5 year average

EBITDA **30%**

5 year average

PAT **20%**

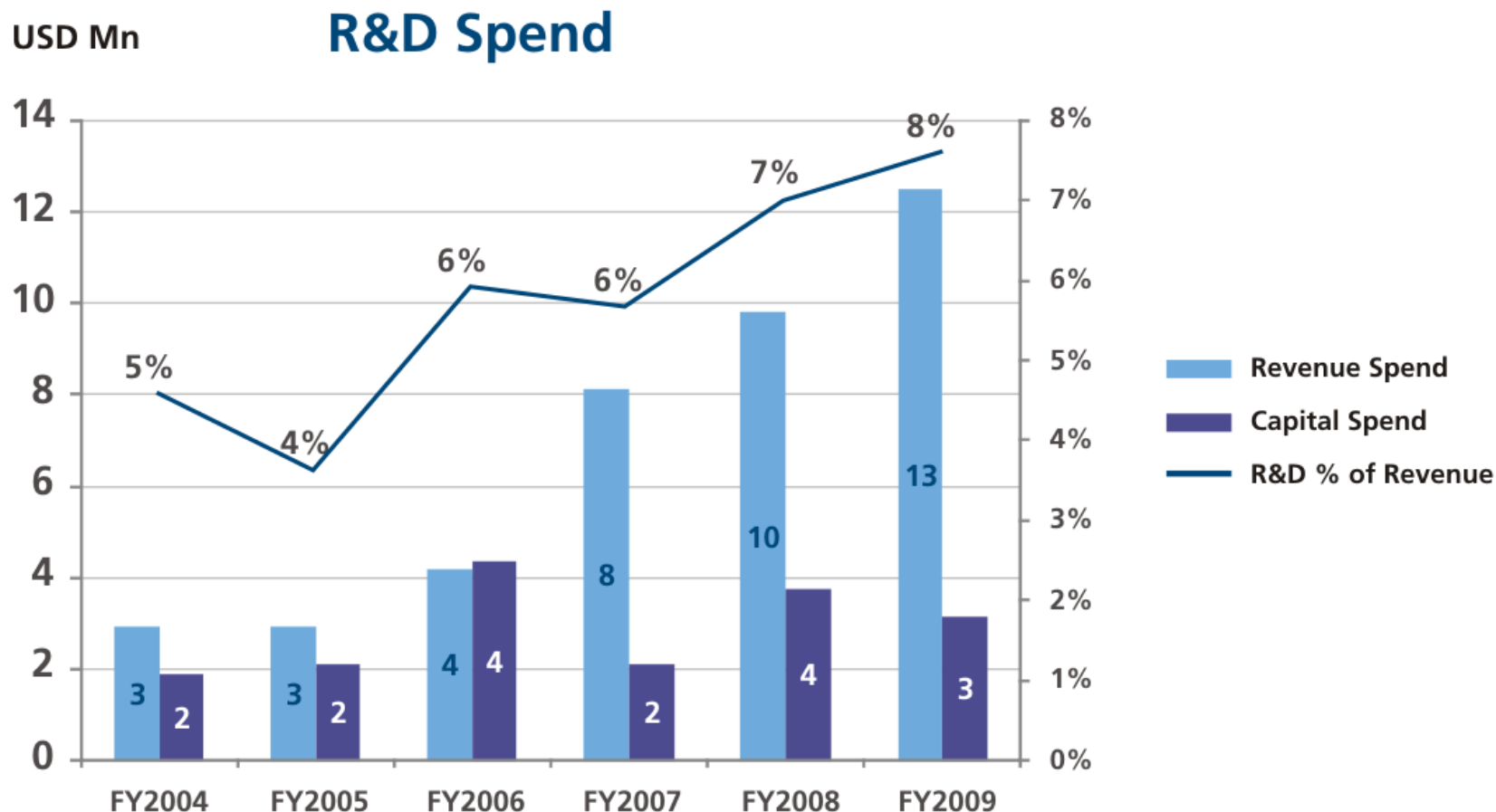
Equity **\$350 M**

Debt **\$ 34 M**

Balance sheet as of 30.09.09

**Biocon has maintained robust operating & net margins while increasing investment in infrastructure and R&D**

# SELF FINANCED R&D



R&D spend has increased to over 8%\* of revenues in 2009 reflecting an increasing focus on drug discovery & pipeline expansion.

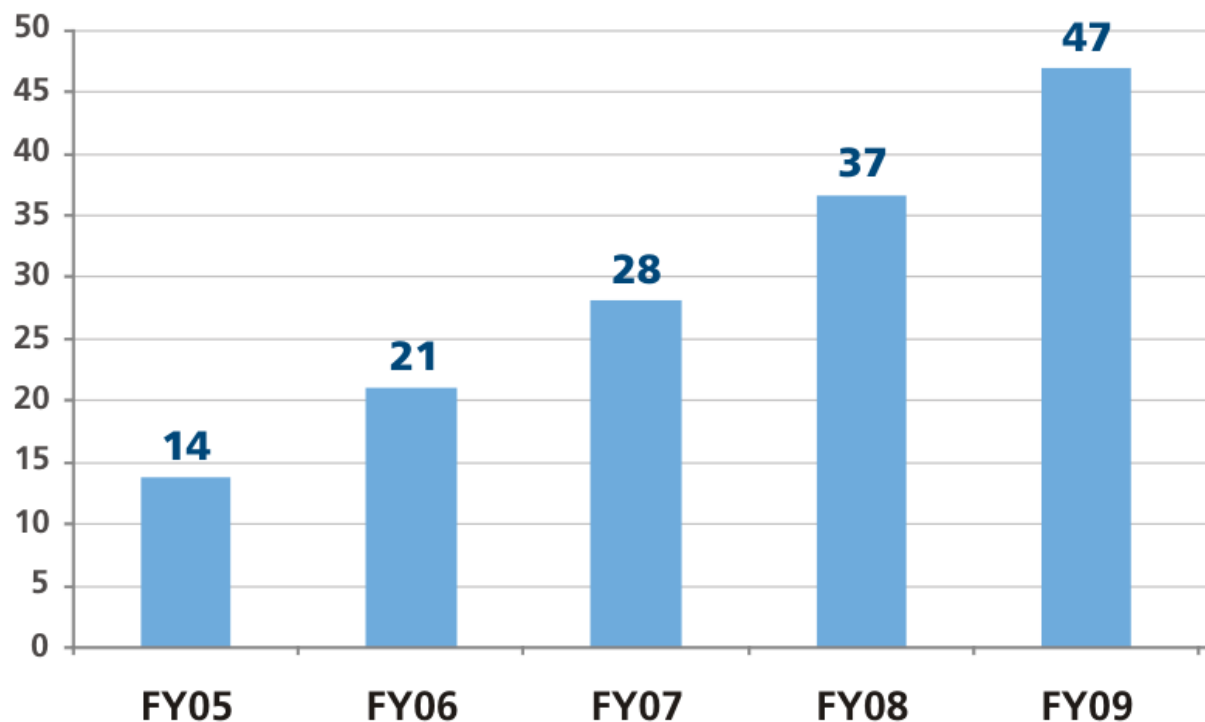
Rs 48/1\$

\* Biocon standalone

# RESEARCH SERVICES REVENUES

USD Mn

Top line 5 year Revenue CAGR of 36%

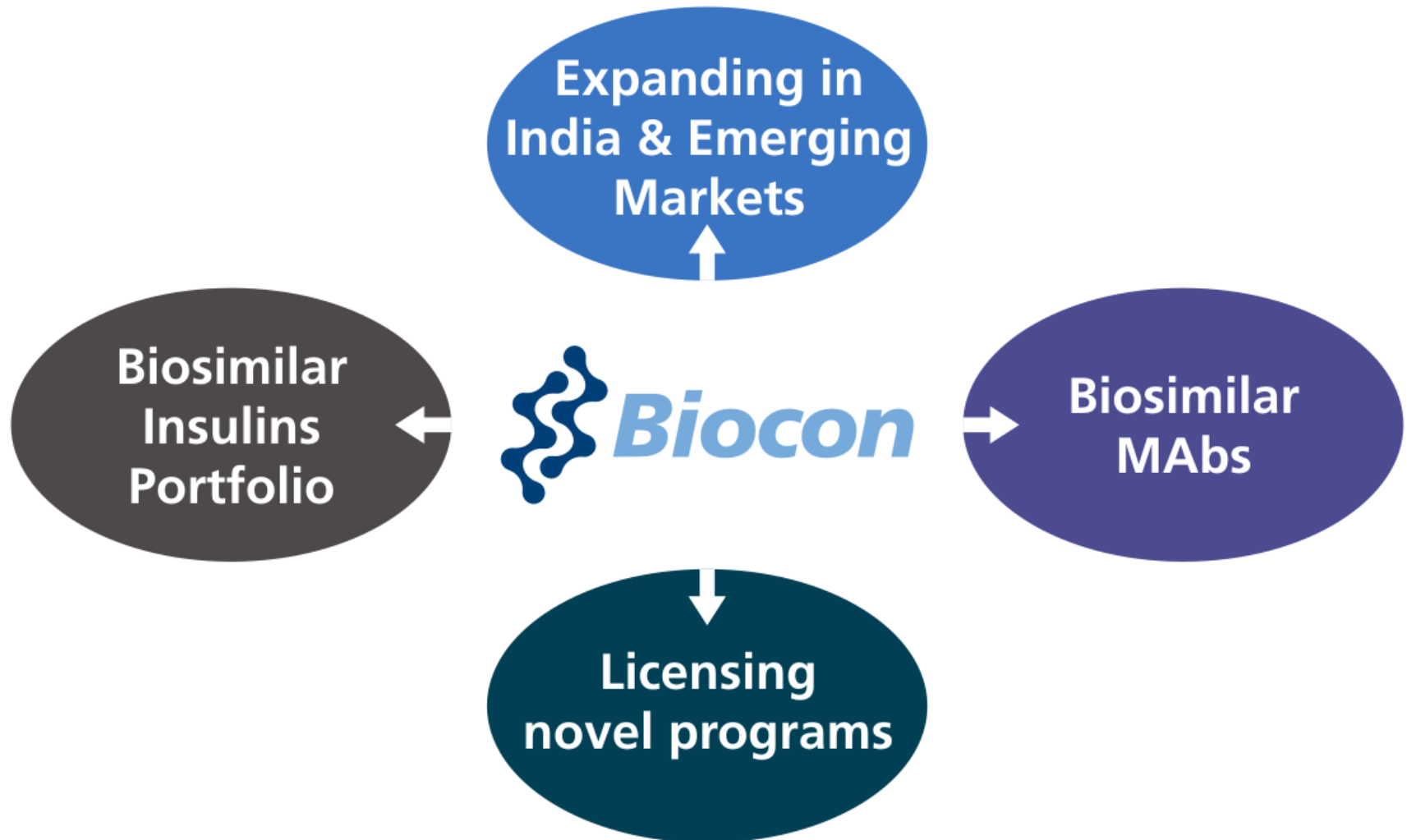


5 year average

EBITDA **38%**

5 year average

PAT **26%**



## TAKEAWAYS



**RISK BALANCED BUSINESS MODEL**



**SELF-FINANCED GROWTH**



**HIGH POTENTIAL RESEARCH PIPELINE**



**EMERGING MARKETS THRUST**



**PRUDENT MANAGEMENT**





**Thank  
You**