



H1FY14 Results

Press Conference

Tyler Jacks Auditorium

Biocon Research Centre

Friday, Oct 25, 2013

**PARADIGM
CHANGED**

Certain statements in this release 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.

Financial Performance: H1 & Q2 FY14



	H1FY14 (Rs mn)	H1FY13 (Rs mn)	% Growth
Revenue	14,678	12,345	19%
EBITDA	3,622	3,047	19%
PAT	1,958	1,685	16%

	Q2FY14 (Rs mn)	Q2FY13 (Rs mn)	% Growth
Revenue	7,526	6,419	17%
EBITDA	1,876	1,660	13%
PAT	1,023	896	14%

H1 FY14 robust growth driven by Biopharma & Research Services

- Biopharma Business: **Rs. 886 crores, 21% YoY increase**
- Branded Formulations: **Rs. 200 crores, 12% YoY growth**
- Research Services: **Rs. 343 crores, 36% YoY increase**
- **R&D expenditure: Rs 82 crores; 9% of biopharma sales**
- **Group EBITDA: Rs. 363 crores; EBITDA margin 25%**
- **Group PAT: Rs. 196 crores; PAT margin 13%**



Biocon amongst Top Ten Global Biotech Employers



ScienceCareers.org

Science Careers

- 2013 *Science Careers* Top Employers Survey has ranked **Biocon at No 6**, in Top Twenty Employers, up from No 19 last year
- Company has achieved this distinction on being recognized for three key attributes:
 - **Is Socially Responsible;**
 - **Has a Clear Vision;**
 - **Does Important Quality Research**

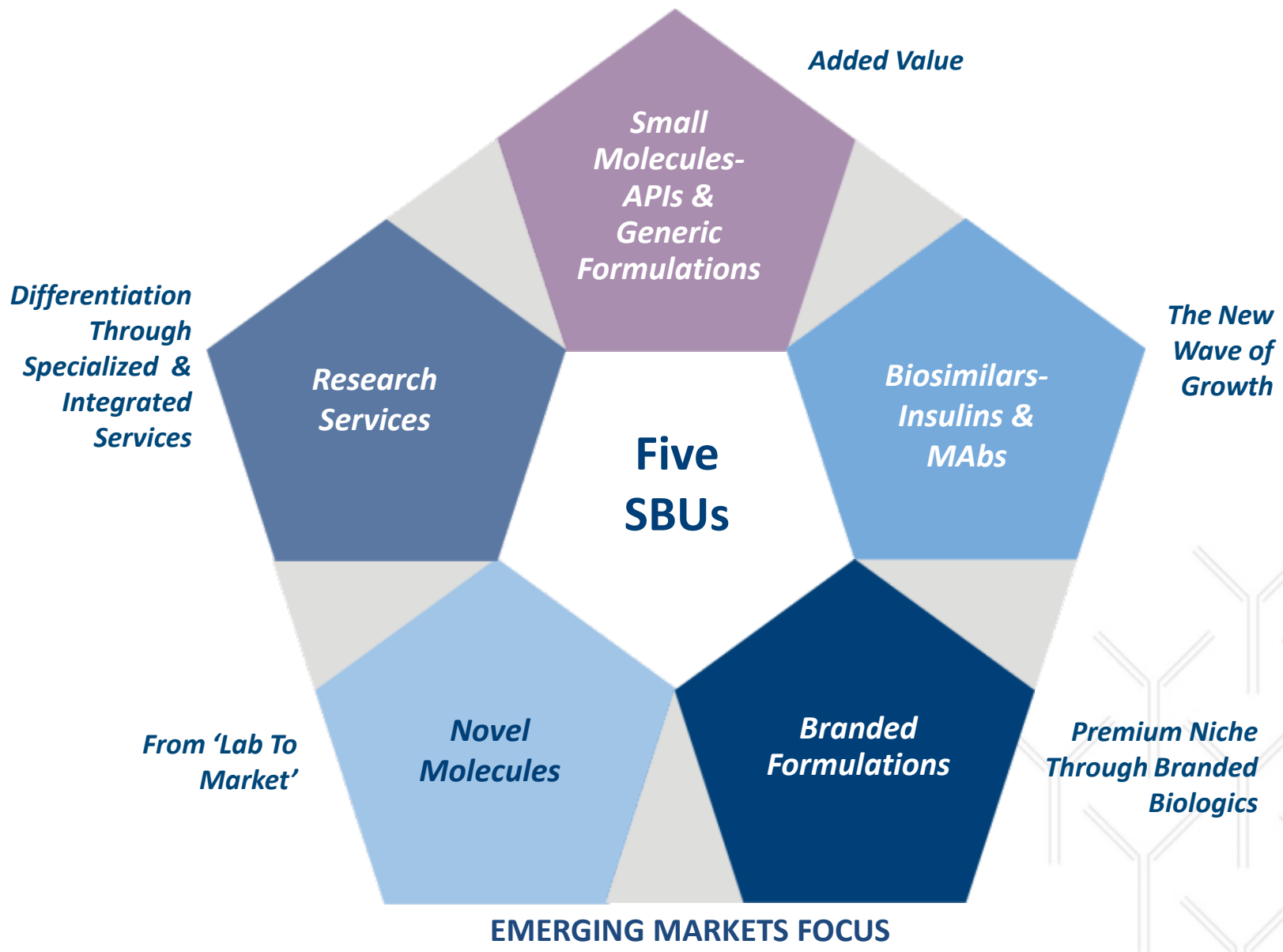
2013 Science Careers Top Twenty Employers

2013	2012	Company
1	1	Regeneron Pharmaceuticals, Inc. (Tarrytown, NY)
2	3	Genentech (South San Francisco, CA)
3	2	Vertex (Cambridge, MA)
4	-	AbbVie (North Chicago, IL)
5	-	Eli Lilly and Company (Indianapolis, IN)
6	19	Biocon Limited (Bengaluru, Karnataka, India)
7	6	Millennium: The Takeda Oncology Company (Cambridge, MA)
8	11	Novartis (Basel, Switzerland)
9	7	Boehringer Ingelheim (Ingelheim, Germany)
10	9	Biogen Idec (Weston, MA)

KEY DEVELOPMENTS : Business



Strategic Business Units : Deliver Robust Growth



Launched in India

- ALZUMAb launched for acute Psoriasis in India is **very well received** by the doctors and patients
 - Prescriptions have far surpassed estimated forecast
 - ALZUMAb is a **promising biologic** for **several autoimmune diseases**:
 - **RA**
 - **MS**
 - **Vitiligo**
 - **Sjogren's syndrome**
- Biocon is **committed** to develop this product for patients across the globe



An Indian Innovation with a potential to make global impact

- Global filing for Itolizumab is on track for US IND and EU IMPD*

- ALZUMAb™: **World's First anti-CD6** molecule to be **commercialized**
- **Second Novel Biologic** from **Biocon** for Indian patients
- **Unique MOA:** Following Th 17 pathway-an evolving Science
- **Excellent safety and efficacy profile** with **longer remission periods** and **low infection rates** vis-à-vis other approved therapies
- Recognition of **Quality of Research** at Biocon



Before

After

- **H1 FY 14 Revenue Rs 200 cr, Growth 12%**
- **Introduced ALZUMAb, a novel Biologic for psoriasis: Garnerers a huge response from doctors across the country**
- **No 1. Indian Insulins Company**
- **Amongst the Top 10 overall anti-diabetes market-Ranked #8 in the covered market**
- **Insugen® - #1 Indian Insulin Brand**
- **Insupen has an initiation rate of 10 patients per hour**
- **Largest domestic Branded Biologics company**
- **~ 50% of branded formulations business accrues from biologics**

Fastest Growing Insulins Company

Biocon Rankings *

#4 in overall insulin mkt
#3 in the 40 IU Insulin mkt
#1 in the Glargine vial mkt

Volume Market share*

100 IU Insulin: 16%
Glargine vials: 92%

CytoSorb® – A First-in-Class Therapy for Sepsis Management Introduced in India



- **First-in-class safe and effective extracorporeal cytokine filter designed to target the prevention or treatment of organ failure**
- **CytoSorb® has CE Mark regulatory approval, and is clinically proven to control cytokine storm in critically-ill patients by reducing key cytokines in blood by 30-50%.**
- **Does not impact delicately balanced blood chemistries.**
- **Works with standard hospital dialysis equipment**



Partnership with CytoSorbents for CytoSorb® will enable Biocon to address huge unmet need of Sepsis management in India and emerging markets

- **Reinforces Biocon's commitment to bring differentiated products in India to address various healthcare challenges faced by millions of patients**
- **Combination of Biocon's critical care antibiotics portfolio with CytoSorb® will provide a comprehensive solution for sepsis**
- **Potential to change the paradigm of treatment for sepsis and could improve clinical outcomes in high risk patients**

- Commercial footprint for **rh-insulin expanded to over 50 countries**
- Capacity enhancement in India will enable to serve growing global needs till Malaysia comes on line
- Remain focused on developing our pipeline products to sustain **long-term growth**
- **Successfully completed EU phase 3 clinical study for rh Insulin**
- **Positive outcomes with both primary and secondary endpoints being met**



Commercialization of insulin in emerging markets continues to be a significant growth driver for Biocon

Insulin Analogs

- **Global development of Glargine, Lispro and Aspart on track**
- **Biocon and Mylan share development costs and contribute to capital expenditure to bring the products to market**

MAbs Program

- **Trastuzumab, Pegfilgrastim, Bevacizumab, Adalimumab, Etanercept programs are progressing well**
- **Global phase III for biosimilar Trastuzumab ongoing**
- **Phase III trial for Trastuzumab completed in India**
- **Submission of Filing with DCGI successfully done, regulatory approval expected**

Biocon in Malaysia

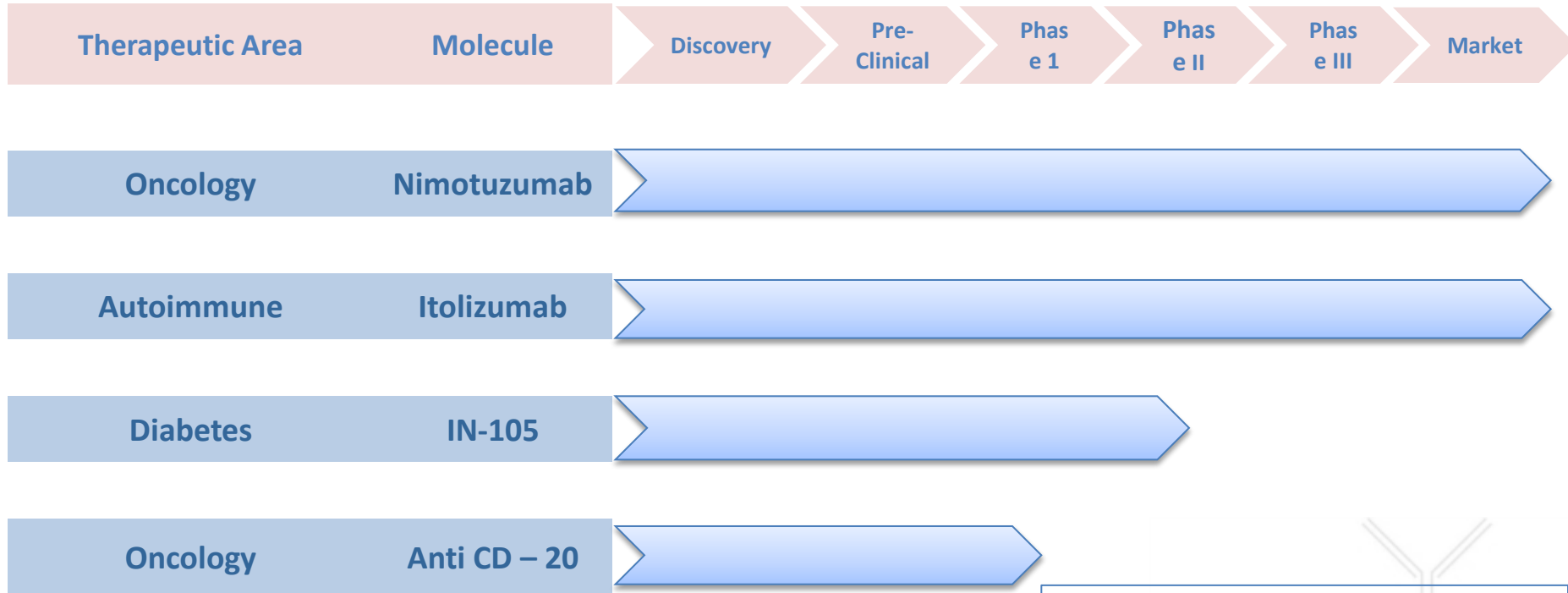


- **Asia's largest integrated Insulins manufacturing facility at Johor, Malaysia**
- Construction as per plan
- **Targeted completion date: FY 15**
- **Will enable the company to meet increasing demand for insulins from emerging and global markets**



Construction underway

Novel Molecules: From 'Lab to Market'



- **BVx 20**, an anti-CD20, has **entered the clinic** in India
- **Multiple Global Trials** planned for **Oral Insulin** in collaboration with **BMS**

- **ALZUMAb™ (Itolizumab):** - The World's 1st novel anti-CD6 antibody for psoriasis;
- **2nd novel biologic developed in India by Biocon; launched in Aug 2013 in India**

- **Strong performance** led by **Immunosuppressants, Statins** and **Orlistat**
- Statins gaining traction in new geographies
- Business in **Emerging Markets** reported a strong growth



- **Research Services continue to show strong performance with significant expansion of customer base and capabilities**
- **Q2 FY 14 revenues at Rs. 188 crores, a robust growth of 46%**
- **Successful integration within and across discovery and development continuum makes Syngene a 'Partner of Choice'**

Customer Base Expanded : Over 120

- **Addition of over 15 new customers** including large, mid-sized and small biotech companies
- High level of **retention** of existing **customers with increasing scope and scale**
- **Growth across industrial sectors** including pharma, biotech, nutritional, animal health, agrochemical and chemical sectors

Capabilities:

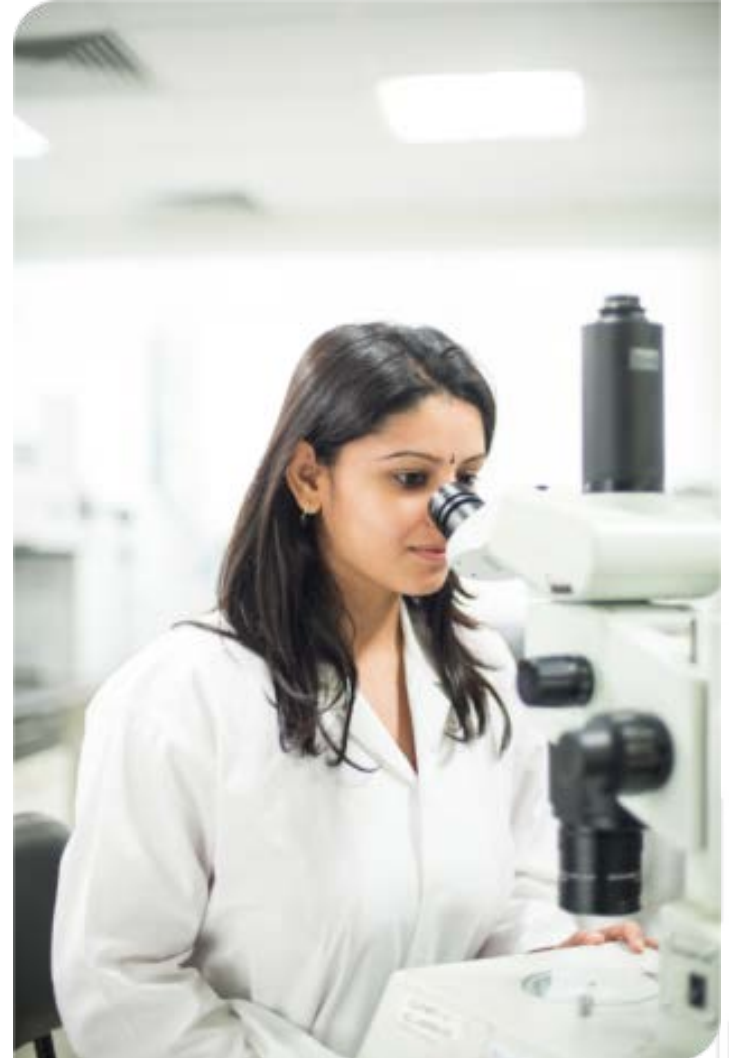
- **Growth in all verticals of small and large molecule** across discovery and development
- Addition of **new capabilities** such as **high potency API manufacturing, novel xenograft models and discovery and development of Antibody Drug Conjugates (ADC)** to sustain growth

Other Developments at Syngene

- Evolution from component services to integrated discovery and development services continues
- Evolution from clinical supplies to commercial manufacturing of small molecules (APIs) as molecules approach regulatory approval
- A strong **Research Services** team of **2300+** employees

Key Developments at Clinigene

- Despite challenging environment Clinigene **business is on track** reporting a modest growth



Corporate Social Responsibility



VISION: To promote social and economic inclusion by ensuring that marginalized communities have equal access to healthcare services and educational opportunities.

- CSR initiatives aligned with the growing health issues of the communities we serve
- Focus on integrated healthcare programs and primary education



Integrated Healthcare Preventive Health	Primary Health through Arogya Raksha
Education	Infrastructure



INTEGRATED HEALTHCARE:

- **Oral Cancer Screening Pilots: > 2000 people screened in H1FY14**
- **Early detection of Cervical Cancer : >300 women screened** at Camps during H1 FY14
- **9 Arogya Raksha PHCs: > 16,000 patients treated in H1 FY14**
- **Malnutrition in Children**, a serious health issue accounting for 50% childhood deaths, **is being addressed by Biocon Foundation** in Bagalkot along with the government

EDUCATION:

- From 11,000 **'Chinnara Ganitha' Maths Work Books** in 2006, we now print **1,00,000 books, for children** in primary schools in **eight districts** of Karnataka
- **Teachers orientation programs** being held regularly, over 370 govt school teachers attended these programs in H1 FY14



Infrastructure: Biocon Nagar

- **Over 410 new houses built** in Mangalgudda village have been handed over to the Govt.
- Many **families** have **moved** into **homes** equipped with a **Solar Light, toilet and bathroom.**
- **100 new homes** to be built in FY 14

LOOKING AHEAD



- Our **focus on research and innovation** has **enabled** us to bring **transformative innovation** to Indian patients, we are **committed** to take **Alzumab** to patients across the **globe**
- We have accelerated our focus on **delivering affordable therapy** for chronic diseases, our **Biosimilars- Insulins and MAbs** program will make a larger difference to patients, going forward
- Our innovation and IP will **create enduring value** for our **stakeholders**
- Outlook for **FY14** continues to be **positive** as we **balance** our **revenue growth** with **R&D investments**



THANK YOU



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