

Business Review

Q4 FY 2004-05



Disclaimer

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, 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.

Key Financial Highlights FY 2004-05

- + Revenues grew by 34% to Rs. 728 crores
- + PAT grew 42% to Rs. 198 crores
- + PAT Margins increase by 1% to 27%
- + Exports surge to Rs. 442 crores from 340 crores
- + EPS @ Rs. 19.8 / share
- + Shareholder's funds increase to Rs. 741 crores
- + Dividend @ 40% (Rs. 2 / per share) recommended by the Board

Consolidated Financials as per Indian GAAP

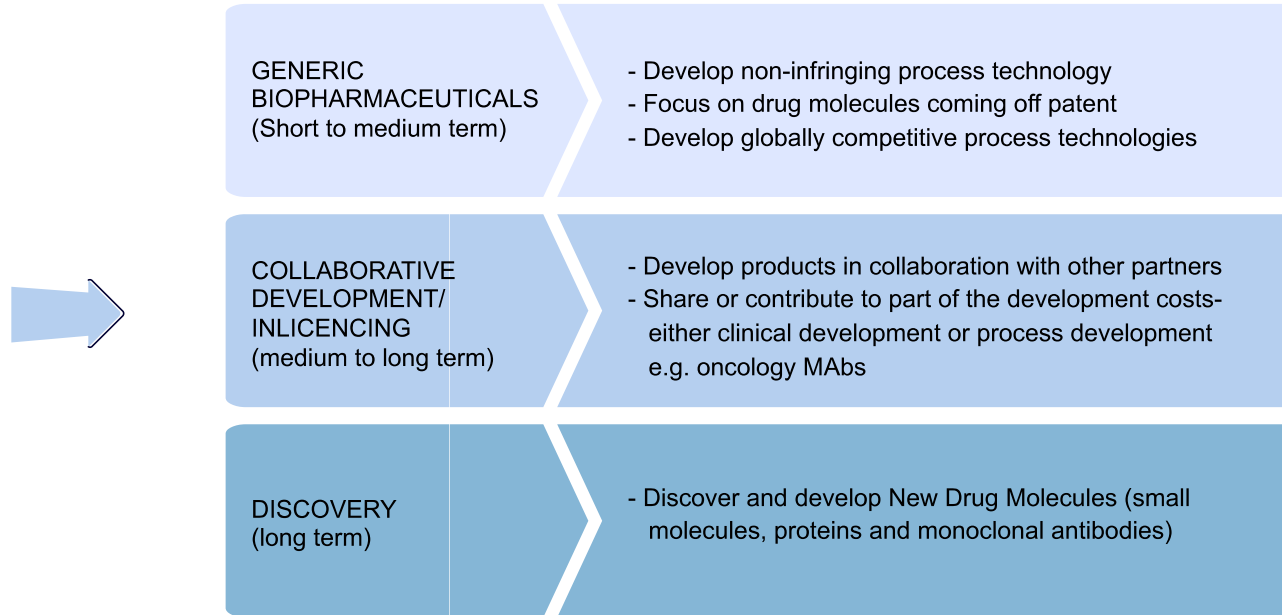
Other Highlights

- + All sectors performed well (Biopharmaceuticals, Enzymes & Research services)
- + Insugen[®] successfully launched in Indian market. And highly endorsed by doctors
- + Oral Insulin development program commenced
- + Collaboration with Vaccinex Inc., to develop novel therapeutic monoclonal antibodies to add to discovery pipeline
- + Phase IIB Clinical trials for h-R3 Monoclonal Antibody commenced
- + Syngene's new research facilities operational
- + Biologicals facility on track: To be operational by Q3 FY 2006
- + Multi-product fermentation facility on track. To be ready in time for US Patent expiry of Simvastatin & Pravastatin

New Trips Era: Impact on Industry

- + 1st January 2005 heralds a new IPR era that will impact on the pharmaceutical & biotechnology sectors
- + R&D investments will be key for sustainable growth in the biotechnology & pharmaceutical industry
- + Companies that limit their R&D efforts to generic drugs will limit their long term growth opportunities
- + Discovery led R&D will be a key differentiator for addressing global growth opportunities
- + Biocon is rapidly transforming its R&D focus to discovery led research in a differentiated way

Discovery Research: Biocon's Differentiated Strategy



Funding long term discovery research through a short term generic strategy

Biocon's de-risked research strategy

- + Selecting research programs based on:
 - Proven targets Eg. EGFR
 - Proven molecules Eg. Insulin

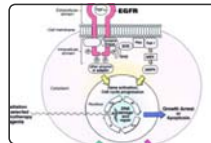
- + Biologicals have a lower risk of failing toxicity studies than small molecules.

- + Biocon has the largest discovery led Biologics pipeline in India

- + Biocon's integrated business model enables faster and affordable clinical "proof of concept" studies.

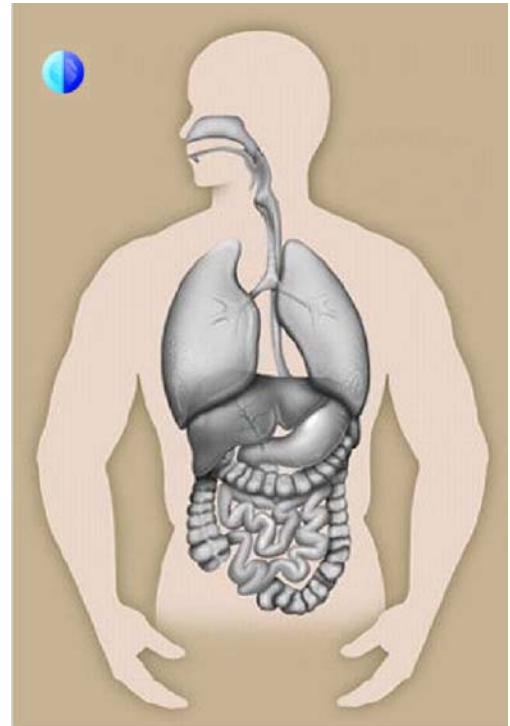
hR3

- + Half way through Phase IIb clinical trials for head & neck cancer
- + Plan to extend indications to Pancreatic & colo-rectal cancers, glioblastoma, Non-Small Cell Lung Carcinoma & breast cancer
- + Will seek fast track approval based on Phase IIb clinical data by year end.



Oral Insulin

- + Commenced pre-clinical animal toxicity studies
- + Product positioned for post prandial blood glucose control in both early & advanced Type 2 Diabetics
- + Plan to file INDA with USFDA by December 2005

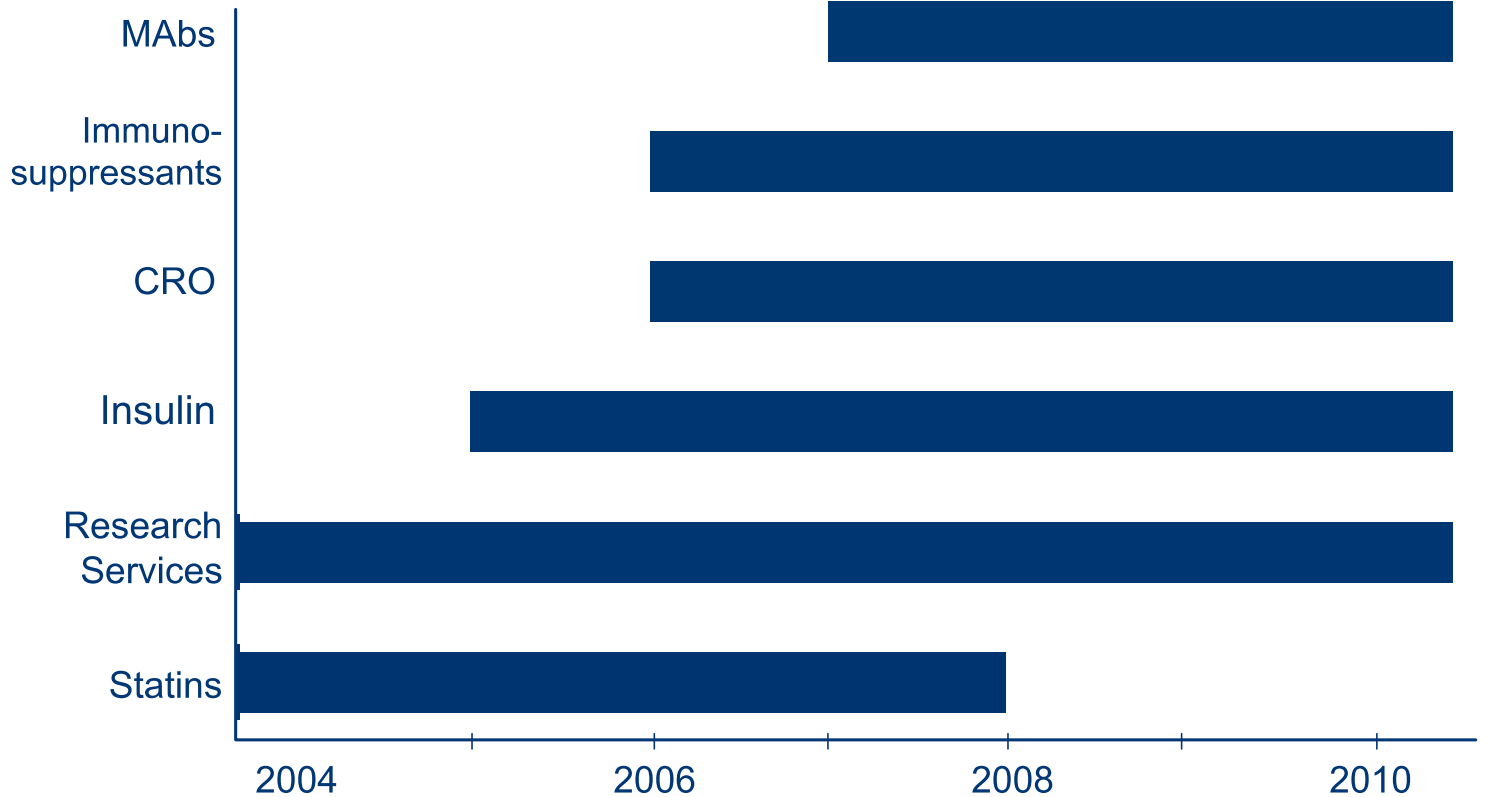


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Antibody - Vaccinex

- + Discovery and development program commenced with Vaccinex for the following Monoclonal Antibodies
 - BVX – 10
Inflammation
 - BVX – 20
Oncology
- + Both Antibodies currently being screened against validated targets

Growth Drivers





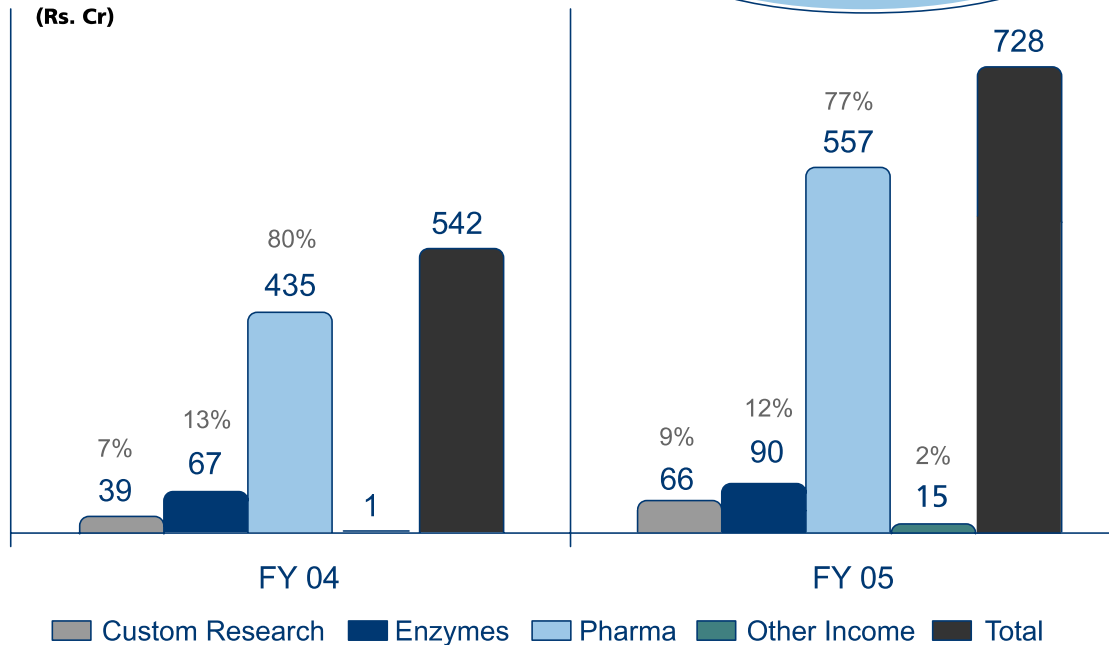
Financial Highlights & Analysis

FY 2004-05



Revenue Break-up: Apr - Mar

Growth 34%



Consolidated Financials as per Indian GAAP



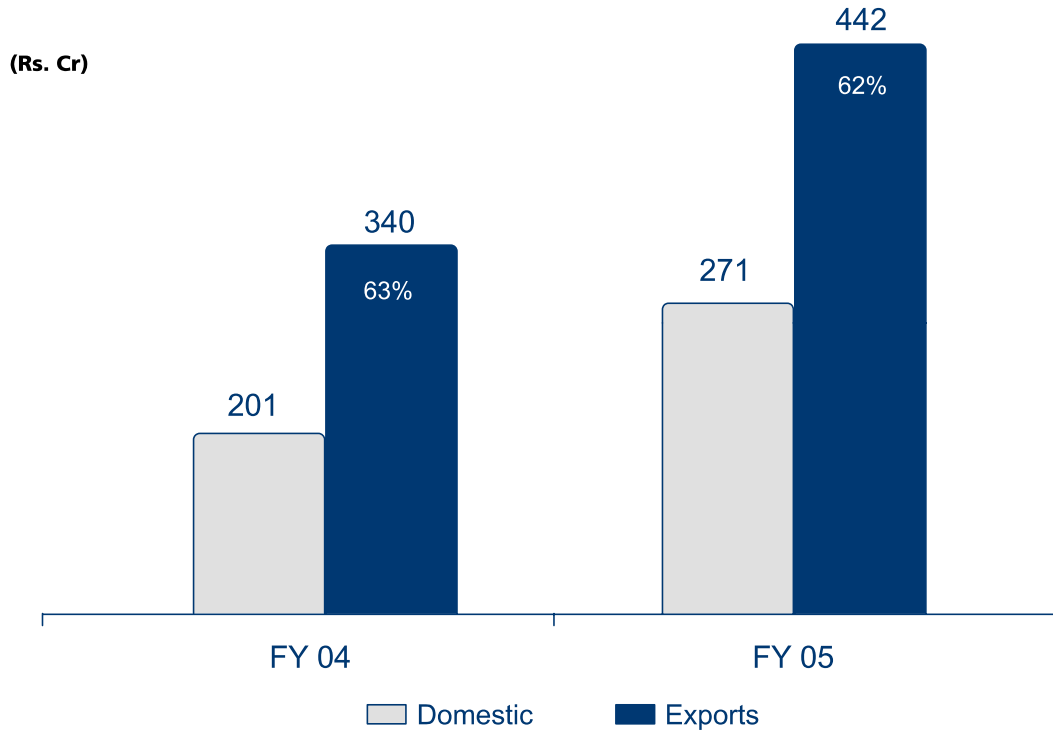
Revenue Growth

Dynamics

Contract research	70%	<ul style="list-style-type: none"> Scale up of operations at new research facility
Enzymes	35%	<ul style="list-style-type: none"> Increased supply to EU & North American markets
Biopharmaceuticals	28%	<ul style="list-style-type: none"> Commencement of supply of Pravastatin to Europe Launch of Insugen^R (r-Human Insulin)

Consolidated Financials as per Indian GAAP

Markets: Apr - Mar



Consolidated Financials as per Indian GAAP

Profit: Apr - Mar

PAT Growth - 42%

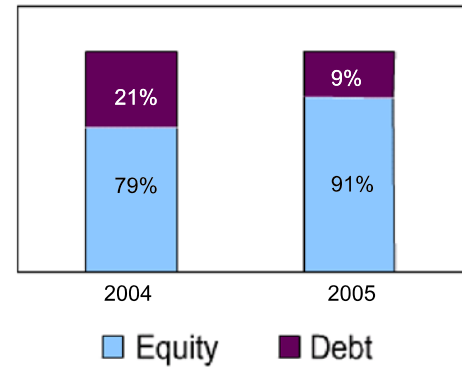
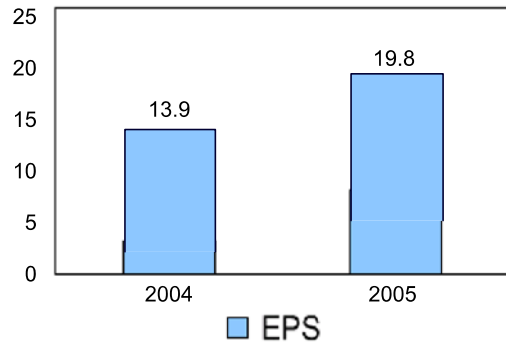
(Rs. Cr)

	FY 04	% to Revenues	FY 05	% to Revenues	
Revenues	542		728		
EBDITA	178	33	237	33	
PBT*	162	30	216	30	* Adjusted for Minority Interest (BBPL)
TAX	23	4	18	2	Profits from 100% EOUs
PAT	139	26	198	27	

Consolidated Financials as per Indian GAAP



Financial Highlights: Other Key Parameters





Thank You

