



## Biocon's Nine Months Revenue Continues to Deliver Steady Growth in FY13

Revenues at Rs 1,889 Crores; EBITDA at Rs 472 Crores;  
PAT at Rs 260 Crores

Bengaluru, India: January 24, 2013

*Commenting on the results, Chairman and Managing Director, Kiran Mazumdar-Shaw stated, "Our 9M performance has seen a 23% YoY increase in revenues and an 11% EBITDA growth attributable to a combination of volume expansions, price increases and improved export realizations. We have performed well across all our business verticals. We continue to gain market share for Biosimilar Insulins in ROW markets which now accounts for a significant part of our business. I am also pleased to announce that we have received approval from the DCGI for our novel Monoclonal antibody, Itolizumab indicated for Psoriasis. This is a significant milestone that enhances the value of this late stage asset."*

### Highlights:

- 9M FY13 financials reflect the continued momentum across verticals:
  - ❖ Biopharma Business: 17% YoY
  - ❖ Branded Formulations: 35% YoY
  - ❖ Research Services (Syngene and Clinigene): 34% YoY
- EBITDA and PAT margins at 25% and 14% respectively
- Novel Programs:
  - ❖ Marketing Authorization received from DCGI for *Alzumab<sup>TM</sup>*, our novel anti-CD6 biologic (Itolizumab) indicated for psoriasis
  - ❖ Option Agreement with Bristol Myers Squibb for the novel oral Insulin program: IN 105
  - ❖ Phase I trial initiated for BVX 20, our Novel Anti CD-20 molecule for Non-Hodgkin's Lymphoma
- Biosimilars:
  - ❖ Completion of the second part of the EU Phase III trials for biosimilar rh-Insulin
  - ❖ Initiation of Global Phase III clinical study for Biosimilar Trastuzumab



## Quarterly Business Performance

### Financial Highlights: Q3 FY13

All Figures in Rs Crores unless otherwise specified

<b>Revenue : 660</b> <b>EBITDA: 167</b> (EBITDA Margin: 25%) <b>PAT: 92</b> (PAT Margin: 14%)	<b>Revenue Breakup:</b> <ul style="list-style-type: none"><li>• <b>Biopharma: 409</b></li><li>• <b>Research Services: 140</b></li><li>• <b>Branded Formulations: 86</b></li></ul>
---	---

### Biopharma: Small Molecules & Biosimilars

The biopharma business delivered a strong performance of 22% YoY growth this quarter, led by an improved product mix. Small Molecules sales to US and Europe remain robust and emerging markets delivered strong sales in Insulins and Immunosuppressants. Our formulations business in the Middle East, through our joint venture NeoBiocon, has begun to gain critical mass recording sales of \$ 5 Mn.

We have initiated patient enrollment for the global phase III clinical trials for biosimilar trastuzumab, post the successful completion of global phase I study. The ongoing phase III trial being conducted in India continues to make good progress.

We have recently concluded the second part of our EU Phase III trial for biosimilar rh-Insulin, aimed at establishing comparable immunogenicity & safety with the innovator products, over a 12 month evaluation period. This data is being compiled along with the efficacy data obtained in the first part of the study. This will enable our dossier submission with the regulatory authorities, thus paving the way for marketing authorization.

### Novel Molecules

The 3<sup>rd</sup> Quarter of FY13 witnessed major advancements in our novel molecules program with significant progress across all lead programs. We received Marketing Authorization from the Drugs Controller General of India (DCGI) for our Novel Biologic Itolizumab, an anti CD6 molecule, for the treatment of chronic plaque Psoriasis. Itolizumab is a first-in-class therapy with a unique mechanism of action and an excellent safety profile as indicated during the 52 week Phase III study conducted in India. We will introduce this product under the brand name, **Alzumab<sup>TM</sup>** in India in FY 14.



We have signed an option agreement with Bristol Myers Squibb (BMS) for the global clinical development of our oral Insulin program: IN-105. This alliance with BMS is a strategic partnership which will help us undertake targeted global trials under a US IND. BMS has the right to exercise an option for exclusive worldwide license post the completion of these trials. BVX 20, our novel anti CD-20 therapy, has entered the clinic in India for a Phase I trial in Non-Hodgkins Lymphoma (blood cancer).

### **Branded Formulations**

The branded formulations business delivered a growth of 35% in 9MFY13, outpacing the Indian Pharmaceutical Market which grew at 13% for the same period. Several product introductions were made in this quarter, across Cardiology, Immunology and Comprehensive Care.

### **Research Services**

Our research services arm continues to grow robustly, delivering 34% YoY growth for 9M FY13. We expect the recent partnership with GE to leverage novel platform technologies, thereby creating further value differentiators.

*Commenting on this performance, Peter Bains, Director Syngene International, said, "We are pleased with Syngene and Clinigene's Q3 results and the maintenance of the strong momentum we have seen in the first half of the year. This performance is clearly underpinned by our ongoing strategy of building a broader and strengthened platform of discovery and development service capabilities to support our customers' evolving needs. We are particularly encouraged to see strong performances coming from Syngene's Manufacturing and Formulation services and Clinigene's Large Molecule Bio-analytical services. Our order book position has been further strengthened with retention of existing business as well as expansion with existing clients, and acquisition of new customers. We are well positioned to see momentum continue through Q4 and into the next fiscal"*

### **Outlook**

The business outlook remains positive as we are fully geared to accelerate growth of all our business verticals. Going forward we aim to have higher contribution from Biosimilars, Research Services and Branded Formulations to the overall revenue. Our increasing R&D investments are reflective of the progress being made in this direction with all our research assets of novel molecules and biosimilars progressing well on the development pathway. We continue discussions with potential partners for taking our insulins & novel portfolio to the global markets.

### **About Biocon**

Biocon Limited (BSE code: 532523, NSE Id: BIOCON, ISIN Id: INE376G01013) is India's premier biotechnology company with a strategic focus on biopharmaceuticals and research services. Established in 1978 by Dr. Kiran Mazumdar-Shaw, the Group is an integrated, innovation-driven



healthcare enterprise with offerings that traverse the entire drug development value chain. Balancing its novel molecule research pipeline with a diversified product portfolio, Biocon delivers affordable solutions to partners and customers in over 75 countries across the globe. Many of these products have USFDA and EMA acceptance. Stellar products from Biocon's stable include the world's first Pichia-based recombinant human insulin, INSUGEN® and glargine, BASALOG® coupled with a state of the art insulin pen device, INSUPen® and India's first indigenously produced monoclonal antibody BioMAb-EGFR®. [www.biocon.com](http://www.biocon.com)

### 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 our 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.

### Earnings Call

The company will conduct an hour long call at **03:15 pm IST on January 25, 2013** where the senior management will discuss the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below five to ten minutes ahead of the scheduled start time. The **dial-in number for this call is +91-22-6629 5889/ 3065 2542**. Other toll numbers are listed in the conference call invite which is posted on the company website [www.biocon.com](http://www.biocon.com). The operator will provide instructions on asking questions before the start of the call. A replay of this call will also be available from **January 25, 2013 – February 1, 2013** on the same dial-in numbers provided above. The transcript of the conference call will be posted on the company website.

### Encl.: Fact Sheet - Consolidated Income Statement and Balance Sheet (Indian GAAP)

<b>Contact Information: Investor Relations</b>	<b>Sweta Pachlangiya</b> +91 96865 09372; <a href="mailto:sweta.pachlangiya@biocon.com">sweta.pachlangiya@biocon.com</a>
<b>Media Relations</b>	<b>Seema Ahuja</b> +91 9972317792; <a href="mailto:seema.ahuja@biocon.com">seema.ahuja@biocon.com</a> <b>Varija Beliappa</b> +91 80 2808 2808; <a href="mailto:varija.beliappa@biocon.com">varija.beliappa@biocon.com</a>