



**PRESS RELEASE**

## **Biocon's Q1 profits soar 112% to Rs. 486 million**

*Total Income up 65%*

**Bangalore, 14 July 2004:** Biocon Limited today announced its financial performance for the quarter ended June 30, 2004.

*Note: The discussions in this release reflect the audited financial performance of Biocon Limited based on Indian GAAP on a consolidated basis. This considers the financial performance of Biocon Limited, its wholly owned subsidiaries Syngene International Private Limited and Clinigene International Private Limited and its 51% joint venture Biocon Biopharmaceuticals Private Limited.*

### **PERFORMANCE HIGHLIGHTS**

#### Q1 FY2005 (April – June 2004) v/s Q1 FY2004 (April – June 2003)

- Total income rises by 65% to Rs. 1,779 million from 1,076 million.
- Operating profit at Rs. 573 million higher by 63% from a profit of Rs. 352 million in Q1 FY2004.
- Net profit for the period at Rs. 486 million from a profit of Rs. 229 million.
- Earnings per share at Rs. 4.86 for the quarter.

#### Revenue analysis (April – June 2004) v/s Q1 FY2004 (April – June 2003)

- Revenues from the biopharmaceuticals business increases by 67% to Rs. 1,397 million from Rs. 835 million, contributing 78% to total income in Q1 FY 2005.
  - Revenues from statins higher by 79% to Rs. 957 million from Rs. 534 million.
- Revenue from custom and clinical research rises by 80% to Rs. 140 million from Rs. 78 million.
- Revenue growth spearheaded by strong performance in the U.S. and European markets – exports grow 57% in Q1 FY 2005, contributing 65% to overall revenues.

Commenting on the results, **Kiran Mazumdar–Shaw, Chairman & Managing Director, Biocon Limited**, said:

“Our Q1 performance marks a strong beginning to the current financial year. Q1 was driven by our successful entry into the Pravastatin market in Europe following the expiration of product patents in key markets in the region. Sales of Lovastatin to the U.S. have also increased subsequent to obtaining U.S. FDA approval for our submerged fermentation facility. This also enabled us to meet the backlog of orders for Lovastatin.



Proprietary manufacturing technology and strong regulatory compliance continue to be our key differentiators that have allowed us to access key growth areas while managing global competition. Our success is reflected in the margins earned on expanding revenues.

We continue to implement tangible initiatives that enable retention of Biocon's competitive edge over the longer-term. In our Statins and Insulin business, we are building leadership through a combination of better technology, regulatory compliance, global scale manufacturing and strategic alliances. Our generics pipeline is strong and addresses a sequential flow of new fermentation based products. Our business model remains highly integrated providing substantial synergies across businesses.

Having created a leadership position through sustained operational excellence, we look at successfully metamorphosing into a new age drug company. In the current fiscal year, we are confident of continuing robust growth following a promising start in Q1."

## **CORPORATE DEVELOPMENTS IN Q1 FY2005**

### Biocon Biopharmaceuticals expands product base

Biocon Biopharmaceuticals, Biocon's joint venture with the Cuban Institute CIMAB, extended its product portfolio to include two additional monoclonal antibodies and three cancer vaccines. A formal agreement was signed between the two partners in Havana, with Kiran Mazumdar-Shaw representing Biocon and Patricia Sierra representing CIMAB. The expanded portfolio now comprises of three monoclonal antibodies (MAbs) and three Vaccines targeted at the oncology therapeutics market segment. Commercialization of these products will herald Biocon's entry into novel and proprietary products. Biocon Biopharmaceuticals is also setting up a state-of-the-art biologicals facility for mammalian cell culture for the production of MAbs. This facility, the largest in Asia, is expected to be commissioned next year.

### Biocon inaugurates a central warehouse for distribution of its healthcare products

Biocon recently inaugurated a central warehouse to distribute the products of the Company's new division – Biocon Healthcare. Biocon has recently launched products in the diabetes and cardio-vascular segments. The supply chain system now in place, will support Biocon's current portfolio and future launches in the domestic market.

### Biocon's subsidiary Clinigene receives CAP accreditation for its new facilities

Clinigene, Biocon's clinical research subsidiary, was accredited by the College of American Pathologists (CAP) for its recently added histopathology and microbiology facilities, based on an on-site inspection. Clinigene is India's first clinical research organization (CRO) to have received CAP accreditation in 2002. CAP certification is considered the 'Gold Standard' in laboratory accreditation, designed to specifically ensure the highest standard of patient care. It includes inspection of the laboratory's equipment, facilities, safety program, records and the staff qualifications.

### Biocon's subsidiary Syngene expansion facility to be completed in Q2 FY2005

Syngene's facility expansion is expected to be completed in Q2 FY2005. The 80,000 square foot infrastructure will cater to Syngene's expanding needs for providing research services to a global clientele and will create a marked increase in Syngene's custom research business capabilities.



- ENDS –

### **About Biocon**

Established in 1978, Biocon Limited is India's premier biotechnology company. Biocon and its two subsidiary companies, Syngene International Pvt Ltd and Clinigene International Pvt Ltd together with its Joint Venture Company Biocon Biopharmaceuticals Pvt Ltd form a fully integrated biotechnology company, specializing in biopharmaceuticals, custom research, clinical research and enzymes. With successful initiatives in clinical development, bioprocessing and global marketing, Biocon delivers products and solutions to partners and customers across 50 countries. Visit us at [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, any member of the syndicate 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.

### **For further information contact:**

Paula Sengupta / Pritha Sen  
Biocon Limited

Tel: +91 80 2852 3434

Fax: +91 80 2852 3423

Email: [paula.sengupta@biocon.com](mailto:paula.sengupta@biocon.com) / [pritha.sen@biocon.com](mailto:pritha.sen@biocon.com)

Anjana Kher / Bhuvana Krishnamurthy  
Genesis Public Relations, Bangalore

Tel: +91 80 25589122/3

Fax: +91 80 25589125

Email: [akher@genesispr.com](mailto:akher@genesispr.com) / [bkrishnamurthy@genesispr.com](mailto:bkrishnamurthy@genesispr.com)