



PRESS RELEASE
For Immediate Publication

Bangalore, January, 21st 2009

BIOCON'S 9 MONTHS FY-09 MAINTAINS GROWTH MOMENTUM

Revenues: Rs. 1,187 crs (including AxiCorp) : Rs. 889 crs (excluding AxiCorp) : EBITDA Rs. 277 crs : PAT Rs. 174 crs (excluding MTM)

Biocon Limited today announced its financial performance for the nine months ended December 31st, 2008.

Note: The discussions in this release reflect the financial performance of Biocon Limited based on Indian GAAP on a consolidated basis. This considers the financial performance of Biocon Limited, its subsidiaries, joint ventures and associate companies viz., Syngene International Limited, Clinigene International Limited, Biocon SA, AxiCorp, Neo Biocon, Biocon Biopharmaceuticals Private Limited and Iatrica.

PERFORMANCE HIGHLIGHTS :

- Group Revenues (including AxiCorp) on a 9 months comparative basis increased by 46% from Rs. 811 crores in FY 08 to Rs. 1,187 crores in FY 09. BioPharma sales (excluding AxiCorp) registered 13% growth, bolstered by a 42% growth in our retail healthcare business.
- Research Services (Syngene + Clinigene) delivered 21% sales growth in the 9 months of FY'09 (Rs. 157 vs Rs. 129 cr).
- Syngene continued its growth run by delivering a 16% QoQ increase in revenues in Q3 FY09 (Rs. 56 cr vs Rs. 48 cr).
- AxiCorp delivered modest profitability in line with expectation. Currently, AxiCorp is a pure distribution business with relatively low margins. The strategic relevance of AxiCorp will crystallize when the Bio-similar Insulin opportunities open up in Europe. This we anticipate will happen in two years time.
- Exceptional charge relating to forex hedging in Q3 FY09 has increased to Rs. 46 crores. This is on account of MTM provisioning and cancellation of certain longer term forward covers. This charge on YTD basis stands at Rs. 106 crores.
- Biocon's EBITDA (excluding AxiCorp) for the 9 months ended 31st December 2008 stands at Rs. 270 crores (Rs. 240 crores, last year) with an operating margin of 30%.

- The company's IN105 (Oral Insulin) program has received regulatory permission to commence Phase III Clinical Trials in Type II Diabetics.

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

"Biocon's operational performance remains on a growth track. At a time when many sectors face a severe slowdown, we believe that Biocon has a unique opportunity to leverage our affordable R&D base and forge partnerships that will deliver large contract research, manufacturing and co-development opportunities over the next 5 years.

Syngene continues to improve its performance by delivering its best ever sales and operating profit in Q3.

Clinigene is positioned to be a key player in the CRO segment where India is emerging as an important global destination for clinical development.

We are making excellent progress on the research front with our Oral Insulin IN 105 program, set to enter Phase III Clinical trials this quarter.

We have also completed a successful non-inferiority Phase III Clinical trial for Glargine, a basal Insulin analog. The trial data has been submitted to the DCGI for marketing approval.

MTM provisions will impact our net profits this fiscal. However, we remain confident of delivering a good operating performance for the year."

CORPORATE DEVELOPMENTS:

AxiCorp wins a key generic supply contract in AOK tender:

Biocon's German subsidiary AxiCorp has been selected as the AOK tender supplier for a key generic drug in Germany. The contract is planned to be awarded for the entire German territory over the next 2 years and is subject to review in accordance with German tender regulations. AOK is the leading public health insurer covering about 40% of the total insured population. The tender will strengthen the market presence of the growing Axicorp generic business.

Syngene to partner with Sapiant Discovery to expand integrated drug discovery offerings:

Syngene announced today, that it will offer fully integrated drug discovery services by partnering with Sapiant Discovery, a US based Biotechnology Company located in San Diego. The companies intend to provide a highly integrated platform for structure-based drug discovery as a one stop shop for structure-guided discovery, chemistry, biology and structural biology capabilities. This arrangement is crucial at a time when cost-reductions and efficiency in the drug discovery process is driving companies to look for suitable out-sourcing partners.

Sapiant Discovery is an established leader in structure-guided drug discovery with a number of proprietary algorithms and capabilities for efficient protein structure based

drug discovery and optimization. “Sapient Discovery’s proprietary Genes-to-Leads[®], Fragments-to-Leads[®] and X-ray crystallography technologies provide dramatic reductions in the time and costs associated with compound synthesis and screening and expands the horizons of chemical diversity potentially applicable to novel or even well studied drug targets.

Biocon bags IDMA “Best Patent of the year” award:

Biocon’s granted US Patent for “Aryl Carbamate Oligomers for Hydrolyzable Prodrugs” has won the IDMA (Indian Drug Manufacturers Association) Award for the Best Patent during the Year 2007-2008 by an Indian Company. The said patent forms the basis of Biocon’s Oral Insulin molecule, IN105.

About Biocon

Established in 1978, Biocon Limited is one of India's premier biotechnology companies. Biocon Ltd together with its group companies (Syngene International Ltd and Clinigene International Ltd etc.) form a fully integrated biotechnology enterprise, specializing in biopharmaceuticals, custom research and clinical research. With successful initiatives in clinical development, bio-processing and global marketing, Biocon delivers products and solutions to partners and customers across the globe. Many of these products have USFDA and EMEA acceptance. Biocon launched the world's first recombinant human insulin, INSUGEN[®] in November 2004 using Pichia expression and India's first indigenously produced monoclonal antibody BIOMAb-EGFR[™]. Visit us at www.biocon.com

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.

Encl: Financial Results (Q - 3 : FY 09)

For further information contact:

Paula Sengupta

Biocon Limited

Tel: +91 80 2808 2808 / Fax: +91 80 2852 3423

Email: paula.sengupta@biocon.com