



For Immediate Press Release - 1

BIOCON GROUP DELIVERS HEALTHY PERFORMANCE FOR FY 2007-08

BOARD RECOMMENDS 1 : 1 BONUS SHARES & 100% DIVIDEND

Revenues Rs. 1,090 crs : EBITDA Rs. 335 crs : PAT Rs. 225 crs

Bangalore, April 22, 2008

Biocon Limited today announced its financial performance for the financial year ended March 31, 2008.

PERFORMANCE HIGHLIGHTS:

FY 2008 (April '07 - March '08) v/s FY 2006 (April '06 - March '07)

- Consolidated revenue (excluding enzymes) increases 19% from Rs: 881 to Rs. 1,044 crores.
- Operating margins at 31% for the year, an improvement of 2% over the previous fiscal.
- PAT increases by 13% to Rs. 225 crores (excluding, net exceptional income) .
- Earnings per share at Rs. 22.5 for the year.
- R&D revenue expenditure increases by 26% to Rs. 48 crores.
- Board recommends dividend of 60% (Rs. 3/- per share).
- Board also recommend a Special Dividend of 40% (Rs. 2/- per share) pursuant to the divestment of the Enzymes business.
- 1:1 Bonus Share issue recommended by the Board.

REVENUE ANALYSIS:

Profit growth has been maintained at the consolidated level despite the divestment of the enzymes business, currency appreciation and increased depreciation. We have a strong Balance Sheet with high reserves and Rs. 193 crores in net cash.

Revenues from Research Services grew 29% to Rs. 176 crores from Rs.136 crores, contributing 16 % to consolidated revenues in FY 2008, but currency appreciation and capacity expansion for future demand kept operating margins flat.

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.

OUTLOOK:

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

"We are pleased with our overall performance and have delivered the highest profits to date. We have increased our capital expenditure to support the business expansion that we anticipate across the Group. We expect the year ahead to realize a good return on these investments especially at Syngene and Clinigene. We have a strong Balance Sheet which we will use for strategic acquisitions and investments.. The recent AxiCorp acquisition is a significant move that provides us key access to the European market. We wish to make similar inroads into other markets to expand our global footprint . We have delivered a 13% increase in PAT despite a Rs: 27 crore increase in depreciation. The strong financial base enables us to recommend a 1:1 Bonus issue that we believe will improve market liquidity to support Biocon's growing profile as a bellwether stock in the Life Science sector. "

Dr. Arun Chandavarkar, Chief Operating Officer, Biocon Limited added :

" Biocon's focus continues to be on deriving operational efficiencies as reflected in the improved EBITDA margins and in progressing its R&D pipeline of novel and bio-similar products through the complex stages of pre-clinical and clinical development. Divesting the enzyme business has enabled management to sharply focus on our bio/pharmaceutical business. We are pleased with the beach heads we have established in various countries either through direct investments or through strategic marketing partnerships; we are confident that these relationships will deliver as and when our development programs reach the launch stage. We recognize the challenges that lie ahead in terms of broadening and deepening our skill base to deliver on these development programs but are confident of attracting and retaining the right talent. We are also conscious of the need to strike an optimum balance between short term profit growth and longer term R&D investments which will deliver reliable shareholder value."

CORPORATE DEVELOPMENTS:

Biocon to acquire 70% controlling stake in German Pharma company AxiCorp GmbH

Biocon is close to completing the acquisition of 70% stake in German pharmaceutical company, AxiCorp GmbH for a consideration of €30 Million. This will enable the marketing and distribution of a range of pharmaceuticals including generics, biosimilars, biologics and innovative pharmaceutical products in Germany and Europe.

AxiCorp is a specialized marketing and distribution company established in 2002 by a group of industry experts to address the lucrative generics and parallel distribution market in Germany and Europe. AxiCorp is ISO 9001 certified with a differentiated distribution model that is aligned to the radically altered way the German pharmaceutical market now functions.

Biocon commences Phase IIa Clinical Trials for IN105

An open label, multi-centric, placebo controlled, single ascending dose study designed to evaluate safety, tolerability, pharmacokinetics and pharmacodynamics of IN105 under fed conditions in type II diabetic patients currently on Metformin therapy has been commenced at 5 investigation sites. The study is expected to be completed in August 2008 and will provide the data necessary to commence Phase IIb clinical trials.

Biocon commences Phase IIb trials for T1h for RA & Psoriasis

A Randomized, Open label, Four Arms Parallel Phase II Clinical Study to evaluate the Safety and Efficacy of anti-CD6 monoclonal antibody (T1h mAb) in combination with Methotrexate in Patients with Active Rheumatoid Arthritis has been initiated at 7 investigation sites.

Another Phase II clinical trial to evaluate the Safety, Efficacy and Pharmacokinetics of anti-CD6 monoclonal antibody (T1h mAb) in Patients with Active Psoriasis is also due to commence at 5 investigation sites. This has been designed as a single blind, randomized, multiple dose, multiple schedule, multi-centric, parallel study in patients with active moderate to severe Psoriasis, with independent blinded disease activity assessment, and quality of life metrics assessment.

These clinical trials will enable Biocon to establish Proof of Concept for T1h and will add tremendous value to its licensing potential.

Biocon commences Phase IIb trials for Glioma and NSCLC for BIOMAb EGFR

An open label, prospective, multi-centric study to evaluate the Safety And Efficacy of BIOMAb-EGFR™ (Nimotuzumab) as Induction and Maintenance Therapy in combination with Radiotherapy plus Temozolomide (Concomitant & Adjuvant) in Indian patients with Glioblastoma Multiforme is ongoing at 8 investigational sites across the country.

Another Clinical Trial designed as an open-label, randomized, comparative, multi-centric Study To Assess Safety And Efficacy Of BIOMAb-EGFR™ (Nimotuzumab) in Combination with Chemotherapy Versus Chemotherapy alone in the treatment of Patients with Stage IIIB / IV Non Small Cell Lung Cancer (NSCLC) is also being initiated at 11 sites.

The above Clinical Trials will enable Biocon's Oncotherapeutics division to expand its market share through label extensions.

Biocon sets up Cardiology Division

Biocon has decided to split up its Cardio-Diabetes group by launching a stand alone Cardiology division. This new division is being launched to focus on brand building for its flagship statin based product Statix as well as other products viz. Telmisat, Eptifibatide and its recombinant streptokinase product Myokinase. The Cardiology market in India constitutes 10%.

(Approx. 3,200 Crore) of the Indian Pharma Market and is growing at 21%. This division is envisaged to have an all India presence through a 250+ strong field force.

About Biocon

Established in 1978, Biocon Limited is one of India's premier biotechnology companies. Biocon and its two subsidiary companies, Syngene International Pvt Ltd and Clinigene International Pvt Ltd 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™.

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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.

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