



For Immediate Release

Bangalore, India

July 25, 2012

Sustained impetus across verticals drives Biocon's Q1 growth

Revenues at ₹ 593 Crores; EBITDA at ₹ 139 Crores; PAT at ₹ 79 Crores

Commenting on the results, Chairman and Managing Director Kiran Mazumdar-Shaw stated, "I am pleased to report that we have seen strong performances across all our business verticals and this reflects the success of our segmented business model. I draw attention to our R&D investments that have increased 75% YoY this quarter. This increase arises from the enhanced spend on clinical development, that is integral to delivering long-term sustainable growth. On the licensing front, we are in discussions for several advancing research programs. We are hopeful that many of these will be realized going forward. This will endorse our R&D-led value creation strategy. We believe that the changing dynamics in global healthcare are providing a number of exciting opportunities which are well-aligned with our business strategy of delivering affordable products for chronic therapies. I believe we will continue to make good progress through the rest of the year."

Highlights:

- Q1 FY13 financials reflect strong performance across business verticals:
 - ❖ Biopharma Business grew 23% YoY on traction in all segments.
 - ❖ Branded Formulations' robust 52% YoY growth led by Oncology, Diabetology and Comprehensive Care.
 - ❖ Research Services (Syngene and Clinigene) grew 40% YoY.
- EBITDA and PAT margins at 23% and 13% respectively. EBITDA and PAT margins largely impacted by increased R&D spend.
- Global Phase I trial for biosimilar Glargine completed successfully.
- Itolizumab: 52-week results from Phase III trial in Psoriasis confirm achievement of primary endpoint and multiple secondary endpoints.
- Inauguration of Abbott Nutrition R&D Center, a state-of-the-art nutrition R&D hub in Biocon Park.

Business Performance and Outlook (Vertical-wise)

Biopharma: Small Molecules & Biosimilars

The biopharma business built on the growth momentum from the previous quarters, with robust sales in Statins and increased traction in the Insulins and other biopharma portfolios.

Our Fidaxomicin commercialization partner, Optimer Pharma, has introduced the product in Europe with the first phase rolled out in select East European nations.

The global phase I study for biosimilar Insulin Glargine has been successfully completed with positive *Pharmaco-Kinetic* (PK) and *Pharmaco-Dynamic* (PD) data. The trial met all its primary and secondary endpoints to unequivocally establish PK-PD equivalence between our biosimilar Insulin Glargine and innovator product (Lantus®).

Expressing satisfaction at the outcome of this study, Dr. Abhijit Barve, President R&D, Biocon Limited said, ***“These successful results pave the way for biosimilar drug approvals for Biocon across the globe.”***

Branded Formulations

Our branded formulations vertical posted a robust YoY growth of 52% propelled by our Oncology, Diabetology and Comprehensive Care divisions. INSUPen™, our insulin pen, launched in November 2011 has garnered accolades from doctors and patients alike for its thoughtful design and usability. The patient care model spanning across the pen’s features and the on-call/on-field support have also been well received.

This quarter was also marked by the launch of Xortib® and Genexor® in Oncology and Matabac® in the Comprehensive Care division.

Novel Molecules

Biocon continues to make excellent progress on its various novel assets. We continue our engagement with potential partners for our licensable assets: IN-105 and Itolizumab. The 52-week data from the Phase III trial in Psoriasis confirms the achievement of primary endpoint and multiple secondary endpoints. We intend to file for regulatory approval and marketing authorization for the treatment of Psoriasis, for this molecule in the Indian market shortly.

Research Services (Syngene and Clinigene)

The first quarter of FY13 witnessed sustained impetus in our research services arm which grew 40% YoY. Commenting on this performance, ***Peter Bains, Director, Syngene International, said, “ Syngene and Clinigene started the year well, with particularly strong performances in biology and custom synthesis”***. The highlight of the quarter was the inauguration of the Abbott Nutrition Research & Development (ANRD) center. ANRD is committed to developing products for maternal and child nutrition & diabetes care, attuned to the needs of the Indian sub-continent. A dedicated team of over 50 scientists will be working at this centre.

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 70 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

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 **12:30 PM IST on July 26, 2012** 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 1800 425 4249** (India Toll Free number is accessible through all mobiles and landline services). Other toll numbers are listed in the conference call invite which is posted on the company website 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 **July 26, 2012 – August 2, 2012** on the same dial-in numbers provided above. The transcript of the conference call will be posted on the company website.

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[Encl: Fact Sheet - Consolidated Income Statement and Balance Sheet \(Indian GAAP\)](#)