



October 22, 2010

## BIOCON CONTINUES TO DELIVER STRONG PERFORMANCE

### SIGNS STRATEGIC GLOBAL COMMERCIALIZATION AGREEMENT WITH PFIZER

**Biocon Limited announces earnings for the half year ended September 30, 2010.**

**Revenues at Rs 1,360 crores; EBITDA at Rs 293 crores; PAT at Rs 166 crores**

*Commenting on recent developments, Chairman and Managing Director Kiran Mazumdar-Shaw said, "This is an exciting time for Biocon. Our strategy of building and unlocking high value innovation in Biotechnology has seen us enter into a new phase of growth. The recently announced global commercialization alliance with Pfizer is a validation of this approach. All our core businesses have delivered robust performance for the first half of this fiscal and are expected to sustain this level of growth for the rest of the year."*

#### Performance Highlights - Biocon Group (consolidated) :

##### ***For Half-Year ended September 30, 2010***

- Total Income at Rs 1,360 crores. Up 24% YoY.
- EBITDA at Rs 293 crores. YoY growth was 24%.
- PAT at Rs 166 crores. YoY growth was 26%.
- Operating Margin at 22%.
- Earnings Per Share at Rs 8.5.
- Headcount at 5,100+ employees.

##### ***For three months ended September 30, 2010***

- Total Income at Rs 688 crores. Up 16% YoY.
- EBITDA at Rs 153 crores. YoY growth was 21%.
- PAT at Rs 89 crores. YoY growth was 20%.
- Operating Margin at 22%.
- Earnings Per Share at Rs 4.5.

## Business Performance and Outlook

### Biopharmaceuticals

The Biopharma business posted a strong 27% YoY increase in revenues in the first half of this fiscal with across-the-board growth in all core businesses like Insulins, Immunosuppressants, Statins and Branded Formulations.

**Biocon-Pfizer Global Insulins Alliance** - Earlier this week, Biocon SA, a 100% subsidiary of Biocon Limited, signed a strategic global agreement with Pfizer for the worldwide commercialization of Biocon's biosimilar versions of **Insulin and Insulin analog products**: Recombinant Human Insulin, Glargine, Aspart and Lispro.

*“This is indeed a significant inflection point in our growth path. Both Pfizer and Biocon bring together a winning combination of marketing, manufacturing and research excellence which will build formidable global footprint in Diabetes care. Pfizer brings brand strength and vast and unrivalled global marketing expertise that will enable Biocon to achieve a global presence for its Insulin portfolio”, said CMD Kiran Mazumdar-Shaw.*

**Immunosuppressants** – There has been a significant increase in sales of both MMF and Tacrolimus in the US and European markets.

**Domestic Branded Formulations** – The four verticals in branded formulations (Diabetology, Oncotherapeutics, Nephrology and Cardiology) have posted a combined YoY growth of 32%. The Company launched two new divisions in Q2 FY11 - Comprehensive Care and Immunotherapy. Biocon's new Immunotherapy division launched two products – Tacrolimus and Pimecrolimus ointments this quarter. The diabetology division is expected to launch a 100 IU variant of brand Insugen in Q3 FY11.

**Axicorp** – Our German subsidiary Axicorp's revenues grew 30% YoY to Rs 523 crores in the first half of FY11. AxiCorp's generics business has won several new tenders and grew by 117% YoY (the market grew by 2% in the same period). Products supporting this growth trend are Metformin, Simvastatin, Metoprolol, Amoxicillin and Fluconazol.

### Research Services

In a challenging environment, Syngene continues to see traction in its business with clients increasing their scope of work. Recent investments in the Biologics pilot plant, the AAALAC accredited Vivarium and the formulation development center have started to deliver results.

Clinigene is strengthening its Human Pharmacology business with a focus on high value early stage clinical development work and Phase 1 studies. This is expected to realize higher margins and sustained growth.

Today, both subsidiaries are looking to expand their business offerings through integrated discovery and development services. This fully integrated pharma network model aims to provide services ranging from early discovery, pre-clinical development, scale-up and formulation and clinical development for both large and small molecules.

### **Research Pipeline**

**BIOSIMILAR INSULIN:** A Phase 3 clinical trial for our biosimilar rh insulin for Europe has commenced.

**IN105:** The oral insulin program is currently in Phase 3 clinical trials for Type 2 diabetics in India. The result of this study is expected to be available early next year. The Phase 1 study in Type 1 diabetics under the US IND is on going.

**T1h:** Phase 3 clinical trials for the Anti-CD6 targeting monoclonal antibody (T1h) program for Psoriasis are ongoing and are expected to end around July 2011.

**MAbs:** The development of products under the Mylan partnership is progressing well. The first of the Bio-similar products has entered the pre-clinical phase.

### **Corporate Developments in Q2 FY11**

#### **Biocon and CIM to collaborate in immunology research program**

Biocon Limited and the Center of Molecular Immunology (CIM), based in Havana, Cuba, have taken steps to strengthen and expand their existing research partnerships in the area of antibodies and cancer vaccines.

### **About Biocon**

Established in 1978, Biocon Limited (**BSE code:** 532523, **NSE Id:** BIOCON, **ISIN Id:** INE376G01013) is India's largest biotechnology company by revenue. The Group, promoted by Ms. Kiran Mazumdar-Shaw, is a fully-integrated, innovation-driven healthcare enterprise with strategic focus on biopharmaceuticals and research services. Biocon's value chain traverses the entire length of discovery, development and commercialization of novel therapeutics. With successful initiatives in clinical development, bio-processing and global marketing, Biocon delivers products and solutions to partners and customers in approximately 75 countries across the globe. Many of these products have USFDA and EMA acceptance. Biocon's robust product offering includes the world's first Pichia-based recombinant human insulin, INSUGEN® and India's first indigenously produced monoclonal antibody BIOMAb-EGFR<sup>(TM)</sup>.

For more information, visit [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 3:00 pm IST on October 22, 2010 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 numbers for the call are 1800 425 4061 / 1800 425 4250 / 1800 425 1300 (India Toll Free numbers are 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](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 Oct 22 October 2010 – 29 October 2010 on the same dial-in numbers provided above. The transcript of the conference call will be posted on the corporate website.

**Note:** *The discussions in this release reflect the financial performance of Biocon Limited and its subsidiaries based on Indian GAAP on a consolidated basis. Results for the German subsidiary are reported with a one-quarter lag.*