



BIOCON'S Q1 FY '10 RESULTS SURGE AHEAD

Revenues Rs. 505 crores. EBITDA Rs. 111 crores. PAT Rs. 58 crores

Bangalore, July 23rd, 2009

Biocon Limited today announced its financial performance for the three months ended June 30th, 2009.

PERFORMANCE HIGHLIGHTS

- Consolidated Revenues (including German subsidiary, AxiCorp) jumped 83 % from Rs. 277 crores (FY'09) to Rs. 505 crores (FY'10).
- Financial performance excluding AxiCorp also delivered strong numbers: Revenues increased 14% to Rs. 316 crores, Operating Profits grew 45% to Rs. 101 crores and PAT jumped 261% to Rs. 54 crores.
- Operating margins (excluding AxiCorp) were sustained at 32 %.
- AxiCorp engaged in a distribution business with radically different operating parameters that need to be separately reported. AxiCorp has delivered good performance in the period under review registering a top line of Rs.190 crores whilst delivering an operating profit of Rs. 11 crores and a PAT of Rs. 4 crores. The relevance of AxiCorp to Biocon's business will only commence once Insulin receives EU market authorization which is expected to raise the operating margins from present levels. The regulatory process is on going and will take 18-24 months for completion.
- Syngene and Clinigene continued to grow robustly delivering a 50% growth in revenues to touch Rs. 64 crores and a 169% spurt in operating profits (Rs. 25 crores). PAT increased to Rs. 7 crores, a 133% growth over the previous year.
- Biocon recently announced a strategic partnership with a global Generics Pharma major, Mylan Inc. to develop a basket of generic biologics which are expected to deliver the next bolus of high margin growth for the global pharmaceutical generics industry.

Outlook

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

"Biocon's Q1 '10 performance has delivered robust growth across all segments. This, we



believe, is a trend that holds goods prospects for the year ahead.

Syngene has had a particularly strong quarter demonstrating good returns on the investments made over the last two years. We expect our pre-clinical and biologicals services to expand our customer base and increase business revenues for future quarters.

We are making excellent progress on the research front with several programs approaching a licensing potential. We envisage that this will deliver excellent returns on our R&D investments. Our recently announced partnership deal with Mylan positions us amongst the front runners to address the emerging global market opportunity for bio-generics.

We expect the quarters ahead to remain robust and we hope to end the year on a note of strong growth both in revenues and profitability.”

CORPORATE DEVELOPMENTS

Biocon Announces Strategic Collaboration with Mylan to enter the Global Generic Biologics Market

Biocon executed a definitive agreement with Mylan Inc. (Nasdaq: MYL) for an exclusive collaboration on the development, manufacturing, supply and commercialization of multiple, high value generic biologic compounds for the global marketplace. Through this partnership, Mylan and Biocon bring together highly complementary capabilities that will significantly advance their efforts to secure a leading position in the emerging generic biologics industry.

Biocon inks partnership with ISB to launch the Biocon Cell for Innovation Management

Biocon and the Indian School of Business (ISB) launched the Biocon Cell for Innovation Management (BCIM) to promote innovation in business. The Cell will be established under the aegis of the Centre for Leadership, Innovation, and Change (CLIC) at the ISB. BCIM at the ISB will help organizations find answers to questions such as the gaps in a company's ability to innovate, assessing the required understanding to manage and mitigate risks associated with innovation and how to produce high value, high quality, strategic innovation at low cost. Biocon is contributing an initial investment of Rs.1 crore to set up BCIM

Biocon launches BASALOG™ - long lasting basal insulin for Type 1 & Type 2 Diabetics

Biocon recently launched BASALOG™, a long acting (24 hours) peak less bio-generic version of human insulin analogue, Glargine. BASALOG™ (Glargine) is a significant advance in diabetic treatment which provides a 24 hours basal level of insulin thus helping to control glucose levels in the blood, especially Fasting Plasma Glucose (FPG). It is believed that treatment with long acting insulin analogues like Glargine will allow better metabolic control, thereby resulting in a better quality of life & treatment satisfaction.

Kiran Mazumdar Shaw awarded the prestigious 'Nikkei Asia Prize' 2009 for Regional Growth

Kiran Mazumdar-Shaw, Chairman and Managing Director, Biocon Limited was honoured with the 'Nikkei Asia Prize' 2009 for Regional Growth. Lauding her role as the head of India's



leading biotechnology enterprise, Biocon, Ms. Shaw was nominated by the prize committee for her pioneering work in the field of biotechnology in India, by establishing a business model that believes in innovation and intellectual excellence, her achievements as a first generation entrepreneur and her status as an icon of entrepreneurship in India.

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 and all its subsidiaries.

About Biocon

Established in 1978, Biocon Limited is one of India's premier biotechnology companies. Biocon, with its subsidiary companies form a fully integrated biotechnology enterprise, 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 the globe. 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, 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.

BIOCON GROUP

Q1 FY 2010 vs Q1 FY 2009

FACT SHEET

BIOCON LIMITED (CONSOLIDATED)**BALANCE SHEET***(Rs. Millions)*

Particulars	As at 30-Jun-09	As at 31-Mar-09
<u>SOURCES OF FUNDS</u>		
Share Capital	1,000	1,000
Reserves & Surplus	14,694	14,107
Total Shareholder's Funds	15,694	15,107
Minority interest	259	248
Deferred Tax Liability	507	466
Secured Loans	2,791	3,957
Unsecured Loans	1,291	1,282
Total Loan Funds	4,082	5,239
Total	20,542	21,060
<u>APPLICATION OF FUNDS</u>		
Fixed Assets (Net)	12,052	12,205
Intangible Assets	1,690	1,631
Investments	2,879	3,676
Inventories	3,422	3,192
Sundry debtors	3,717	3,667
Cash and bank balances	454	118
Loans and advances	1,140	947
Total Current Assets, Loans & Advances	8,734	7,924
Less: Current liabilities and provisions	4,813	4,375
Net Current assets	3,921	3,549
Total	20,542	21,060

BIOCON LIMITED (CONSOLIDATED)
PROFIT & LOSS STATEMENT
(Rs. Millions)

Particulars	Q1 WITHOUT AXICORP FY 2010	Q1 WITHOUT AXICORP FY 2009	Variance	Q1 WITH AXICORP FY 2010	Full year ended Mar 31, 2009 WITH AXICORP FY 2009	Full year ended Mar 31, 2009 WITHOUT AXICORP FY 2009
<u>INCOME</u>						
Biopharmaceuticals *	2,429	2,212	10%	4,320	13,841	9,147
Contract research	643	427	51%	639	2,246	2,246
Total Sales	3,072	2,639	16%	4,959	16,087	11,393
Other income	90	126	-29%	94	646	544
Total Income / Revenues	3,162	2,765	14%	5,053	16,733	11,937
<u>EXPENDITURE</u>						
Material & Power Costs	1,352	1,354	0%	2,891	9,078	5,161
Staff costs	375	313	20%	526	1,653	1,291
Research & Development	200	109	83%	200	598	598
Forex Loss/ (gain)	(26)	64	-141%	(28)	112	105
Other Expenses	246	223	10%	357	1,412	1,067
<i>Manufacturing, staff & other exps</i>	2,147	2,063	4%	3,946	12,853	8,222
PBDIT /EBIDTA	1,015	702	45%	1,107	3,880	3,715
Interest and finance charges	50	37	35%	56	177	154
PBDT	965	665	45%	1,051	3,703	3,561
Depreciation	314	253	-	324	1,103	1,077
PBT	651	412	58%	727	2,600	2,484
Current taxes	67	33	-	96	120	101
Deferred taxes	41	(16)	-	41	-	-
<i>Taxes</i>	108	17	-	137	120	101
PROFIT FOR THE PERIOD	543	395	37%	590	2,480	2,383
Add/(less): Minority interest / Share of Losses in Associates	-	10	-	(14)	(79)	(45)
Profit before Exceptional Items	543	405	34%	576	2,401	2,338
Exceptional Item (MTM Provision - Forex) - Net of tax	-	(255)	-	-	(1,472)	(1,472)
NET PROFIT (PAT)	543	150	262%	576	929	866
EPS on issued capital Rs. (before exceptional items)	3	2		3	12	12

Note: The figures are rounded off to nearest million, percentages are based on absolute numbers
** Includes Contract / Technical licensing fee Rs. 24 (Q1 FY 10), Rs. Nil (Q1 FY 10), Rs. 123 (FY 09)*

BIOCON LIMITED (CONSOLIDATED)**BALANCE SHEET***(Rs. Crores)*

Particulars	As at 30-Jun-09	As at 31-Mar-09
<u>SOURCES OF FUNDS</u>		
Share Capital	100	100
Reserves & Surplus	1,469	1,411
Total Shareholder's Funds	1,569	1,511
Minority interest	26	25
Deferred Tax Liability	51	47
Secured Loans	279	396
Unsecured Loans	129	128
Total Loan Funds	408	524
Total	2,054	2,106
<u>APPLICATION OF FUNDS</u>		
Fixed Assets (Net)	1,205	1,221
Intangible Assets	169	163
Investments	288	368
Inventories	342	319
Sundry debtors	372	367
Cash and bank balances	45	12
Loans and advances	114	95
Total Current Assets, Loans & Advances	873	792
Less: Current liabilities and provisions	481	438
Net Current assets	392	355
Total	2,054	2,106

BIOCON LIMITED (CONSOLIDATED)
PROFIT & LOSS STATEMENT
(Rs. Crores)

Particulars	Q1 WITHOUT AXICORP FY 2010	Q1 WITHOUT AXICORP FY 2009	Variance	Q1 WITH AXICORP FY 2010	Full year ended Mar 31, 2009 WITH AXICORP FY 2009	Full year ended Mar 31, 2009 WITHOUT AXICORP FY 2009
<u>INCOME</u>						
Biopharmaceuticals *	243	221	10%	432	1,384	915
Contract research	64	43	51%	64	225	225
Total Sales	307	264	16%	496	1,609	1,139
Other income	9	13	-29%	9	65	54
Total Income / Revenues	316	276	14%	505	1,673	1,194
<u>EXPENDITURE</u>						
Material & Power Costs	135	136	0%	289	908	516
Staff costs	38	31	20%	53	165	129
Research & Development	20	11	83%	20	60	60
Forex Loss/ (gain)	(3)	6	-141%	(3)	11	11
Other Expenses	25	22	10%	36	141	107
Manufacturing, staff & other exps	215	206	4%	395	1,285	822
PBDIT /EBIDTA	101	70	45%	111	388	371
Interest and finance charges	5	4	-	6	18	15
PBDT	96	66	46%	105	370	356
Depreciation	31	25		32	110	108
PBT	65	41	59%	73	260	248
Current taxes	7	3	-	10	12	10
Deferred taxes	4	(2)	-	4	-	-
Taxes	11	2	-	14	12	10
PROFIT FOR THE PERIOD	54	39	39%	59	248	238
Add/(less): Minority interest / Share of Losses in Associates	-	1		(1)	(8)	(5)
Profit before Exceptional Items	54	40	35%	58	240	234
Exceptional Item (MTM Provision - Forex) - Net of tax	-	(26)	-	-	(147)	(147)
NET PROFIT (PAT)	54	15	270%	58	93	86
EPS on issued capital Rs. (before exceptional items)	3	2		3	12	12

Note: The figures are rounded off to nearest crores, percentages are based on absolute numbers
** Includes Contract / Technical licensing fee Rs. 2.4 (Q1 FY 10), Rs. Nil (Q1 FY 10), Rs. 12.3 (FY 09)*