



Bangalore, April 28, 2009

BIOCON GROUP DELIVERS 16% GROWTH IN OPERATING PROFITS

PAT IMPACTED BY MTM. BOARD RECOMMENDS Rs. 3 per share (60%) AS DIVIDEND.

Revenues Rs. 1,673 crs : EBITDA Rs. 388 crs : PAT (excluding MTM) Rs. 240 crs

MTM Losses : Rs. 147 crs

Biocon Limited today announced its financial performance for the financial year ended March 31, 2009.

PERFORMANCE HIGHLIGHTS:

FY '09 (April '08 - March '09) v/s FY '08 (April '07 - March '08)

- Consolidated revenue (including AxiCorp) increases 53% from Rs. 1,090 crores to Rs. 1,673 crores.
- Consolidated revenue (excluding AxiCorp) increases 10% from Rs. 1,090 crores to Rs. 1,194 crores.
- Consolidated EBITDA (including AxiCorp) grew 16% from Rs. 335 crores to Rs. 388 crores
- Operating margins (excluding AxiCorp) maintained at 31% level.
- MTM Losses provided at Rs. 147 crores..
- PAT impacted by MTM, declines to Rs. 93 crores.
- R&D revenue expenditure increases by 27% to Rs. 60 crores.
- Services business (Syngene + Clinigene) deliver 28% sales growth
- Healthcare sales grew robustly with 6 key Biocon brands attaining Top 10 ranking in the Indian market.
- AxiCorp GmbH wins German AOK tender for Metformin.
- Earnings per share at Rs. 12.00 (Pre-MTM) and Rs. 4.65 (Post MTM) for the year.

- Board recommends dividend of 60% at Rs. 3/- per share, on the enlarged share capital (post Sep '08 bonus issue).
- Promoters' shareholding is unencumbered
- Oral Insulin enters Phase III clinical trials.
- US President Obama clears the way for Biogenerics: Biocon well positioned to address this opportunity.

Unpredictable Rupee depreciation induced by the global economic crisis has adversely impacted consolidated FY '09 earnings, wherein losses of Rs. 147 crores on account of MTM were provided.

Sales revenue from Research Services grew 28% to Rs. 225 crores from Rs. 176 crores, in FY '09. Syngene and Clinigene's EBITDA grew 21% to Rs. 70 crores, but MTM severely impacted profit earnings resulting in a loss of Rs. 18 crores for the year.

Consolidated FY '09 earnings have also been burdened with the impact of added depreciation of Rs. 16 crores reflecting capital investments incurred to support future growth.

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 subsidiaries and its joint ventures.

OUTLOOK:

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

"Fiscal year '09 has been one of our most challenging years where foreign currency volatility made it difficult to manage a sharply depreciating Rupee resulting in large MTM losses. This has been a learning for us and our new hedging strategy enables us to address the years ahead with a sense of confidence and resilience.

Highlights of the current business include, AxiCorp's performance which has contributed 29% to our top line and is well poised for continued growth in the German market. AxiCorp has recently won the German AOK tender for Metformin, which is an important milestone both in terms of making inroads into the Generics market as well as laying the foundation for our Diabetes franchise in Germany.

Both Syngene and Clinigene continue to forge ahead in their respective services led businesses, delivering a combined sales growth of 28%.

Our branded formulations business under our Healthcare umbrella has made rapid strides in garnering market share for our key brands in Cardiology, Diabetology, Nephrology and Oncology. We see this as being a high growth segment in our business strategy going ahead.

Our future prospects are being driven by a robust R&D engine where we are making good progress both in our bio-generics and novel biologics programs. This will call for significant incremental investments going forward which are expected to realize significant returns over the medium to long term.

Patient enrollment is well under way in our Phase III clinical trials for IN105 (Oral Insulin). Our T1h (Anti CD6) monoclonal antibody program has completed patient recruitment for Phase II clinical trials for both Rheumatoid Arthritis as well as Psoriasis.

On the bio-generics front, our development plan for regulatory acceptance by EMEA and USFDA of our recombinant human Insulin is also on track. Insulin analogue, Glargine is now set to enter into a similar development path for global registrations.

President Obama's call for bio-generics and affordable healthcare heralds a new era for Biotherapeutics. Our pipeline of bio-generic monoclonal antibodies and Insulins supported by a strong manufacturing base provides us with a unique opportunity to build partnerships with key players in this segment.

We see the year ahead as one of lucrative opportunities on all fronts and we are confident that we will build strong and sustained shareholder value, which will profile Biocon as a bellwether stock in the Healthcare sector."

CORPORATE DEVELOPMENTS:

AxiCorp wins German AOK tender for Metformin

Biocon's German subsidiary AxiCorp has been selected as the AOK tender supplier for Metformin in Germany. The contract is awarded for the entire German territory over the next two 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. Additionally, it also creates the base for a diabetes franchise which is envisaged to be driven by Biocon's bio-generic recombinant human Insulin and Insulin Glargine in the coming years.

BIOMAb EGFR™ voted "Product of the Year"

BIOMAb-EGFR, a therapeutic monoclonal antibody-based drug for treating solid tumors of epithelial origin, received the Bio-Spectrum Asia Pacific Product of the Year Award 2008.

Biocon receives DCGI marketing approval for Insulin Glargine

The trial data, for a non-inferiority Phase III Clinical trial for Glargine, a basal Insulin analog, has been approved by DCGI for marketing in India.

Biocon wins award for Best Listed Biotechnology Company in Asia Pacific

Biocon won the 2009 BioSingapore Asia Pacific Biotechnology Award for the “Best Listed Company”. Biocon was adjudged based on its significant market capital, sound business model and excellent management team.

Syngene and DuPont Crop Protection Forge Alliance

Biocon Ltd's custom research arm Syngene International deepened its relationship with DuPont Crop Protection and signed up as its alliance partner. It will now cover a broad range of R&D technical capabilities to support DuPont's discovery pipeline. Already a research service provider to DuPont Crop Protection in discovery chemistry and biology, Syngene will now provide integrated research services through its "one box" model.

Biocon Bristol Myers Squibb Research Center (BBRC) inaugurated

Syngene International and Bristol-Myers Squibb Company opened a fully dedicated research and development facility for Bristol-Myers Squibb in Biocon Park, Bangalore.

The 200,000 square-foot facility at Biocon Park is dedicated to helping advance Bristol Myers Squibb's work in discovery and early drug development, is currently occupied by 270 scientists.

The facility will house 360 scientists by the end of the year and could accommodate as many as 450 scientists in the future. Work at the facility will span the drug discovery and development process from initial hit to lead optimisation to early pharmaceutical development to clinical nomination.

Patient enrollment commences for Phase III Clinical Trials for IN105 (Oral Insulin)

IN-105 has successfully completed early phase clinical trials for safety and efficacy. Currently a Phase III pivotal study for oral insulin (IN-105) has been initiated across various hospitals in India, consequently patient enrollment is in progress.

Patient recruitment completed for Phase IIb Clinical trials for T1h for RA & Psoriasis

Currently there are two ongoing studies involving T1h (Anti CD6) a novel monoclonal antibody. The first is a multicentre Phase II dose ranging study, designed to evaluate the safety & efficacy of T1h along with standard of care in patients with severe steroid resistant Rheumatoid Arthritis. The study has completed recruitment and the patients are being followed for safety and efficacy

The second study is a Phase II dose ranging study in patients with active moderate to severe Psoriasis. In this study T1h is being studied in various doses and frequency along with the standard of care to confirm its efficacy and safety. Patient enrollment for this study has completed and patients are being followed up for safety and response.

About Biocon:

Established in 1978, Biocon Limited is one of India's premier biotechnology companies. Together with its group companies, Biocon forms a fully integrated biotechnology enterprise, specializing in biopharmaceuticals, custom research and clinical research which deliver products and solutions to partners and customers across the globe. 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™.

A leading US trade publication, Med Ad News, in its 2007/08 listings has ranked Biocon 20th amongst the leading biotechnology companies in the world and the 7th largest Biotech employer in the world. Biocon recently received the 2009 BioSingapore Asia Pacific Biotechnology Award for Best Listed Company.

Focusing on unmet medical needs in cancer, diabetes and inflammatory diseases, Biocon offers novel therapies on a platform of affordable innovation. Biocon's strategic licensing partnerships provide market penetration and global access to deliver breakthrough therapeutics to millions of patients the world over.

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.

BIOCON GROUP

Q4 FY 2009 vs Q4 FY 2008

AND

YTD MAR FY 09 VS YTD MAR FY 08

FACT SHEET

BIOCON LIMITED (CONSOLIDATED)		
BALANCE SHEET		<i>(Rs. Millions)</i>
Particulars	As at 31-Mar-09	As at 31-Mar-08
<u>SOURCES OF FUNDS</u>		
Share Capital	1,000	500
Reserves & Surplus	14,194	14,341
Total Shareholder's Funds	15,194	14,841
Minority interest	227	-73
Deferred Tax Liability	466	465
Secured Loans	3,983	1,351
Unsecured Loans	1,275	1,200
Total Loan Funds	5,258	2,551
Total	21,145	17,784
<u>APPLICATION OF FUNDS</u>		
Fixed Assets (Net)	13,345	10,419
Intangible Assets	499	276
Investments	3,676	4,748
Inventories	3,192	1,790
Sundry debtors	3,671	2,591
Cash and bank balances	119	96
Loans and advances	1,015	869
Total Current Assets, Loans & Advances	7,997	5,346
Less: Current liabilities and provisions	4,372	3,005
Net Current assets	3,625	2,341
Total	21,145	17,784

BIOCON LIMITED (CONSOLIDATED)

PROFIT & LOSS STATEMENT

(Rs. Millions)

(Rs. Millions)

Particulars	Q4	Q4	Q4	Variance Without Axicorp	Full Year ended Mar 31, 2009	Full Year ended Mar 31, 2009	Full Year ended March 31, 2008	Variance Without Axicorp
	With Axicorp FY 2009	Without Axicorp FY 2009	FY 2008		With Axicorp	Without Axicorp	2008	
INCOME								
Biopharmaceuticals*	3,984	2,242	2,205	2%	13,841	9,147	8,323	10%
Contract research	679	679	461	47%	2,246	2,246	1,755	28%
	4,663	2,921	2,666	10%	16,087	11,393	10,078	13%
Enzymes	-	-	-	-	-	-	460	-
Total Sales	4,663	2,921	2,666	10%	16,087	11,393	10,538	8%
Other income	203	123	126	-2%	646	544	364	49%
Total Income / Revenues	4,866	3,044	2,792	9%	16,733	11,937	10,902	9%
EXPENDITURE								
Material & Power Costs	2,790	1,310	1,293	1%	9,078	5,161	5,116	1%
Staff costs	448	317	217	46%	1,653	1,291	1,002	29%
Research & Development	202	202	141	43%	598	598	471	27%
Forex Loss/ (gain)	(48)	(51)	(12)	325%	112	105	(23)	-557%
Other Expenses	372	250	201	24%	1,412	1,067	986	8%
Manufacturing, staff & other exps	3,764	2,028	1,840	9%	12,853	8,222	7,552	
PBDIT /EBIDTA	1,102	1,016	952	6%	3,880	3,715	3,350	10%
Interest and finance charges	62	52	28	85%	177	154	102	
PBDT	1,040	964	924	2%	3,703	3,561	3,248	8%
Depreciation	307	296	242	21%	1,103	1,077	939	
PBT	733	668	682	-5%	2,600	2,484	2,309	5%
Taxes	(16)	(15)	60	-126%	118	101	129	
PROFIT FOR THE PERIOD	749	683	622	10%	2,482	2,383	2,180	9%
Add/(less): Minority interest / Share of Losses in Associates	(86)	(66)	22		(79)	(45)	65	
Profit before Exceptional Items	663	617	644	-4%	2,403	2,338	2,245	4%
Exceptional Item - Net of Tax **	(414)	(414)	9		(1472)	(1472)	2,394	
NET PROFIT (PAT)	249	203	653	-69%	931	866	4,639	-81%
EPS on issued capital Rs. (before exceptional items)	3.3	3.1			12.0	11.7	22.5	

Note: The figures are rounded off to nearest million, percentages are based on absolute numbers

* Includes Technical licensing fee Rs.64 (Q4 FY 09), Rs. 103 (Q4 FY 08), Rs. 123 (FY 09) and Rs.448 (FY 08)

** Exceptional item for the year ended March 31, 2009 comprise MTM loss in respect of forex forward contracts

** Exceptional item for the year March 31, 2008 comprise Profit on Divestment of Enzyme