

For Immediate Release

Bangalore, India

January 21, 2010

## Biocon Limited Announces Results for the Nine Months Ended December 31, 2009

**Revenues at Rs 1,739 crores; EBITDA at Rs 369 crores; PAT at Rs 213 crores.**

***Commenting on the results, Chairman and Managing Director, Kiran Mazumdar-Shaw said - "Biocon has delivered strong growth in all business segments and we are confident of maintaining this momentum in the next quarter. I am particularly pleased that we have filed a US IND application for IN 105 (Oral Insulin), one of our leading innovative research programs".***

### Performance Highlights

#### **For nine months ended December 31, 2009**

*Biocon Group including German Subsidiary AxiCorp*

- Total Income at Rs 1,739 crores. Up 47% YoY.
- EBITDA at Rs 369 crores. YoY growth was 33%.
- PAT at Rs 213 crores. YoY growth was 212%.
- Operating Margin at 21%.
- Earnings Per Share at Rs 11.

*Biocon Group excluding German Subsidiary AxiCorp*

- Total Income at Rs 1,079 crores. Up 21% YoY.
- EBITDA at Rs 328 crores. YoY growth was 21%.
- PAT at Rs 192 crores. Up 190% YoY.
- Operating Margin at 30%.

#### **For three months ended December 31, 2009**

*Biocon Group including German Subsidiary AxiCorp.*

- Total Income at Rs 642 crores. Up 42% YoY.
- EBITDA at Rs 133 crores. YoY growth was 19%.
- PAT at Rs 81 crores. YoY growth was 187%.
- Operating Margin at 21%.
- Earnings Per Share at Rs 4.

*Biocon Group excluding German Subsidiary AxiCorp*

- Total Income at Rs 382 crores. YoY growth was 29%.
- EBITDA at Rs 114 crores. YoY growth of 7%.
- PAT at Rs 71 crores. YoY growth was 159%.
- Operating Margin at 30%.

#### **Other highlights:**

- A key highlight in this quarter was the filing of a US IND application for our IN-105 (oral insulin) program.
- Total headcount for the group is 4000+ employees.

#### Key revenue drivers for 9M FY10 were -

- Robust sales of APIs, specifically statins and immuno-suppressants in developed markets.
- Healthy insulin sales in India and emerging markets.
- Strong 37% YoY growth in branded formulations.
- Research services deliver top line growth of 32% YoY.

## Business Operations and Outlook

### Biopharmaceuticals –

- **Branded Formulations** – This segment has posted a strong 37% YoY growth with 9M FY10 revenues crossing Rs 100 crores. This segment caters to the Indian market and accounts for ~10% of Biocon (excluding Axicorp) revenues.

Performance highlights of therapeutic segments:

#### Diabetology

- Bayer's Breeze-2, Blood Glucose Monitor launched by Biocon in India to support improved diabetes therapy.

#### Oncology

- As part of life cycle management, Biocon, in partnership with the HCG group, initiated a trial on Nimotuzumab (BIOMAb EGFR<sup>®</sup>) in cervical cancer patients.
- Over 600 patients treated with Abraxane<sup>®</sup> in India since its launch in July 2008.
- Nufil Safe<sup>™</sup> was launched as the 16th brand in the Filgrastim market; has surged to the 6th position.

#### Nephrology

- Brand ERYPRO *safe*<sup>™</sup> has garnered a ~9% market share in the Erythropoietin market.
- Within three years of launch, Biocon has garnered a ~10% market share in the Nephrology segment.

#### Cardiology

- Clotide<sup>™</sup> (Eptifibatide) is now the No 1 brand in its category within 12 months of launch.

- **Research and Development** – Historically, Biocon's R&D programs have been financed entirely from internal accruals. Total R&D spend, as a proportion of Biocon standalone revenue, now stands at 8%. This is reflective of our increased investment in pipeline expansion and advancing our novel programs to Phase II/III Human Clinical trials. The Mylan partnership for biosimilars is also making satisfactory progress. Additionally, Biocon's strategic research alliances with Amylin and Vaccinex is enabling us to expand our footprint in drug innovation. This multi-pronged research strategy has yielded a high potential R&D pipeline that is risk balanced between novel and generic programs.
- **AxiCorp** – The German subsidiary's traditional business remained its key revenue driver along with accretion from the Metformin tender.
- **Markets** – Biocon will increasingly focus on expanding its sales in the emerging markets. As of December 2009, India and the emerging markets accounted for ~40% of Biocon's consolidated revenues.

*"We are pleased to report continued progress in driving near-term growth through a strong focus on our insulins portfolio in emerging markets, our branded formulations sales in India and our API sales globally. This strategic focus has helped fuel our R&D investments in novel and biosimilar antibodies and in oral insulin in a risk-mitigated way."* - Dr. Arun Chandavarkar, Chief Operating Officer.

## Research Services –

- Syngene has posted a strong top line growth of 34% YoY and EBITDA growth of 69% YoY.
- On the business front, Syngene’s clients are reinitiating programs that were put on hold last year. This quarter also has seen the addition of new customers.

***“Syngene anticipates a further ramp-up in business with existing global customers. This is supported by investments made in the last 18 months. Importantly, there is a clear trend of increased outsourcing of integrated drug discovery programs which Syngene is well positioned to capitalize on” – Dr. Goutam Das, Chief Operating Officer, Syngene International.***

## 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 EMEA acceptance. Biocon’s robust product offering includes the world’s first recombinant human insulin, INSUGEN® and India’s first indigenously produced monoclonal antibody BIOMAb-EGFR(TM). **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. Market share data of our branded formulations are our estimates and are predicated on publically available information.

## Earnings Call

The company will conduct an hour long call at 3 pm IST on January 21, 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 toll-free (India only) dial-in numbers for the call are 1-800 425-4061 / 1-800-425-4250 (Accessible through BSNL / MTNL / Airtel / Tata / Reliance landlines and mobiles). 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 Jan 21, 2010 – Jan 25, 2010 on the same dial-in numbers provided above. The transcript of the conference call will be posted on the corporate website.

## Contact Information

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

**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.*