



Biocon Limited

20th KM Hosur Road
Electronics City
Bangalore 560 100, India
T 91 80 2808 2808
F 91 80 2852 3423
CIN : L24234KA1978PLC003417

www.biocon.com

Letter No: 2018/SEC/JAN/235

January 24, 2018

National Stock Exchange of India Limited,
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (East),
Mumbai- 400 051

Bombay Stock Exchange Limited,
P J Tower, Dalal Street,
Mumbai 400 001

Dear Sir / Madam,

Sub: - Outcome of Board Meeting.

Ref: BSE Scrip code: **532523** NSE Symbol: **BIOCON**

The Board of Directors ('Board') of BIOCON LIMITED at their meeting held today i.e. January 24, 2018, considered and approved the un-audited financial results of the Company (both standalone and consolidated) for the quarter ended December 31, 2017.

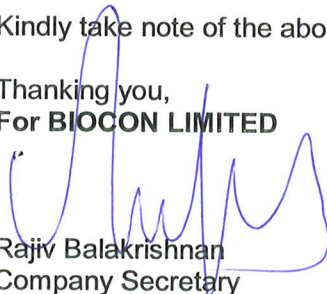
A copy of the un-audited financial results in the prescribed format, reviewed by Audit and Risk Committee and approved by the Board along with the limited review report of statutory auditors is enclosed herewith. Also please find enclosed, the fact sheet and a copy of the press release issued by the Company in this regard. The Company is organizing a conference call with the investors/analysts on Thursday, January 25, 2018 at 9.00 A.M. to discuss the above results.

The unaudited financial results of the Company for the quarter ended December 31, 2017 is also uploaded on the Company's website: www.biocon.com.

The meeting of the Board of Directors commenced at 4.30 PM and concluded at 5:50 PM.

Kindly take note of the above.

Thanking you,
For BIOCON LIMITED



Rajiv Balakrishnan
Company Secretary

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

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Limited Review report

Review report to The Board of Directors of Biocon Limited

We have reviewed the accompanying statement of unaudited standalone financial results (“Statement”) of Biocon Limited (“the Company”) for the quarter and nine months ended 31 December 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Regulations”).

This Statement is the responsibility of the Company’s Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, ‘*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*’ issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of SEBI Regulations and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Bengaluru
Date: 24 January 2018

BIOCON LIMITED
CIN: L24234KA1978PLC003417 Website: www.biocon.com
Registered office: 20th KM HOSUR ROAD, ELECTRONIC CITY P.O., BANGALORE - 560 100
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Million, except per equity share data)

| Sl. No. | Particulars | 3 months ended | 3 months ended | 3 months ended | 9 months ended | 9 months ended | Previous Year |
|---------|---|------------------|------------------|------------------|------------------|------------------|---------------------|
| | | 31.12.2017 | 30.09.2017 | 31.12.2016 | 31.12.2017 | 31.12.2016 | ended 31.03.2017 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | Income | | | | | | |
| | Revenue from operations | 5,921 | 6,047 | 6,550 | 17,774 | 19,863 | 26,184 |
| | Other income | 374 | 457 | 332 | 939 | 881 | 988 |
| | Total income | 6,295 | 6,504 | 6,882 | 18,713 | 20,744 | 27,172 |
| 2 | Expenses | | | | | | |
| | a) Cost of raw materials and packing materials consumed | 2,535 | 1,922 | 2,676 | 6,952 | 7,327 | 9,915 |
| | b) Purchases of traded goods | 212 | 240 | 215 | 623 | 718 | 902 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (233) | 556 | (362) | 95 | (111) | (465) |
| | d) Excise duty | - | - | 68 | 63 | 247 | 305 |
| | e) Employee benefits expense | 1,043 | 964 | 953 | 2,968 | 2,746 | 3,650 |
| | f) Finance costs | 1 | 2 | 8 | 12 | 29 | 38 |
| | g) Depreciation and amortisation expenses | 332 | 334 | 382 | 1,038 | 1,125 | 1,506 |
| | h) Other expenses | 1,839 | 1,645 | 1,470 | 4,813 | 4,293 | 5,963 |
| | | 5,729 | 5,663 | 5,410 | 16,564 | 16,374 | 21,814 |
| | Less: Recovery of cost from co-development partners (net) | (34) | (9) | - | (43) | (1) | (4) |
| | Total expenses | 5,695 | 5,654 | 5,410 | 16,521 | 16,373 | 21,810 |
| 3 | Profit before tax and exceptional item | 600 | 850 | 1,472 | 2,192 | 4,371 | 5,362 |
| 4 | Exceptional items | - | - | - | - | - | - |
| 5 | Profit before tax (3 + 4) | 600 | 850 | 1,472 | 2,192 | 4,371 | 5,362 |
| 6 | Tax expense | 163 | 166 | 431 | 526 | 1,216 | 169 |
| 7 | Profit for the period/year (5 - 6) | 437 | 684 | 1,041 | 1,666 | 3,155 | 5,193 |
| 8 | Other comprehensive income | | | | | | |
| | A (i) Items that will not be reclassified to profit or loss | (6) | (7) | (5) | (20) | (15) | (27) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | - | - | 1 | - | 5 | 9 |
| | B (i) Items that will be reclassified to profit or loss | 26 | (44) | 34 | (29) | 86 | 149 |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | (9) | 15 | (10) | 10 | (25) | (47) |
| | Other comprehensive income, net of taxes | 11 | (36) | 20 | (39) | 51 | 84 |
| 9 | Total comprehensive income for the period (7+8) | 448 | 648 | 1,061 | 1,627 | 3,206 | 5,277 |
| 10 | Paid-up equity share capital (Face value of Rs. 5 each) | 3,000 | 3,000 | 1,000 | 3,000 | 1,000 | 1,000 |
| 11 | Reserves i.e. Other equity | | | | | | 64,411 |
| 13 | Earnings per share (of Rs. 5 each) (refer note 6 below) | (not annualised) | (not annualised) | (not annualised) | (not annualised) | (not annualised) | (annualised) |
| | (a) Basic | 0.74 | 1.16 | 1.77 | 2.83 | 5.36 | 8.82 |
| | (b) Diluted | 0.74 | 1.15 | 1.75 | 2.81 | 5.33 | 8.76 |
| | See accompanying notes to the financial results | | | | | | |



B S R & Co. LLP

Chartered Accountants

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Bangalore 560 071 India

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Limited Review report

Review Report to The Board of Directors of Biocon Limited

We have reviewed the accompanying statement of unaudited consolidated financial results ("Statement") of Biocon Limited ("the Company"), its subsidiaries, associate and a joint venture (collectively referred to as 'the Group') (Refer to Note 3 of the Statement), for the quarter and nine months ended 31 December 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations').

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not review the unaudited financial information of a subsidiary and a joint venture both incorporated outside India included in the consolidated financial results of the Group. This subsidiary accounts for Rs 124 million and Rs 575 million of net loss and Rs 774 million and Rs 1,902 million of revenues (including other income) for the quarter and nine months ended 31 December 2017 and Rs 23,519 million of total assets as at 31 December 2017. The financial results also includes Group's share of net profit of Rs 62 million and Rs 162 million for the quarter and nine months ended 31 December 2017, in respect of such joint venture. The unaudited financial results of the subsidiary and joint venture both incorporated outside India have been reviewed by the other auditors whose reports have been furnished to us. Our opinion on the unaudited consolidated Statement, in so far as it relates to this subsidiary and joint venture, is based on the aforesaid review reports of the other auditors.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of SEBI Regulations and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Co. LLP
Chartered Accountants

Firm Registration Number: 101248W/W-100022



S Sethuraman
Partner

Membership Number: 203491

Place: Bengaluru
Date: 24 January 2018

BIOCON LIMITED

CIN: L24234KA1978PLC003417 Website: www.biocon.com

Registered office: 20th KM HOSUR ROAD, ELECTRONIC CITY P.O., BANGALORE - 560 100

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Million, except per equity share data)

| Sl. No. | Particulars | 3 months ended | 3 months ended | 3 months ended | 9 months ended | 9 months ended | Previous Year ended 31.03.2017 |
|---------|--|------------------|------------------|------------------|------------------|------------------|-----------------------------------|
| | | 31.12.2017 | 30.09.2017 | 31.12.2016 | 31.12.2017 | 31.12.2016 | |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | Income | | | | | | |
| | Revenue from operations | 10,579 | 9,686 | 10,444 | 29,602 | 29,905 | 39,216 |
| | Other income | 339 | 508 | 474 | 1,387 | 1,267 | 1,571 |
| | Total income | 10,918 | 10,194 | 10,918 | 30,989 | 31,172 | 40,787 |
| 2 | Expenses | | | | | | |
| | a) Cost of raw materials and packing materials consumed | 3,587 | 3,077 | 3,808 | 10,211 | 9,819 | 13,224 |
| | b) Purchases of traded goods | 697 | 718 | 481 | 1,919 | 1,626 | 1,932 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (46) | (19) | (610) | (521) | (405) | (690) |
| | d) Excise duty | - | - | 68 | 63 | 247 | 305 |
| | e) Employee benefits expense | 2,353 | 2,255 | 1,942 | 6,741 | 5,531 | 7,470 |
| | f) Finance costs | 147 | 138 | 88 | 446 | 210 | 260 |
| | g) Depreciation and amortisation expenses | 974 | 936 | 703 | 2,898 | 2,047 | 2,772 |
| | h) Other expenses | 2,415 | 2,208 | 2,373 | 6,622 | 6,450 | 8,463 |
| | | 10,127 | 9,313 | 8,853 | 28,379 | 25,525 | 33,736 |
| | Less: Recovery of cost from co-development partners (net) | (644) | (376) | (379) | (1,394) | (1,155) | (1,283) |
| | Total expenses | 9,483 | 8,937 | 8,474 | 26,985 | 24,370 | 32,453 |
| 3 | Profit before share of profit of Joint venture, exceptional items and tax (1-2) | 1,435 | 1,257 | 2,444 | 4,004 | 6,802 | 8,334 |
| 4 | Share of profit of Joint venture and Associate | 62 | 59 | 8 | 162 | 108 | 163 |
| 5 | Profit before tax and exceptional items (3-4) | 1,497 | 1,316 | 2,452 | 4,166 | 6,910 | 8,497 |
| 6 | Exceptional items (net) [refer note 4 below] | - | - | - | - | - | - |
| 7 | Profit before tax (5-6) | 1,497 | 1,316 | 2,452 | 4,166 | 6,910 | 8,497 |
| 8 | Tax expense | 361 | 425 | 544 | 1,162 | 1,513 | 1,616 |
| 9 | Profit for the period / year before non-controlling interest (7-8) | 1,136 | 891 | 1,908 | 3,004 | 5,397 | 6,881 |
| 10 | Non-controlling interest | (217) | (203) | (195) | (584) | (551) | (760) |
| 11 | Profit for the period (9-10) | 919 | 688 | 1,713 | 2,420 | 4,846 | 6,121 |
| 12 | Other comprehensive income | | | | | | |
| | A (i) Items that will not be reclassified to profit or loss | (14) | (14) | (6) | (42) | (18) | (57) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | 1 | 1 | 2 | 3 | 5 | 15 |
| | B (i) Items that will be reclassified to profit or loss | 427 | 62 | 286 | 549 | 592 | 1,293 |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | (114) | 12 | (36) | (114) | (98) | (263) |
| | Total other comprehensive income, net of tax | 300 | 61 | 246 | 396 | 481 | 988 |
| 13 | Non-controlling interest | (103) | 1 | (44) | (118) | (101) | (224) |
| 14 | Other comprehensive income attributable to Shareholders (12+13) | 197 | 62 | 202 | 278 | 380 | 764 |
| | Total comprehensive income attributable to: | | | | | | |
| | Shareholders of the Company | 1,116 | 750 | 1,915 | 2,698 | 5,226 | 6,885 |
| | Non-controlling interest | 320 | 202 | 239 | 702 | 652 | 984 |
| | Total comprehensive income | 1,436 | 952 | 2,154 | 3,400 | 5,878 | 7,869 |
| 15 | Paid-up equity share capital (Face value of Rs. 5 each) | 3,000 | 3,000 | 1,000 | 3,000 | 1,000 | 1,000 |
| 16 | Reserves i.e. Other equity | | | | | | 47,377 |
| 17 | Earnings per share (of Rs. 5 each) (refer note 6 below) | (not annualised) | (not annualised) | (not annualised) | (not annualised) | (not annualised) | (annualised) |
| | (a) Basic | 1.56 | 1.17 | 2.91 | 4.10 | 8.23 | 10.39 |
| | (b) Diluted | 1.55 | 1.16 | 2.88 | 4.08 | 8.18 | 10.32 |
| | See accompanying notes to the financial results | | | | | | |



BIOCON LIMITED

CIN: L24234KA1978PLC003417 Website: www.biocon.com

Registered office : 20TH KM HOSUR ROAD, ELECTRONIC CITY P.O., BANGALORE - 560 100

SEGMENT DETAILS OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Million)

| Particulars | 3 months ended 31.12.2017 | 3 months ended 30.09.2017 | 3 months ended 31.12.2016 | 9 months ended 31.12.2017 | 9 months ended 31.12.2016 | Previous Year ended 31.03.2017 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|-----------------------------------|
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Segment revenue | | | | | | |
| a. Small molecules | 3,688 | 3,505 | 4,069 | 10,822 | 12,457 | 16,405 |
| b. Biologics | 1,898 | 1,557 | 2,224 | 5,294 | 5,385 | 7,018 |
| c. Branded formulations | 1,561 | 1,759 | 1,233 | 4,624 | 4,179 | 5,489 |
| d. Research services | 3,877 | 3,352 | 3,322 | 10,140 | 9,097 | 11,925 |
| Total | 11,024 | 10,173 | 10,848 | 30,880 | 31,118 | 40,837 |
| Less: Inter-segment revenue | (445) | (487) | (404) | (1,278) | (1,213) | (1,621) |
| Net sales / Income from continuing operations | 10,579 | 9,686 | 10,444 | 29,602 | 29,905 | 39,216 |
| Segment results | | | | | | |
| Profit before interest and tax from each segment | | | | | | |
| a. Small molecules | 820 | 467 | 970 | 1,991 | 3,076 | 4,142 |
| b. Biologics | (48) | (205) | 623 | (313) | 1,338 | 1,397 |
| c. Branded formulations # | 79 | 186 | 52 | 305 | 364 | 463 |
| d. Research services | 977 | 944 | 920 | 2,681 | 2,563 | 3,465 |
| Total | 1,828 | 1,392 | 2,565 | 4,664 | 7,341 | 9,467 |
| Less: Interest | 94 | 86 | 20 | 290 | 64 | 86 |
| Other un-allocable expenditure / (income), net | 237 | (10) | 93 | 208 | 367 | 884 |
| Profit before tax and before exceptional items # | 1,497 | 1,316 | 2,452 | 4,166 | 6,910 | 8,497 |
| Segment assets | | | | | | |
| a. Small molecules | 17,759 | 17,062 | 15,161 | 17,759 | 15,161 | 16,116 |
| b. Biologics | 34,434 | 33,217 | 32,285 | 34,434 | 32,285 | 34,111 |
| c. Branded formulations | 3,039 | 2,931 | 2,145 | 3,039 | 2,145 | 2,386 |
| d. Research services | 28,588 | 27,710 | 25,240 | 28,588 | 25,240 | 27,738 |
| | 83,820 | 80,920 | 74,831 | 83,820 | 74,831 | 80,351 |
| e. Unallocable | 12,447 | 13,830 | 17,323 | 12,447 | 17,323 | 13,591 |
| Total segment assets | 96,267 | 94,750 | 92,154 | 96,267 | 92,154 | 93,942 |
| Segment liabilities | | | | | | |
| a. Small molecules | 4,722 | 4,153 | 3,735 | 4,722 | 3,735 | 3,548 |
| b. Biologics | 7,037 | 6,560 | 6,994 | 7,037 | 6,994 | 8,251 |
| c. Branded formulations | 2,135 | 2,085 | 1,513 | 2,135 | 1,513 | 1,650 |
| d. Research services | 11,899 | 12,285 | 12,386 | 11,899 | 12,386 | 13,607 |
| | 25,793 | 25,083 | 24,628 | 25,793 | 24,628 | 27,056 |
| e. Unallocable | 15,325 | 16,158 | 17,722 | 15,325 | 17,722 | 14,748 |
| Total segment liabilities | 41,118 | 41,241 | 42,350 | 41,118 | 42,350 | 41,804 |
| Capital employed | | | | | | |
| a. Small molecules | 13,037 | 12,909 | 11,426 | 13,037 | 11,426 | 12,568 |
| b. Biologics | 27,397 | 26,657 | 25,291 | 27,397 | 25,291 | 25,860 |
| c. Branded formulations | 904 | 846 | 632 | 904 | 632 | 736 |
| d. Research services | 16,689 | 15,425 | 12,854 | 16,689 | 12,854 | 14,131 |
| | 58,027 | 55,837 | 50,203 | 58,027 | 50,203 | 53,295 |
| e. Unallocable | (2,878) | (2,328) | (399) | (2,878) | (399) | (1,157) |
| Total capital employed | 55,149 | 53,509 | 49,804 | 55,149 | 49,804 | 52,138 |
| # includes share of profit of Joint venture | | | | | | |



Biocon Limited

Unaudited financial results for the quarter and nine months ended December 31, 2017

Notes:

1. The unaudited standalone and consolidated financial results for the quarter and nine months ended December 31, 2017 in respect of Biocon Limited ('the Company') have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on January 24, 2018. The above results have been subjected to limited review by the statutory auditors of the Company. The reports of the statutory auditors are unqualified.
2. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5, 2016.
3. The consolidated financial results include the financial results of the parent company Biocon Limited and the financial results of the following subsidiaries:
 - Syngene International Limited ('Syngene')
 - Biocon Research Limited
 - Biocon Pharma Limited
 - Biocon Academy
 - Biocon SA
 - Biocon SDN. BHD
 - Biocon FZ LLC
 - Biocon Biologics Limited
 - Biocon Pharma Inc.
 - Biocon Biologics India Limited
 - Biocon Healthcare SDN. BHD
 - Syngene USA Inc.

In addition to the above, the consolidated financial results also include the financial results in respect of Biocon India Limited Employee Welfare Trust and Syngene Employees Welfare Trust. The Company has also accounted for its share of interest in the joint venture i.e. NeoBiocon FZ-LLC and share of investment in the associate i.e. Iatrica Inc., if any under the equity method. Biocon Limited, its subsidiaries, associate and a joint venture are collectively referred to as 'the Group'.

4. Pursuant to a fire incident on December 12, 2016 at Syngene, certain fixed assets, inventory and other contents in one of the buildings were damaged. Syngene lodged an estimate of loss with the insurance company and the survey is currently ongoing. Syngene recorded a loss of Rs. 795 million arising from such incident during the year ended March 31, 2017. During the quarter and nine months ended December 31, 2017, Syngene has additionally written off net book value of assets aggregating to Rs. Nil and Rs. 47 million respectively. Syngene also recognized a minimum insurance claim receivable for equivalent amounts in the respective periods. The aforementioned loss and the corresponding credit arising from insurance claim receivable has been presented on a net basis (Rs. Nil) under Exceptional items in these financial results.

In addition, the Group is in the process of determining its claim for Business Interruption and has accordingly not recorded any claim arising therefrom at this stage.



Biocon Limited

Unaudited financial results for the quarter and nine months ended December 31, 2017

5. Segment Reporting in Consolidated financial results: Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Marker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.
6. The Company has allotted 400,000,000 equity shares of Rs. 5/- each fully paid up as bonus shares on June 19, 2017 in the ratio of 2:1 (Two equity shares of Rs. 5/- each for every one equity share of Rs. 5/- each held in the Company as on the record date i.e., June 17, 2017) by capitalisation of securities premium account. In accordance with Ind AS 33, Earnings per share, the earnings per share data has been adjusted to give effect to the bonus issue for all periods presented.
7. Prior period/ year figures have been reclassified wherever required to conform to the classification of the current period/ year.

For and on behalf of the Board of Directors of Biocon Limited



Bangalore,
January 24, 2018

A handwritten signature in blue ink, appearing to read "Kiran Mazumdar Shaw".

Kiran Mazumdar Shaw
Chairman and Managing Director



BIOCON GROUP

FACT SHEET

December - 2017

BIOCON LIMITED (CONSOLIDATED)
BALANCE SHEET

(Rs Million)

| | December 31, 2017 | March 31, 2017 |
|---|-------------------|----------------|
| ASSETS | | |
| Non-current assets | | |
| (a) Property, plant and equipment | 34,982 | 35,529 |
| (b) Capital work-in-progress | 7,114 | 5,327 |
| (c) Investment property | 7 | 8 |
| (d) Goodwill | 264 | 264 |
| (e) Other intangible assets | 426 | 458 |
| (f) Intangible assets under development | 4,227 | 3,065 |
| (g) Investments in associates and a joint venture | 584 | 422 |
| (h) Financial assets | | |
| Investments | - | 1,458 |
| Derivative assets | 1,424 | 1,092 |
| Other financial assets | 241 | 197 |
| (i) Income tax asset, net | 1,154 | 895 |
| (j) Deferred tax asset, net | 1,888 | 1,975 |
| (k) Other non-current assets | 3,608 | 2,775 |
| | 55,919 | 53,465 |
| Current assets | | |
| (a) Inventories | 7,355 | 6,353 |
| (b) Financial assets | | |
| Investments | 12,339 | 10,650 |
| Trade receivables | 10,146 | 8,832 |
| Cash and cash equivalents | 3,619 | 7,102 |
| Other bank balances | 2,051 | 3,341 |
| Derivative assets | 1,270 | 1,059 |
| Other financial assets | 1,969 | 1,551 |
| (c) Other current assets | 1,599 | 1,589 |
| | 40,348 | 40,477 |
| TOTAL | 96,267 | 93,942 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Share capital | 3,000 | 1,000 |
| (b) Other equity | 47,632 | 47,377 |
| Equity attributable to equity holders of the Company | 50,632 | 48,377 |
| Non-controlling interest | 4,517 | 3,761 |
| | 55,149 | 52,138 |
| Non-current liabilities | | |
| (a) Financial liabilities | | |
| Borrowings | 19,149 | 21,082 |
| Derivative liability | 71 | 61 |
| Other financial liabilities | 1 | 2 |
| (b) Provisions | 409 | 360 |
| (c) Other non-current liabilities | 3,331 | 3,516 |
| | 22,961 | 25,021 |
| Current liabilities | | |
| (a) Financial liabilities | | |
| Borrowings | 2,070 | 972 |
| Trade payables | 9,623 | 7,397 |
| Derivative liability | 17 | 63 |
| Other financial liabilities | 3,962 | 3,261 |
| (b) Short-term provision | 558 | 468 |
| (c) Income tax liability, net | 953 | 964 |
| (d) Other current liabilities | 974 | 3,658 |
| | 18,157 | 16,783 |
| TOTAL | 96,267 | 93,942 |

BIOCON LIMITED (CONSOLIDATED)**PROFIT & LOSS STATEMENT**

(Rs. Million)

| Particulars | 9M FY 18 | 9M FY 17 | Variance |
|--|---------------|---------------|-------------|
| INCOME | | | |
| Small molecules | 10,822 | 12,457 | -13% |
| Biologics | 5,294 | 5,385 | -2% |
| Branded formulations | 4,624 | 4,179 | 11% |
| Research services | 10,140 | 9,097 | 11% |
| Inter-segment | (1,278) | (1,213) | 5% |
| Revenue from operations | 29,602 | 29,905 | -1% |
| Other income | 1,387 | 1,267 | 9% |
| TOTAL REVENUE | 30,989 | 31,172 | -1% |
| EXPENDITURE | | | |
| Material & Power costs | 13,023 | 12,279 | 6% |
| Staff costs | 6,119 | 5,093 | 20% |
| Research & Development expenses* | 1,650 | 2,010 | -18% |
| Other expenses | 2,849 | 2,731 | 4% |
| Manufacturing, staff & other expenses | 23,641 | 22,113 | 7% |
| EBITDA | 7,348 | 9,059 | -19% |
| Interest & Finance charges | 446 | 210 | 112% |
| Depreciation & Amortisation | 2,898 | 2,047 | 42% |
| Share of profit in JV | (162) | (108) | 50% |
| PBT | 4,166 | 6,910 | -40% |
| Taxes | 1,162 | 1,513 | -23% |
| Taxes on exceptional item | - | - | - |
| NET PROFIT BEFORE MINORITY INTEREST | 3,004 | 5,397 | -44% |
| Minority interest | 584 | 551 | 6% |
| NET PROFIT FOR THE PERIOD | 2,420 | 4,846 | -50% |
| EPS Rs. | 4.0 | 8.1 | |
| # Licensing Income | 205 | 1,294 | |
| * Gross Research & Development expenses | 2,829 | 3,041 | |

| BIOCON LIMITED (CONSOLIDATED) | | | |
|--|---------------|---------------|-------------------|
| PROFIT & LOSS STATEMENT | | | (Rs. Million) |
| Particulars | Q3 FY 18 | Q3 FY 17 | Variance IndAS |
| INCOME | | | |
| Small molecules | 3,688 | 4,069 | -9% |
| Biologics | 1,898 | 2,224 | -15% |
| Branded formulations | 1,561 | 1,233 | 27% |
| Research services | 3,877 | 3,322 | 17% |
| Inter-segment | (445) | (404) | 10% |
| Revenue from operations | 10,579 | 10,444 | 1% |
| Other income | 339 | 474 | -28% |
| TOTAL REVENUE | 10,918 | 10,918 | 0% |
| EXPENDITURE | | | |
| Material & Power costs | 4,695 | 4,073 | 15% |
| Staff costs | 2,145 | 1,795 | 19% |
| Research & Development expenses* | 529 | 846 | -37% |
| Other expenses | 993 | 969 | 2% |
| Manufacturing, staff & other expenses | 8,362 | 7,683 | 9% |
| EBITDA | 2,556 | 3,235 | -21% |
| Interest & Finance charges | 147 | 88 | 67% |
| Depreciation & Amortisation | 974 | 703 | 39% |
| Share of profit in JV | (62) | (8) | 675% |
| PBT | 1,497 | 2,452 | -39% |
| Taxes | 361 | 544 | -34% |
| Taxes on exceptional item | - | - | - |
| NET PROFIT BEFORE MINORITY INTEREST | 1,136 | 1,908 | -40% |
| Minority interest | 217 | 195 | 11% |
| NET PROFIT FOR THE PERIOD | 919 | 1,713 | -46% |
| EPS Rs. | 1.5 | 2.9 | |
| # Licensing Income | 118 | 794 | |
| * Gross Research & Development expenses | 942 | 1,000 | |

| BIOCON LIMITED (CONSOLIDATED) | | | |
|--|---------------|---------------|---------------|
| PROFIT & LOSS STATEMENT | | | (Rs. Million) |
| Particulars | Q3 FY 18 | Q2 FY 18 | Variance |
| INCOME | | | |
| Small molecules | 3,688 | 3,505 | 5% |
| Biologics | 1,898 | 1,557 | 22% |
| Branded formulations | 1,561 | 1,759 | -11% |
| Research services | 3,877 | 3,352 | 16% |
| Inter-segment | (445) | (487) | -9% |
| Revenue from operations # | 10,579 | 9,686 | 9% |
| Other income | 339 | 508 | -33% |
| TOTAL REVENUE | 10,918 | 10,194 | 7% |
| EXPENDITURE | | | |
| Material & Power costs | 4,695 | 4,229 | 11% |
| Staff costs | 2,145 | 2,043 | 5% |
| Research & Development expenses* | 529 | 539 | -2% |
| Other expenses | 993 | 1,052 | -6% |
| Manufacturing, staff & other expenses | 8,362 | 7,863 | 6% |
| EBITDA | 2,556 | 2,331 | 10% |
| Interest & Finance charges | 147 | 138 | 7% |
| Depreciation & Amortisation | 974 | 936 | 4% |
| Share of profit in JV | (62) | (59) | 5% |
| PBT | 1,497 | 1,316 | 14% |
| Taxes | 361 | 425 | -15% |
| Taxes on exceptional item | - | - | 0% |
| NET PROFIT BEFORE MINORITY INTEREST | 1,136 | 891 | 27% |
| Minority interest | 217 | 203 | 7% |
| NET PROFIT FOR THE PERIOD | 919 | 688 | 34% |
| EPS Rs. | 1.5 | 1.1 | |
| <i># Licensing Income</i> | 118 | 10 | |
| <i>* Gross Research & Development expenses</i> | 942 | 931 | |

Press Release

**Biocon Q3FY18 Revenue at Rs 1092 Crore;
EBITDA at Rs 256 Crore; Net Profit at Rs 92 Crore**

Bengaluru, Karnataka, India: January 24, 2018:

Biocon Ltd (BSE code: 532523, NSE: BIOCON), Asia's premier biopharmaceuticals company, today announced its consolidated financial results for the fiscal third quarter ended on December 31st, 2017.

Commenting on the highlights, Chairperson & Managing Director, Kiran Mazumdar-Shaw stated: *“This has been a significant quarter for Biocon as we crossed a major milestone of obtaining USFDA approval for biosimilar Trastuzumab partnered with Mylan. Another highlight was the announcement of a new strategic partnership with Sandoz to develop, manufacture and commercialize a portfolio of next wave of biosimilars for global markets.*

Our Branded Formulations and Research Services segments reported a healthy double-digit growth during this quarter. We expect growth in other segments to revive from early next fiscal.”

Highlights:

- **Biocon becomes the first Company from India to get its biosimilar approved by the USFDA; Ogivri™**, co-developed by Biocon and **Mylan**, is also the first biosimilar Trastuzumab to be approved in the US.
- **Biocon** collaborates with **Sandoz** for a **global partnership** to develop, manufacture and commercialize a number of next generation biosimilars to enhance patient access to complex bio-therapeutics in the area of immunology and oncology.
- **Biocon** also receives **approval** from **ANVISA**, the Brazilian regulatory agency, for **biosimilar Trastuzumab**, the first biosimilar Trastuzumab to be approved in Brazil.
- **Biocon** launches **KRABEVA®**, a biosimilar Bevacizumab in India, for the treatment of patients with metastatic colorectal cancer and other types of lung, kidney, cervical, ovarian and brain cancers.
- **EMA** accepts the resubmission of Marketing Authorization Applications for Biocon and Mylan's proposed biosimilars of Trastuzumab and Pegfilgrastim.



FINANCIAL HIGHLIGHTS (CONSOLIDATED): Q3FY18
As per IND-AS
In Rs Crore, except growth numbers

| Particulars | Q3FY18 | Q3FY17 | Growth |
|--|-------------|-------------|-----------|
| INCOME | | | |
| Small Molecules | 369 | 407 | -9% |
| Biologics | 190 | 222 | -15% |
| Branded Formulations | 156 | 123 | 27% |
| Research Services | 388 | 332 | 17% |
| Inter-segment | (45) | (40) | 10% |
| Revenue from Operations [#] | 1058 | 1044 | 1% |
| Other Income | 34 | 48 | -28% |
| TOTAL REVENUE | 1092 | 1092 | 0% |
| EBITDA | 256 | 324 | -21% |
| Interest & Finance charges | 15 | 9 | 67% |
| Depreciation & Amortisation | 97 | 71 | 39% |
| PBT | 150 | 245 | -39% |
| Net Profit | 92 | 171 | -46% |
| R&D Expenses in P&L | 53 | 85 | -37% |
| Gross R&D Spends | 94 | 100 | -6% |
| EBITDA Margin | 23% | 30% | |
| Core EBITDA Margin | 27% | 32% | |
| Net Profit Margin | 8% | 16% | |
| [#] includes Licensing Income | 12 | 79 | |

Notes: Figures above are rounded off to the nearest Cr; % based on absolute nos.

EXECUTIVE COMMENTARY:
PERFORMANCE REVIEW: Q3FY18

Biocon's **Total Revenue** for Q3FY18 stood at Rs 1092 Crore with **Revenue from Operations** at Rs 1058 Crore. **Licensing Income** for the quarter fell to Rs 12 Crore from Rs 79 Crore and **Other Income** declined to Rs 34 Crore thus impacting reported financial results this quarter.

Gross R&D expenses stood at Rs 94 Crore for this quarter, while **Net R&D expenses** reflected on the P&L were Rs 53 Crore, corresponding to 8% of our revenues (excluding Syngene).

EBITDA stood at Rs 256 Crore, with an **EBITDA margin** of 23% for Q3FY18. Operating margins declined on account of lower Licensing Income, compounded by fixed and operating costs related to Malaysia operations.

Core EBITDA margins for Q3FY18 (net of licensing, impact of forex and R&D) stood at 27%.

Reported Net Profit for the quarter was Rs 92 Crore, which represents a **Net Profit margin** of 8%. The bottomline for the quarter was impacted by a 42% increase in **Interest and Depreciation** costs to Rs 112 Crore largely attributable to Malaysia.

While the financial performance this quarter has been soft, the regulatory advancement in our Biologics business made during this period augurs well for the future.

BUSINESS SEGMENT REVIEW

SMALL MOLECULES: APIs & Generic Formulations

The **Small Molecules** business, which reported revenue of Rs 369 Crore, continues to face headwinds arising from pricing pressures and channel consolidation in the US impacting our statins business. However, continued demand for our immunosuppressants offset some of the pressure.

Rosuvastatin calcium, our first Generic Formulation launch in the competitive US market, has garnered about 10% market share. Our partner also launched this product on Day-1, in Western Europe.

BIOLOGICS: Biosimilars & Novels

Revenues from the **Biologics** vertical, comprising Novel Biologics and Biosimilars, were at Rs 190 Crore. Adjusted for licensing income, product sales grew 16% year on year with growth seen in both insulins and biosimilar antibodies portfolio.

The plant requalification activities undertaken at our fill-finish plant led to production disruption and supply constraints for some products thereby impacting sales. The plant has resumed commercial production, since then.

Biosimilars

Biocon & Sandoz Pact

Biocon recently announced a partnership with Sandoz, a Novartis division and a global leader in biosimilars, for an exclusive portfolio of next-generation biosimilars in the area of immunology and oncology. This is an endorsement of Biocon's expertise in developing and manufacturing biosimilars for global markets. This synergistic partnership will leverage the capabilities of both partners for an 'end to end' play encompassing development, manufacturing, regulatory approval and commercialization globally.

This collaboration addresses some of the long term biosimilars opportunities beyond the near term opportunities being addressed by our existing and continuing successful global partnership with Mylan. This new partnership is a significant milestone in Biocon's journey of developing high quality, affordable biologics that have the potential to benefit patients globally.

Regulatory Updates

Insulins & Analogs

We received regulatory approvals from **ANVISA**, Brazil for our Recombinant Human Insulin (rh-Insulin) drug product under the new non-originator biologicals pathway enabling us to target a larger share of the over US\$ 100 million rh-insulins market. Our Malaysia facility has also received GMP approval from ANVISA for both Drug Substance and Drug Product.

Our Insulin Glargine approval in Russia, one of the Top 3 emerging markets, will pave the way for the drug product launch by our partner later this year.

We also made progress in our biosimilar Insulin Aspart program, initiating a global Phase I clinical study for the molecule.

Monoclonal Antibodies & Recombinant Proteins

A major highlight of Q3FY18 was the US Food and Drug Administration's (USFDA) approval for Ogivri™, a biosimilar Trastuzumab co-developed by Biocon and Mylan. It is the first biosimilar Trastuzumab and the first biosimilar from Mylan and Biocon's joint portfolio to be approved in the US. It has earned Biocon the distinction of being the first company from India to secure a biosimilar approval in the US. This FDA approval endorses our biosimilars development and manufacturing capability and augurs well for obtaining regulatory approvals in several markets worldwide.

Our biosimilar Trastuzumab also received regulatory approval from ANVISA through our partner Libbs Farmaceutica. This is the first biosimilar Trastuzumab to be approved in Brazil.

The European Medicines Agency (EMA) has accepted for review our partner Mylan's resubmitted Marketing Authorization Applications (MAA) for proposed biosimilars of Trastuzumab and Pegfilgrastim.

Novel Biologics

Insulin Tregopil Program

We have commenced a pivotal Phase II/III clinical study with **Insulin Tregopil**, our novel, fast-acting oral insulin candidate, in people with Type 2 diabetes in India, post approval from the Drugs Controller General of India (DCGI).

BRANDED FORMULATIONS

The **Branded Formulations** business, which includes sales in India and UAE, reported a revenue of Rs 156 Crore, a YoY growth of 27%.

Revenue from the Branded Formulations (India) business was driven by Oncotherapeutics and Comprehensive Care divisions and strong sales reported by key brands such as **CANMAb™**, **BIOMAb EGFR®**, **Basalog®**, **Ivnex™** and others.

Initial sales from **KRABEVA®** (biosimilar Bevacizumab), our second oncology biosimilar launched in India, this quarter have been very encouraging. Developed for the treatment of metastatic colorectal cancer and other types of lung, kidney, cervical, ovarian and brain cancers, it is an important addition to our current Oncology portfolio in India.

The **Branded Formulations** business in UAE reported a strong revenue growth driven by metabolics portfolio comprising novel in-licensed products like **Jalra®** and **Imprida®** and our brand of biosimilar Insulin Glargine, **Glaricon™**. Sales momentum of our other branded generic products also boosted revenue during the quarter.

RESEARCH SERVICES – SYNGENE

The Research Services business through Syngene registered a growth of 17% at Rs 387 Crore,

on the back of a strong performance by the Chemical Development vertical and good traction in Discovery Services. Syngene has extended its agreement with Bristol-Myers Squibb (BMS) through 2026 and expanded the scope of its current collaboration.

Enclosed: Fact Sheet – with Financials as per IND-AS

About Biocon Ltd:

Biocon Limited, publicly listed in 2004, (BSE code: 532523, NSE Id: BIOCON, ISIN Id: INE376G01013) is India's largest and fully-integrated, innovation-led biopharmaceutical company. As an emerging global biopharmaceutical enterprise serving customers in over 120 countries, it is committed to reduce therapy costs of chronic diseases like diabetes, cancer and autoimmune. Through innovative products and research services it is enabling access to affordable healthcare for patients, partners and healthcare systems across the globe. It has successfully developed and taken a range of Novel Biologics, Biosimilars, differentiated Small Molecules and affordable Recombinant Human Insulin and Analogs from 'Lab to Market'. Some of its key brands are INSUGEN® (rh-insulin), BASALOG® (Glargine), CANMAB™ (Trastuzumab), BIOMAb-EGFR™ (Nimotuzumab), KRABEVA® (Bevacizumab) and ALZUMAb™ (Itolizumab), a 'first in class' anti-CD6 monoclonal antibody. The Company has a rich pipeline of Biosimilars and Novel Biologics at various stages of development including Insulin Tregopil, a high potential oral insulin. www.biocon.com, follow-us on Twitter: @bioconlimited

Earnings Call

The company will conduct a call at 9.00 AM IST on January 25, 2018 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 ten minutes ahead of the scheduled start time. The dial-in number for this call is +91 22 3938 1081 or +91 70456 71221. 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 the conclusion of the call till February 1, 2019 (23:50 IST) on +91 22 3065 2322 Playback code: 17384#. Transcript of the conference call will be uploaded on the company website in due course.

| FOR MORE INFORMATION | |
|--|---|
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DISCLAIMER: *This Press Release may include forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. The statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. The market data & rankings used, are based on several published reports and internal company assessment. We cannot guarantee that these forward- looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.*

