

**FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2009**

FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2009 (Rs. in Lakhs)						
Sl. No.	Particulars	Quarter ended 31.12.2009 (Unaudited)	Quarter ended 31.12.2008 (Unaudited)	Nine Months ended 31.12.2009 (Unaudited)	Nine Months ended 31.12.2008 (Unaudited)	Year ended 31.03.2009 (Audited)
1.	a. Net Sales/Income from Operations	30,083	21,987	83,577	69,074	91,234
	b. Other Operating Income	901	560	2,675	1,942	2,754
2.	Expenditure					
	a. (Increase)/decrease in stock in trade and Work in Progress	(764)	(1,451)	(2,177)	(3,023)	(2,677)
	b. Consumption of raw materials	13,408	8,554	38,449	31,074	39,887
	c. Purchase of traded goods	934	872	2,125	2,077	3,201
	d. Power cost	1,631	1,752	4,814	5,570	7,122
	e. Employee cost	2,645	2,131	7,357	6,246	8,200
	f. Depreciation and amortisation	2,003	1,887	5,946	5,503	7,428
	g. Other expenditure	4,462	4,231	12,554	10,455	13,637
	<b>h. Total</b>	<b>24,319</b>	<b>17,976</b>	<b>69,068</b>	<b>57,902</b>	<b>76,798</b>
3.	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	<b>6,665</b>	<b>4,571</b>	<b>17,184</b>	<b>13,114</b>	<b>17,190</b>
4.	Other Income	614	1,608	2,461	3,711	4,724
5.	<b>Profit before Interest &amp; Exceptional Items (3+4)</b>	<b>7,279</b>	<b>6,179</b>	<b>19,645</b>	<b>16,825</b>	<b>21,914</b>
6.	Interest	36	71	137	404	494
7.	<b>Profit after Interest but before Exceptional Items (5-6)</b>	<b>7,243</b>	<b>6,108</b>	<b>19,508</b>	<b>16,421</b>	<b>21,420</b>
8.	Tax Expense, net of reversals	663	439	1,936	1,243	1,040
9.	<b>Net Profit from Ordinary Activities after Tax but before exceptional items (7-8)</b>	<b>6,580</b>	<b>5,669</b>	<b>17,572</b>	<b>15,178</b>	<b>20,380</b>
10.	Exceptional Items (Net of Tax expense) [Refer note 3 below]	-	(3,261)	-	(6,413)	(9,201)
11.	<b>Net Profit from ordinary activities after tax (9+10)</b>	<b>6,580</b>	<b>2,408</b>	<b>17,572</b>	<b>8,765</b>	<b>11,179</b>
12.	Paid-up equity share capital (Face value of Rs. 5 each)	10,000	10,000	10,000	10,000	10,000
13.	Reserves excluding revaluation reserves					127,393
14.	a. Earnings per share before Exceptional Items (Face value of Rs. 5 each)					
	Basic	3.39	2.94	9.05	7.86	10.56
	Diluted	3.32	2.85	8.86	7.62	10.27
	b. Earnings per share after Exceptional Items (Face value of Rs. 5 each)					
	Basic	3.39	1.25	9.05	4.54	5.79
	Diluted	3.32	1.21	8.86	4.40	5.64
15.	Public Shareholding					
	- Number of Shares	78,165,024	78,165,024	78,165,024	78,165,024	78,165,024
	- Percentage of shareholding	39.08%	39.08%	39.08%	39.08%	39.08%
16.	Promoter and Promoter Group Shareholding					
	a) Pledged / encumbered					
	- Number of Shares	-	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of Shares	121,834,976	-	121,834,976	-	121,834,976
	- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	100.00%	-	100.00%	-	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	60.92%	-	60.92%	-	60.92%

CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2009 (Rs. in Lakhs)						
Sl. No.	Particulars	Quarter ended 31.12.2009 (Unaudited)	Quarter ended 31.12.2008 (Unaudited)	Nine Months ended 31.12.2009 (Unaudited)	Nine Months ended 31.12.2008 (Unaudited)	Year ended 31.03.2009 (Audited)
1.	a. Net Sales/Income from Operations	63,512	43,619	171,098	114,241	160,867
	b. Other Operating Income	188	190	556	603	1,796
		<b>63,700</b>	<b>43,809</b>	<b>171,654</b>	<b>114,844</b>	<b>162,663</b>
2.	Expenditure					
	a. (Increase)/decrease in stock in trade and Work-in-progress	(656)	(3,225)	(2,202)	(6,808)	(5,470)
	b. Consumption of raw materials	35,561	23,767	96,967	62,346	87,228
	c. Purchase of traded goods	537	1,278	1,194	1,891	2,086
	d. Power cost	1,659	1,615	4,815	5,455	6,933
	e. Employee cost	6,374	4,937	18,109	13,008	17,871
	f. Depreciation and amortisation	3,596	2,709	10,346	7,963	11,025
	g. Other expenditure	7,367	5,725	18,105	14,988	19,883
	<b>h. Total</b>	<b>54,438</b>	<b>36,806</b>	<b>147,334</b>	<b>98,843</b>	<b>139,556</b>
3.	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	<b>9,262</b>	<b>7,003</b>	<b>24,320</b>	<b>16,001</b>	<b>23,107</b>
4.	Other Income	454	1,432	2,264	3,822	4,659
5.	<b>Profit before Interest &amp; Exceptional Items (3+4)</b>	<b>9,716</b>	<b>8,435</b>	<b>26,584</b>	<b>19,823</b>	<b>27,766</b>
6.	Interest	272	363	1,357	1,153	1,766
7.	<b>Profit after Interest but before Exceptional Items (5-6)</b>	<b>9,444</b>	<b>8,072</b>	<b>25,227</b>	<b>18,670</b>	<b>26,000</b>
8.	Tax Expense, net of reversals	1,120	580	3,432	1,341	1,184
9.	<b>Net Profit from Ordinary Activities after Tax but before exceptional items (7-8)</b>	<b>8,324</b>	<b>7,492</b>	<b>21,795</b>	<b>17,329</b>	<b>24,816</b>
10.	Exceptional Items (Net of Tax expense) [Refer note 3 below]	-	(4,580)	-	(10,576)	(14,719)
11.	<b>Net Profit from ordinary activities before minority interest (9+10)</b>	<b>8,324</b>	<b>2,912</b>	<b>21,795</b>	<b>6,753</b>	<b>10,097</b>
12.	Add/(Less): Minority interest [ Refer note 4 below ]	(235)	(48)	(532)	115	(713)
13.	Share of Losses in Associate	-	(44)	-	(44)	(72)
14.	<b>Net Profit from ordinary activities after tax (11+12+13)</b>	<b>8,089</b>	<b>2,820</b>	<b>21,263</b>	<b>6,824</b>	<b>9,312</b>
15.	Paid-up equity share capital (Face value of Rs. 5 each)	10,000	10,000	10,000	10,000	10,000
16.	Reserves excluding revaluation reserves					140,980
17.	a. Earnings per share before exceptional items (Face value of Rs. 5 each)					
	Basic	4.17	3.83	10.96	9.01	12.45
	Diluted	4.08	3.72	10.72	8.74	12.12
	b. Earnings per share after exceptional items (Face value of Rs. 5 each)					
	Basic	4.17	1.48	10.96	3.56	4.83
	Diluted	4.08	1.44	10.72	3.45	4.69
18.	Public Shareholding					
	- Number of Shares	78,165,024	78,165,024	78,165,024	78,165,024	78,165,024
	- Percentage of shareholding	39.08%	39.08%	39.08%	39.08%	39.08%
19.	Promoter and Promoter Group Shareholding					
	a) Pledged / encumbered					
	- Number of Shares	-	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of Shares	121,834,976	-	121,834,976	-	121,834,976
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	-	100.00%	-	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	60.92%	-	60.92%	-	60.92%

CONSOLIDATED SEGMENT RESULTS FOR PERIOD ENDED DECEMBER 31, 2009 (Rs. in Lakhs)					
Particulars	Quarter ended 31.12.2009 (Unaudited)	Quarter ended 31.12.2008 (Unaudited)	Nine Months ended 31.12.2009 (Unaudited)	Nine Months ended 31.12.2008 (Unaudited)	Year ended 31.03.2009 (Audited)
Segment revenue					
a. Pharma	56,570	37,544	150,425	98,573	138,561
b. Contract Research	7,745	6,384	22,243	16,460	23,594
<b>Total</b>	<b>64,315</b>	<b>43,928</b>	<b>172,668</b>	<b>115,033</b>	<b>162,155</b>
Less: Inter-segment revenue	803	309	1,570	792	1,288
<b>Net sales</b>	<b>63,512</b>	<b>43,619</b>	<b>171,098</b>	<b>114,241</b>	<b>160,867</b>
Segment results					
Profit before interest, depreciation and tax from each segment					
a. Pharma	17,607	11,818	43,816	30,117	40,244
b. Contract Research	1,965	2,276	6,539	4,163	6,646
<b>Total</b>	<b>19,572</b>	<b>14,094</b>	<b>50,355</b>	<b>34,280</b>	<b>46,890</b>
Less: Interest	272	363	1,357	1,153	1,766
Depreciation and amortisation	3,596	2,709	10,346	7,963	11,025
Unallocated corporate expenses	6,902	4,572	16,245	10,919	13,542
Unallocated corporate income	(642)	(1,622)	(2,820)	(4,425)	(5,443)
<b>Profit before tax and exceptional items</b>	<b>9,444</b>	<b>8,072</b>	<b>25,227</b>	<b>18,670</b>	<b>26,000</b>
Capital employed					
a. Pharma	120,853	116,471	120,853	116,471	113,211
b. Contract Research	22,712	19,873	22,712	19,873	20,110
c. Minority Interest	(3,142)	(2,694)	(3,142)	(2,694)	(2,477)
d. Unallocable	34,292	21,986	34,292	21,986	20,230
<b>Total capital employed</b>	<b>174,715</b>	<b>155,636</b>	<b>174,715</b>	<b>155,636</b>	<b>151,074</b>

Notes:

1. The above results have been reviewed by the Audit Committee on January 20, 2010 and approved by the Board of Directors of the Company at their meeting held on January 21, 2010. The financial results of the Company and the consolidated financial results for the quarter ended December 31, 2010 have been subjected to a limited review by the statutory auditors of the Company.

2. The financial statements for AxiCorp GmbH, Germany ('AxiCorp') a subsidiary company, are drawn upto September 30, 2009 for the purposes of consolidation. Accordingly, the consolidated results of Biocon for the quarter ended December 31, 2009 include the results of AxiCorp for the period from July 1, 2009 to September 30, 2009. The financial statements of other subsidiaries, joint venture company and associate have been drawn up to the same reporting date as that of the Company, i.e. December 31, 2009. In accordance with Accounting Standard 21, adjustments have been made for significant transactions during the period from October 1, 2009 to December 31, 2009.

3. Exceptional items:

a. Exceptional items for the quarter and nine months ended December 31, 2009 is Rs NIL. Exceptional items for the quarter and the nine months ended December 31, 2008 and year ended March 31, 2009 include mark to market loss in respect of foreign exchange forward contracts including realized gains / losses incurred on termination / cancellation of the said contracts of Rs 3,261 (net of taxes of Rs 239), Rs. 6,413 (net of taxes of Rs. 509) and Rs 9,401 (net of taxes of Rs 773) in the case of the Company and Rs 4,580 (net of tax of Rs 239), Rs. 10,576 (net of taxes of Rs. 509) and Rs 14,919 (net of taxes of Rs 773) in respect of the consolidated financial results, respectively.

(Rs. In Lakhs)

b. Exceptional items for the year ended March 31, 2009 also include write back of unutilised provision for contingencies of Rs 200 relating to transfer of its enzymes business created in the prior year.

4. For the quarter and nine months ended December 31, 2009 and year ended March 31, 2009, minority interest comprise profits of Rs 235, Rs 532 and Rs 299 attributable to minority shareholders of AxiCorp, net of losses recognized amounting to Rs. Nil, Rs Nil and Rs 414 pertaining to the losses of the joint venture partner in Biocon Biopharmaceuticals Private Limited, respectively.

5. During the quarter ended December 31, 2009, the Company concluded the acquisition of the Active Pharmaceutical Ingredient business of IDL Speciality Chemicals Limited and the same has been appropriately recorded in the books of account of the Company.

6. The Company operates in a single business segment of pharmaceuticals.

7. In respect of the consolidated financial results, the primary segment reporting has been performed on the basis of business segments. Segments have been identified and reported based on the nature of the products, risks and returns, organizational structure and internal financial reporting systems.

8. Total number of shareholder complaints pending at the beginning of the quarter was Nil. Complaints received during the quarter were 69. All complaints, except one complaint have been resolved as at December 31, 2009.

9. The prior period/year figures have been reclassified wherever required to conform to the classification of the current quarter.

For and on behalf of the Board of Directors

Sd/-  
**Kiran Mazumdar Shaw**  
Chairman & Managing Director

Place: Bangalore Date: January 21, 2010