



Investor presentation

March 2010

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Safe harbor

Certain statements in this presentation 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, among 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, nor our directors, 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. Statements on strategy or on direction of policy should not be construed as events which require prior notification to India's regulatory authorities. Such events will crystallize only once full regulatory steps have been taken in India.

Introduction

Operations

Opportunity

Strategy and R&D Pipeline

Financials

Biocon is a global provider of innovative biopharmaceutical products and research services that span the entire drug value chain:

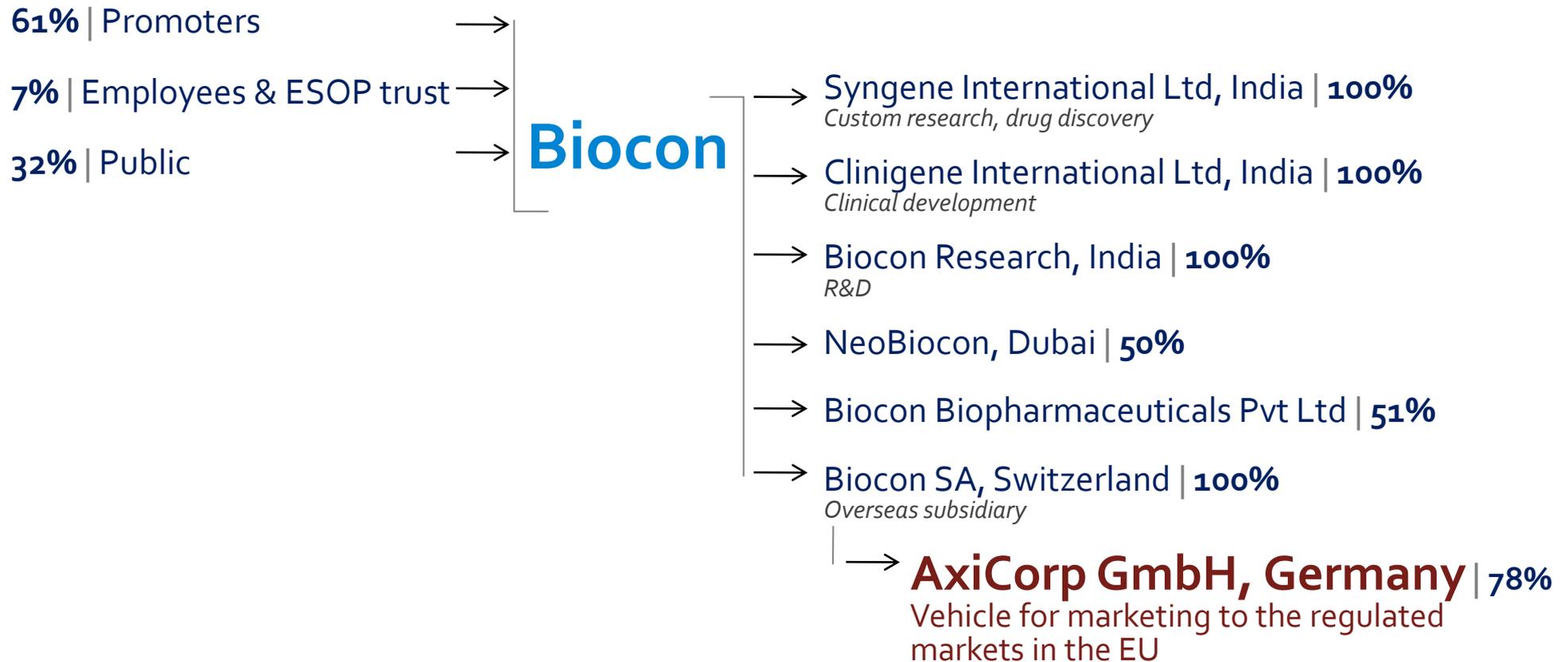
pre-clinical discovery to
clinical development through to
commercialization.

Snapshot

Revenue*	INR 1739 crore USD 370 mn
Net profit*	INR 213 crore USD 45 mn
Market capitalisation*	INR 5620 crore USD 1.2 bn
Incorporation	1978
Initial public offering	2004
Listing	BSE & NSE (India)
Headquarters	Bengaluru, India
Global reach	~ 75 countries
Workforce	~4000 employees: 75% tech professionals 10% PhDs

(*Consolidated 9-months, as of 31 Dec 09)

Business structure, holdings



Unique bio-pharma business model

Products + Research Services

Global scale
USFDA-compliant
bio-manufacturing
of statins,
immuno-suppressants,
insulins, MAbs.

Therapeutic focus:
diabetes; oncology;
immune-mediated
diseases.

Special strengths in
biosimilar insulins and
monoclonal antibodies.

Self-financed
risk-balanced R&D
pipeline; spend
at 8% of sales.

Research alliances
with global companies:
Mylan; Amylin; BMS.

Growing presence in
emerging markets;
alliances with regional
players in S America,
W Asia, N Africa, SE Asia,
Eastern/Central Europe.

30% operating margin, 23% revenue CAGR since 2005.

Asia's largest insulin manufacturer.

Patent portfolio: 950 applications; 182 granted.

Among the world's largest producers of statins and immuno-suppressants.

2 novel drugs in late stage clinical trials: oral insulin; Anti-CD6 MAb.

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Active ingredients

- Classic fermentation
- Microbial fermentation*
- Mammalian fermentation
- Synthetic chemistry

Aseptic – fill & finish

- Cartridges, Vials (Lyophilized), PFS

* **Asia's largest manufacturer of *Pichia*-based products.**

* **Commercialized the world's first *Pichia*-derived r-human insulin.**

Asia's largest insulin plant.

The first plant of its kind in India for recombinant therapeutic proteins.

US FDA and EU GMP approved.

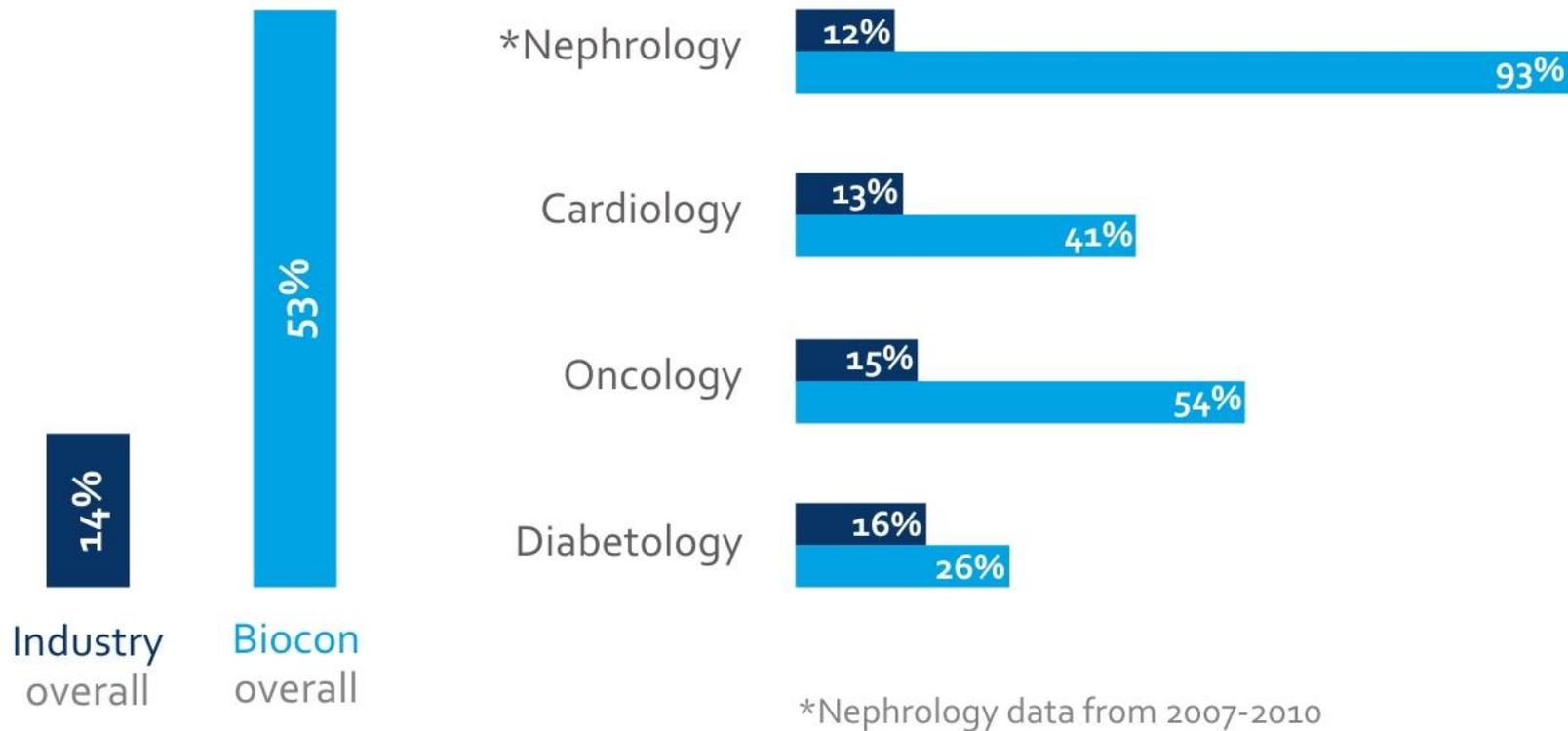
Brand folio - formulations

		Field force
Diabetology	INSUGEN® BLISTO™ PIODART® TriGPM™-1/2 GMAB™ Plus ZUKER-MF™ BASALOG™ GABIL™ OLISAT™ METADOZE-IPR®	300
Oncology	BIOMAb EGFR® Abraxane® ERYPROsafe™ NUFILsafe™	45
Nephrology	ERYPRO™ CYCLOPHIL ME™ TACROGRAF™ RENODAPT™ RAPACAN™ CeRACaL™ BIOSAVE NARITA*	46
Cardiology	STATIX® TELMISAT™ ZIGPRIL® THINRIN™ ZARGO® CLASPRIN® CLOTIDE™ DYNALIX® ACTIBLOK™ - IPR MYOKINASE™ BESTOR® BRADIA™	275

36 key brands across four therapeutic segments

Brand sales: Biocon beats India average

2006-10 CAGR



Source ORG IMS , company estimates

Capabilities - preclinical, drug R&D

Syngene

Chemistry services

- Synthetic chemistry
- Medicinal chemistry
- Process R&D
- Polymer chemistry
- Analytical R&D
- Custom manufacturing

Biology, biologics services

- Early biology
- Preclinical
- Biologics/custom manufacturing

Pharmaceutical services

- Formulation development
- Regulatory consulting and support

Long term contract with Bristol-Myers Squibb.

Ongoing collaborations with 60 companies worldwide.

Collaborations with 7 of global big pharma's top 10.

Capabilities - clinical research

Clinigene

- Clinical trials management
- Clinical development
- Central lab
- Clinical data management
- Bio-analytical research lab
- Human pharmacology unit
- Regulatory services

India's first CAP, NABL accredited clinical research labs.

ISO 15189:2003 accredited for quality and competence.

Conducted studies involving up to 1500 subjects.

Vast experience in oncology, diabetes, osteoporosis segments.

100% approval from regulators with clinical trial applications.

Fixed fee, time + material contracts and full-time equivalent agreements.

Introduction

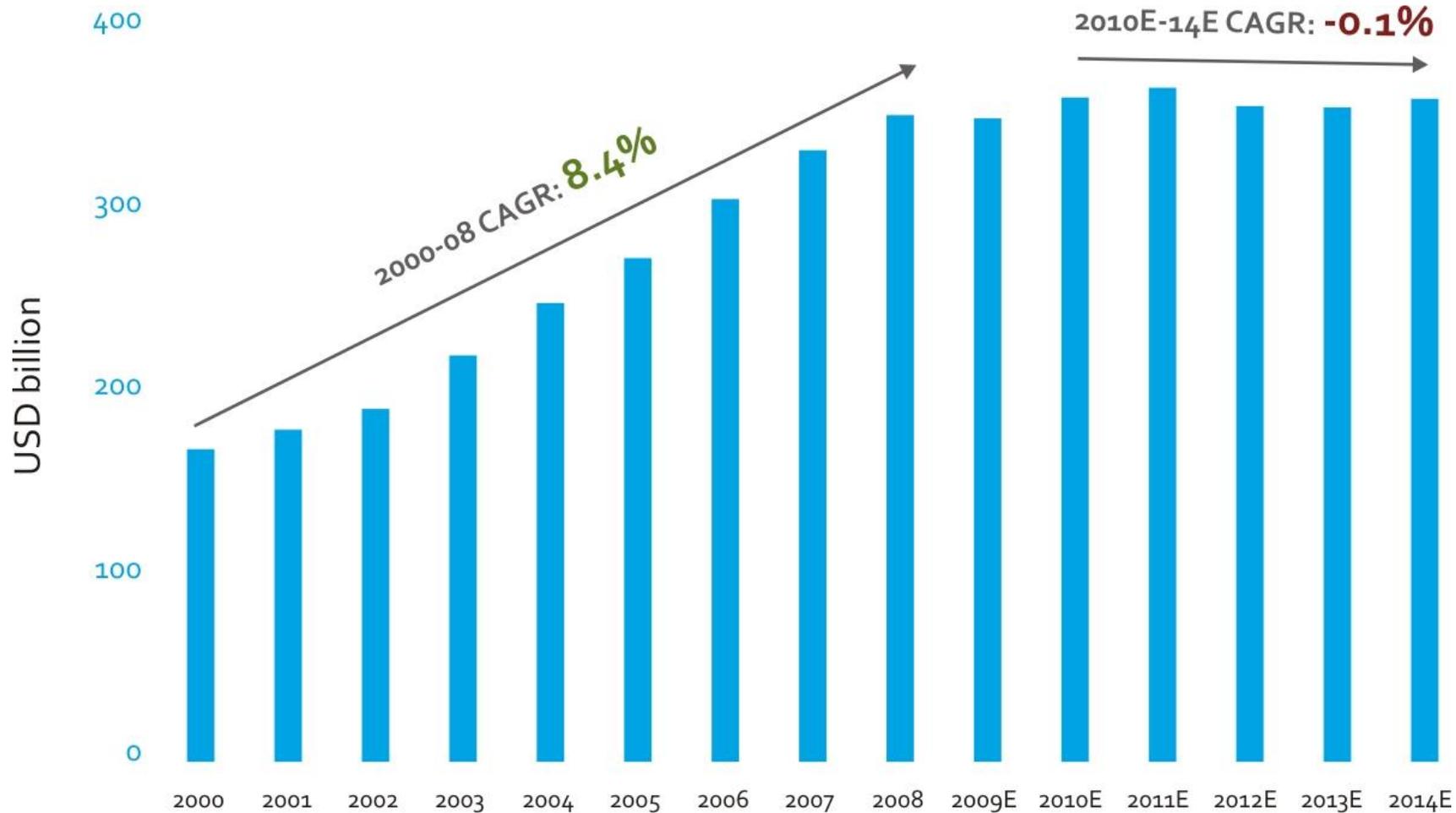
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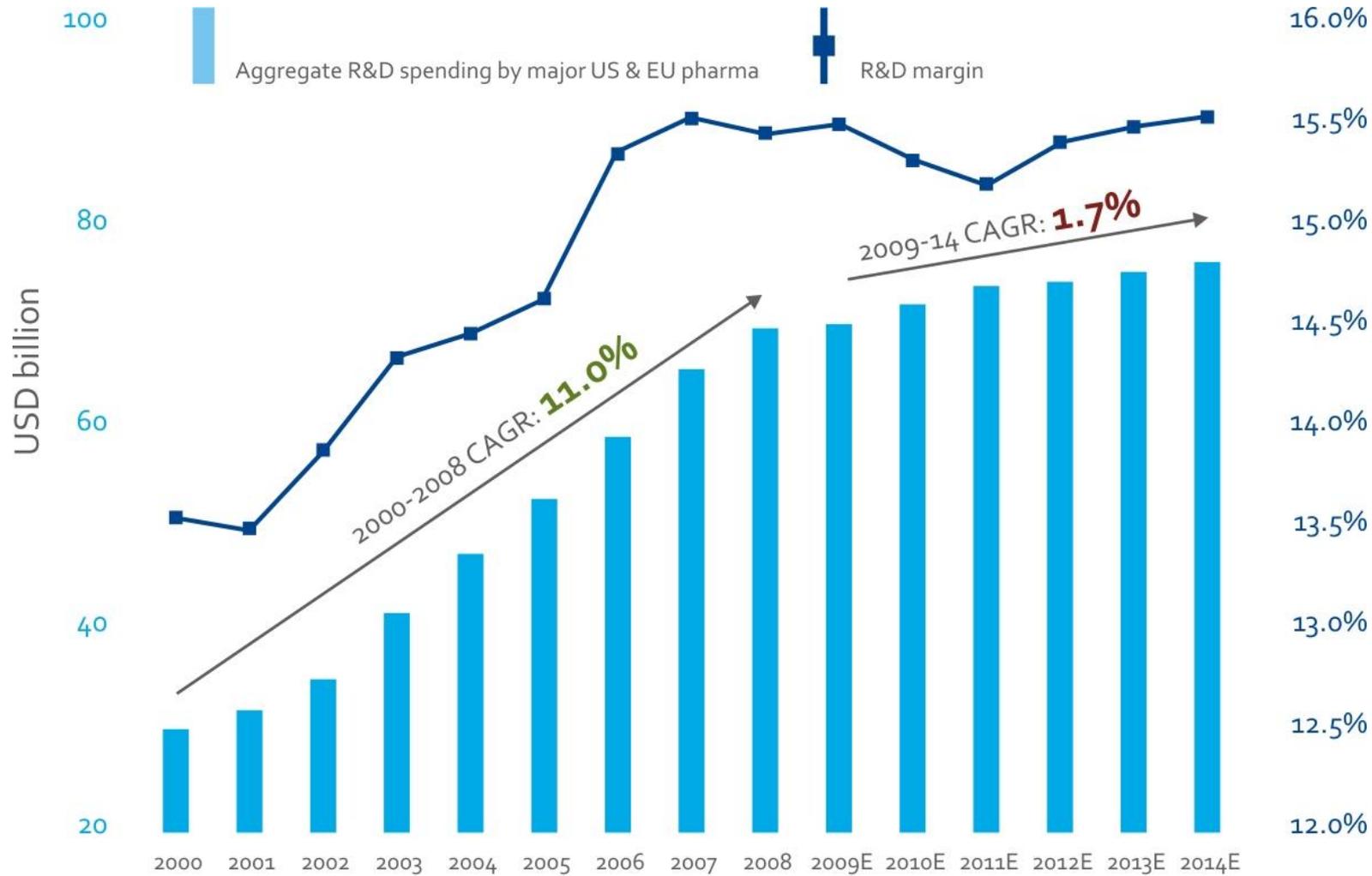
Financials

Sales of Big Pharma are stagnating



Aggregate sales of key large cap US and EU pharma majors (Sanofi-Aventis, GSK, AZN, Roche, Novartis, Pfizer, Merck / Schering-Plough, JNJ, Abbott, Bristol-Myers, and Eli Lilly)

Research ROI is declining



Source Company filings, Wall Street research & Evaluate Pharma.

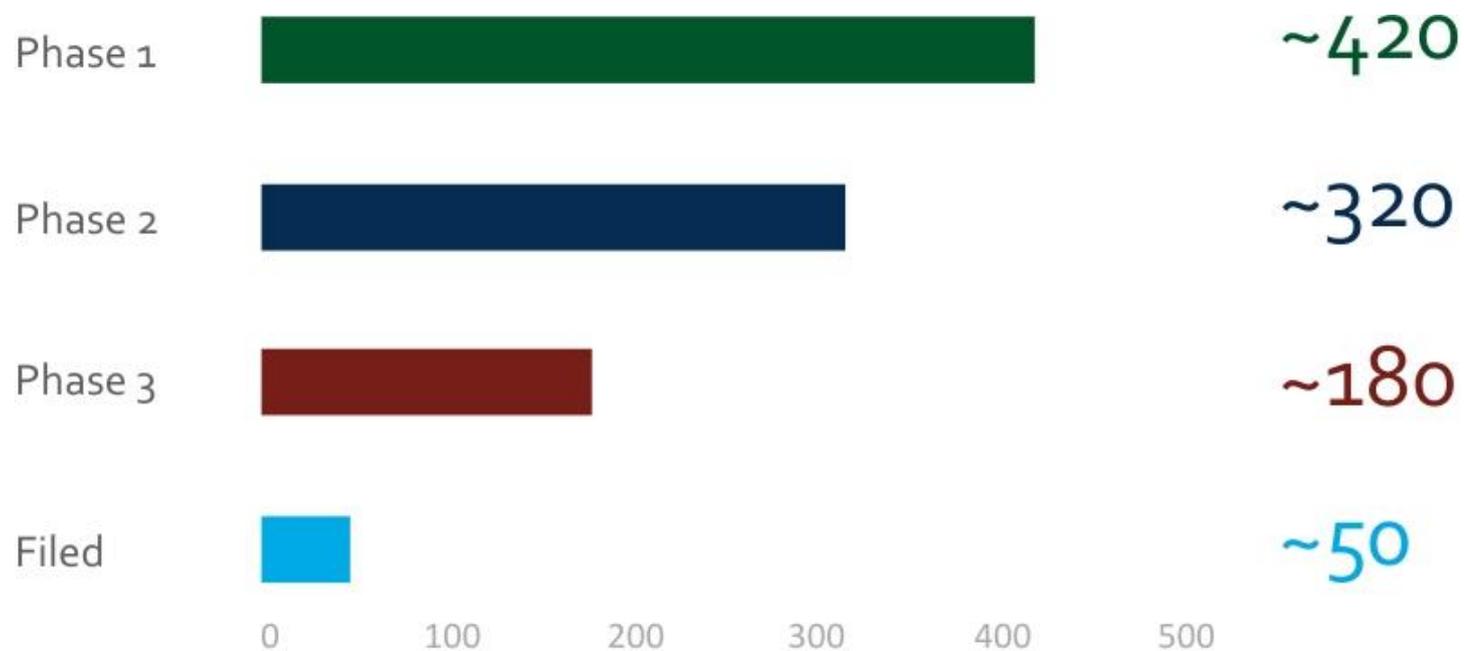
Note Data represents key large cap pharma players (Sanofi-Aventis, GSK, AZN, Roche, Novartis, Pfizer, Merck/Schering-Plough, Bristol-Myers, JNJ, Abbott and Eli Lilly).

Patent cliff is unprecedented



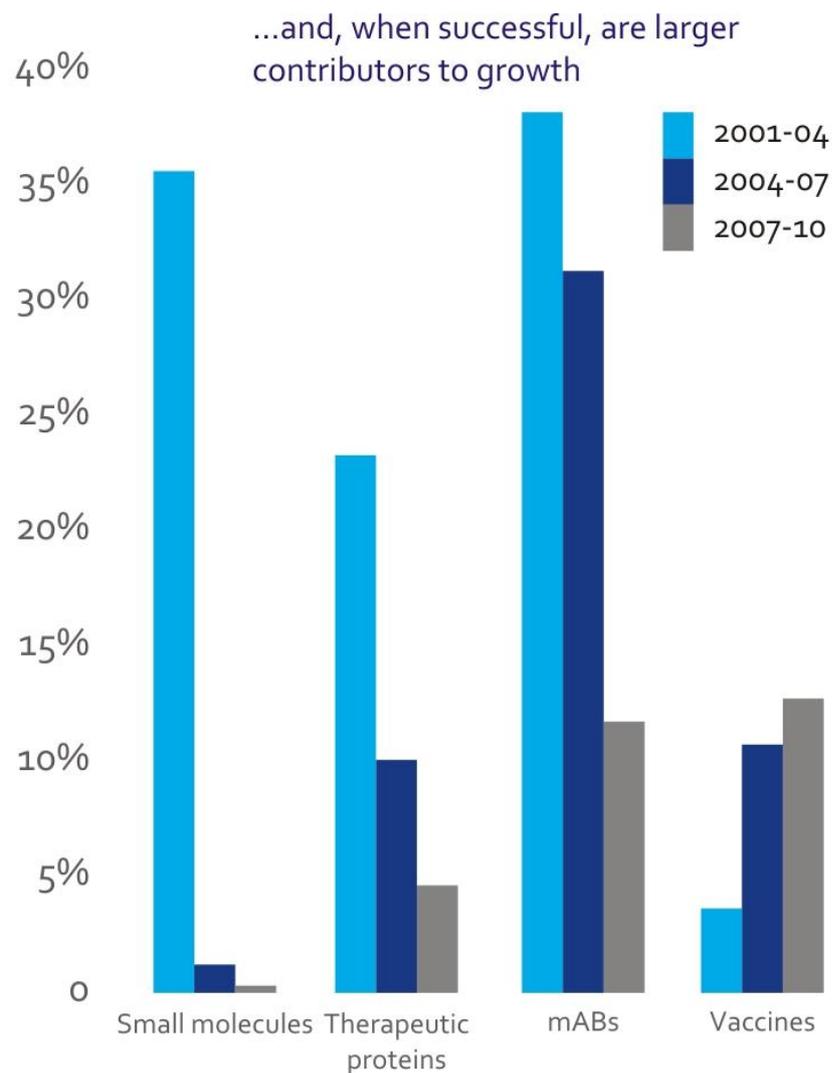
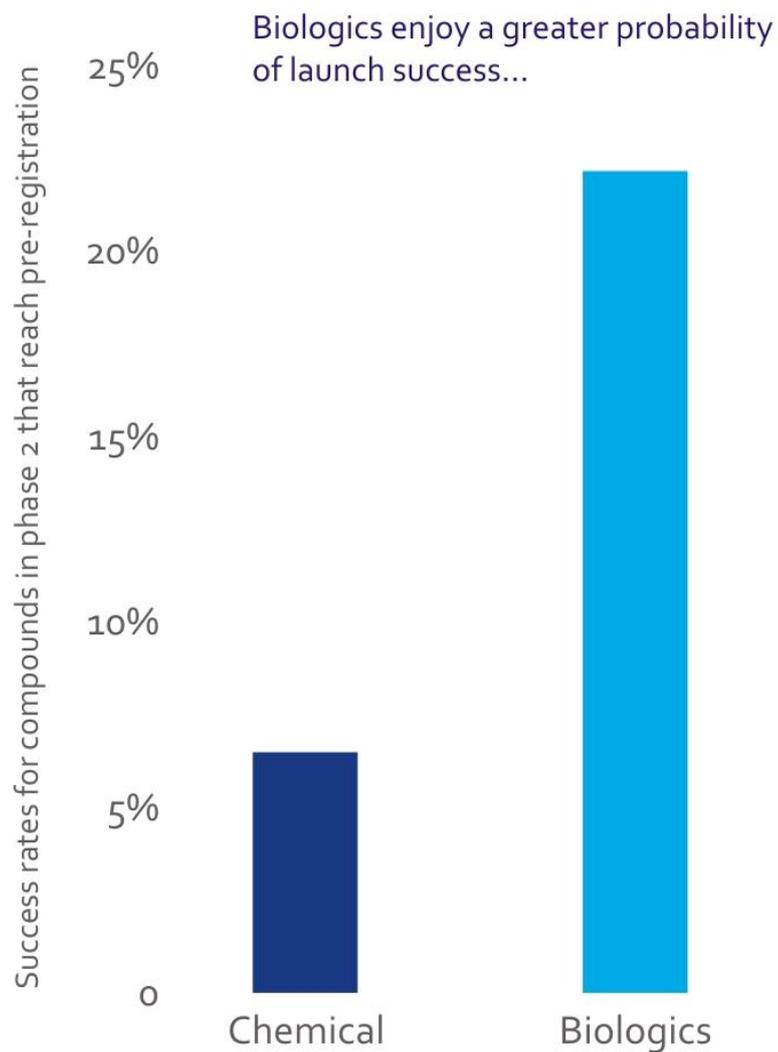
Source Company filings, Wall Street research & Evaluate Pharma.
Note Data represents key large cap pharma players (Sanofi-Aventis, GSK, AZN, Roche, Novartis, Pfizer, Merck/Schering-Plough, Bristol-Myers, JNJ, Abbott and Eli Lilly).

Late-stage R&D pipelines are thinning



Source Evaluate Pharma; approximate aggregated R&D pipeline for Pfizer, GSK, Merck, Novartis, Sanofi-Aventis, Astra Zeneca, Roche, Eli Lilly, Bristol-Myers Squibb.

Biologics expected to restore growth



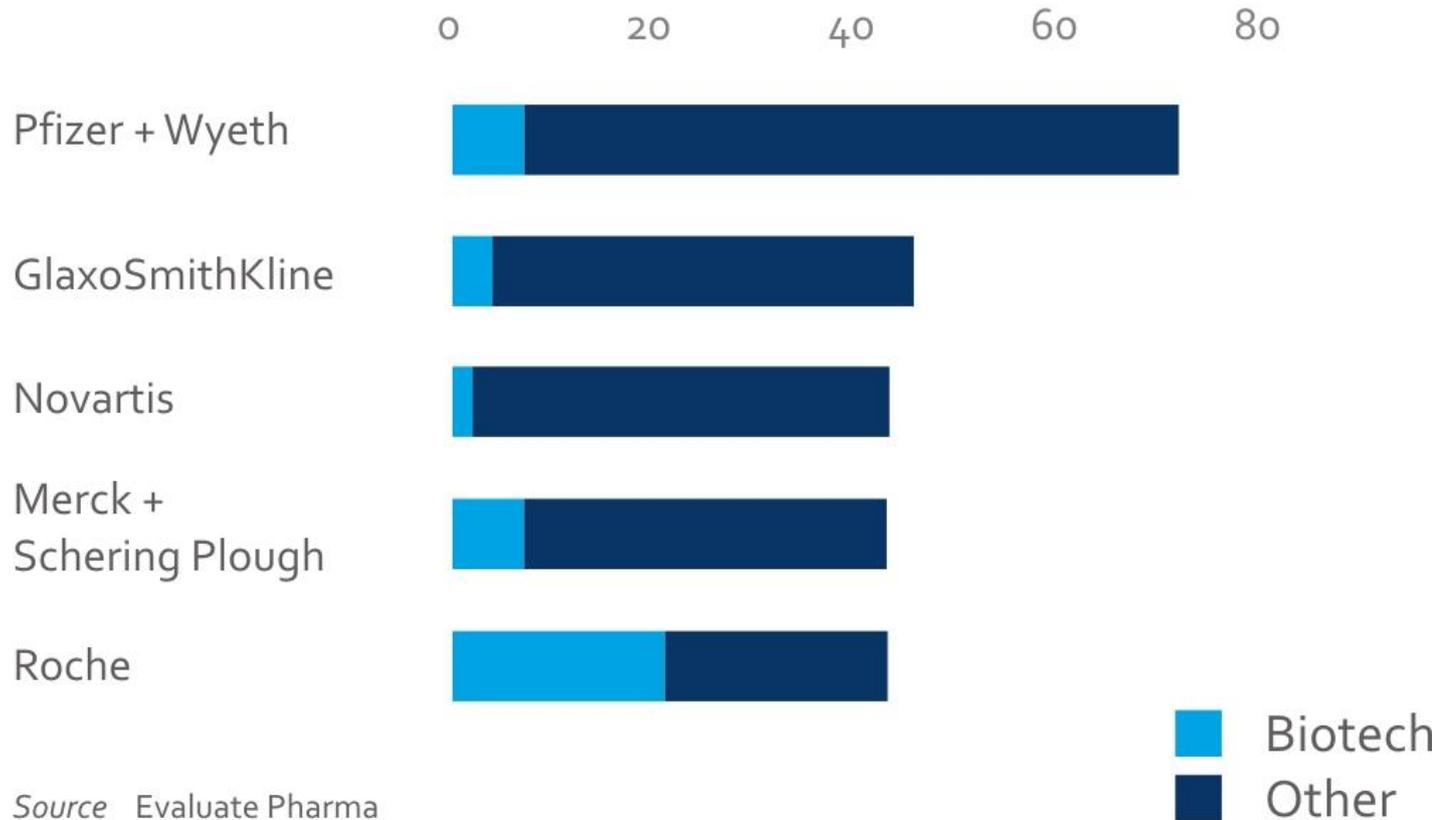
Source: Booz Allen & Hamilton, In Vivo.

Source: Datamonitor.

Biologics are now integral to Big Pharma



2008 revenue, USD bn



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Biocon's value creation model



Cost-optimized drug development



Balanced portfolio—generics + novel



Acquisition of advanced R&D assets



Accelerated go-to-market strategy

= Risk managed innovation

Long term: novel bio-formulations

Accelerated go-to-market

	SEGMENT	PRODUCT	MARKET
SHORT	SMALL MOLECULES	Generic APIs: Statins, Immunosuppressants Insulins	Developed markets (US & Europe) India & Emerging markets
MEDIUM	BIOSIMILARS	Insulins MAbs	Global India & Emerging markets
LONG	BIOSIMILARS & NOVEL DRUGS	Insulins, MAbs Oral Insulin, Anti-CD6, phybrid, Immunoconjugates	Global

Diversified revenue streams	~50 products across therapeutic areas	Global reach
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Global alliances: research, co-development



Mylan	Biosimilars	Oncology, Auto-immune diseases
Amylin	Novel peptide	Diabetes
Vaccinex	Bio-better MAbs	Oncology
IATRICa	Immunoconjugated MAbs	Oncology

Global alliances: Mylan



Novel peptide
Diabetes



Bio-better MABs
Oncology



Immunoconjugated MABs
Oncology

Biosimilars

Oncology, auto-immune diseases

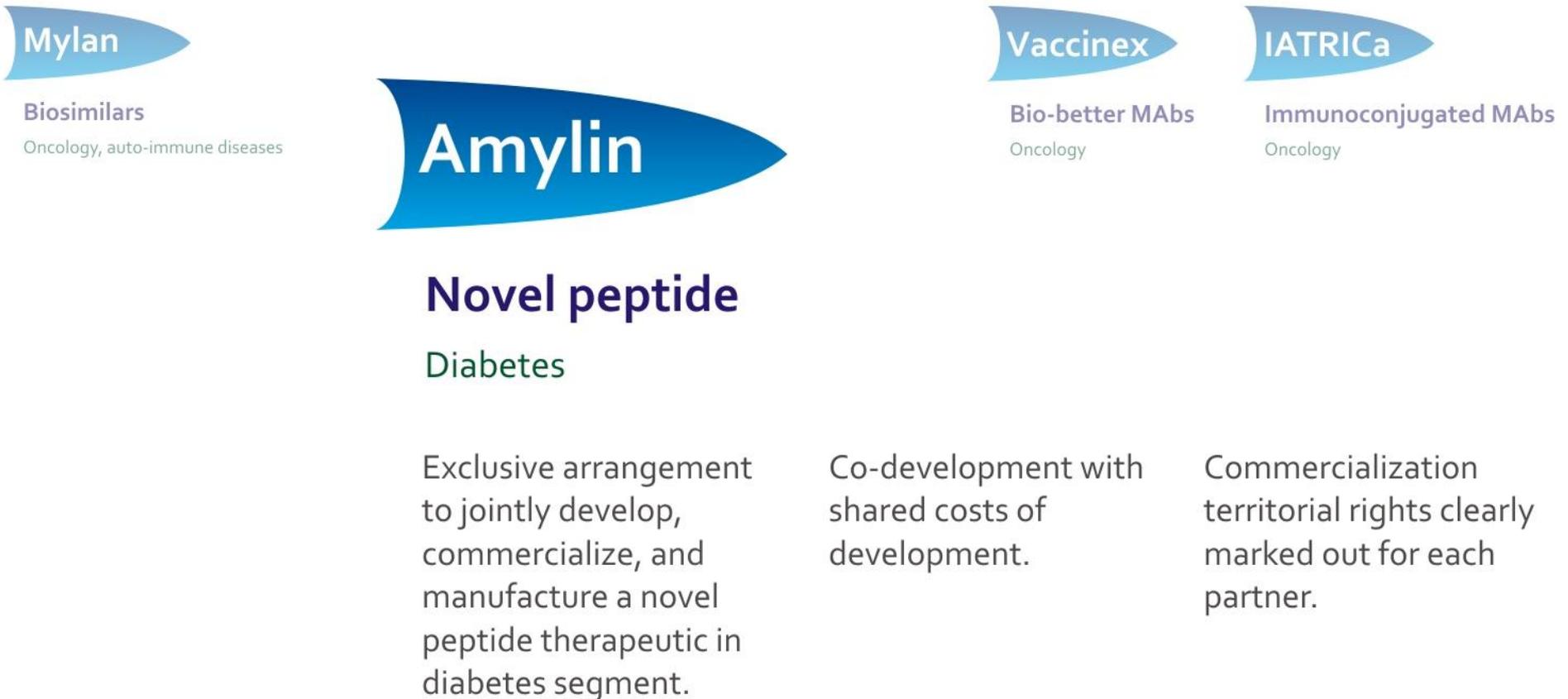
Exclusive collaboration for development and commercialization of complex biogenerics/biosimilars, MABs in particular.

Biocon and Mylan to share development and capital costs.

Mylan will have exclusive commercialization rights in regulated markets through profit sharing.

Biocon and Mylan to have co-exclusive commercialization rights in other markets.

Global alliances: Amylin



Global alliances: Vaccinex



Mylan

Biosimilars

Oncology, auto-immune diseases

Amylin

Novel peptide

Diabetes

Vaccinex

IATRICa

Immunoconjugated MABs

Oncology

Bio-better MABs

Oncology

Combines Vaccinex's MAb discovery strengths with Biocon's expertise in clinical research and biologics manufacturing.

To identify promising antibody candidates and move them rapidly into clinical development.

Discovery and co-development of antibody products.

First molecule – BVX20

Non-Hodgkin's Lymphoma (NHL) is the most common cancer of the lymphoid organs. BVX-20 is a novel humanized Monoclonal Antibody that binds to CD20, a protein located on both normal and malignant B-cells.

After binding, BVX -20 kills B-cells by recruiting the body's own immune system.

Global alliances: IATRICa



Biosimilars

Oncology, auto-immune diseases



Novel peptide

Diabetes



Bio-better MABs

Oncology



Immunoconjugated MABs

Oncology

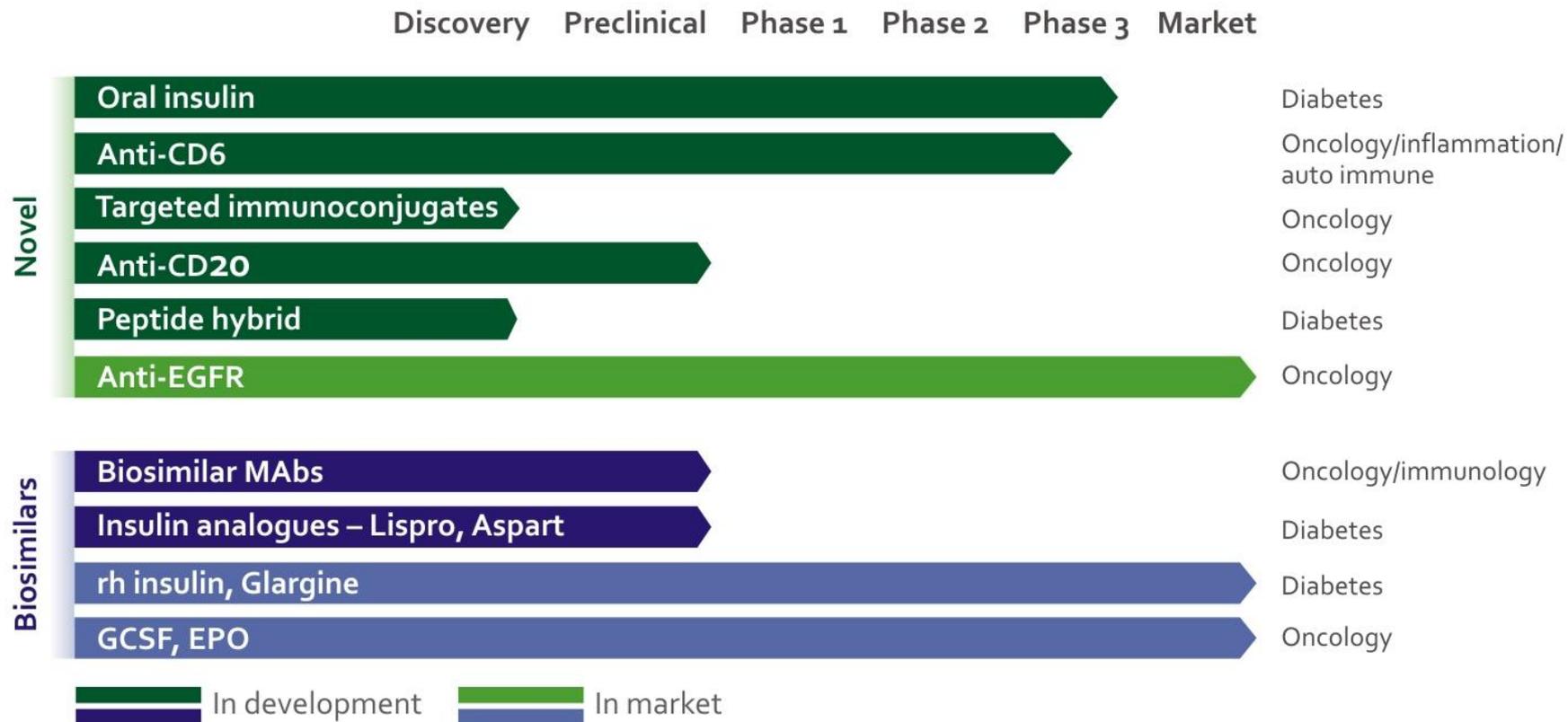
Invested in IATRICa in 2008, a US-based start-up Biotech firm.

To co-develop novel, anti-cancer molecules based on a proprietary immuno-conjugation technology licensed from Johns Hopkins University, USA.

Bio-hybrid molecules for targeted immunotherapy are considered to be the next generation drugs.

The first molecule: Conjugated-Trastuzumab for Breast Cancer.

R&D product pipeline



2 novel drugs in late stage clinical trials

Oral insulin: Potentially addressing 300 million diabetes patients worldwide

Anti-CD6: Entering phase 3 human clinical trials for psoriasis which affects 3% of global population

Lead program: Oral insulin IN-105

Conjugated peptide

Lower immunogenicity and mitogenicity.
Comparable safety and good clearance profile.
Metabolically equivalent.

Monotherapy.

Combination therapy with metformin, sulfonylurea, PPAR agonists, DPP4i.

Pre-meal insulin in combination with basal insulins.

Established oral delivery

Stable tablet formulation.
4 phase 1 studies completed.



A phase 2 study shows IN-105 absorption is proportional to dose administered.

Currently undergoing trials in India as an add-on therapy to metformin

6 month double blind placebo controlled trials in type 2 diabetes patients who are poorly controlled on metformin and primary endpoint as HbA1c control.

US IND filed in December 2009

Anti-CD6 mAb : T1h

Target CD6

is a type I cell membrane glycoprotein belonging to the scavenger receptor cysteine-rich (SRCR) superfamily group B

CD6 is predominantly expressed by T cells & a B cell subset

CD6 binds ALCAM (activated leukocyte cell adhesion molecule) which is expressed on:

- Activated T cells, B cells & monocytes.
- Skin fibroblasts, keratinocytes, rheumatoid arthritis synovium.

Phase 3 clinical trials in Psoriasis to commence recruitment in Q1 2010

Planned

Phase 3 double blind pivotal trial in psoriasis.

Phase 2/3 double blind pivotal trial in RA.

Phase 1/2 double blind trial in MS.

0.4mg/kg once in 4 weeks



1.6mg/kg once in 4 weeks



Introduction

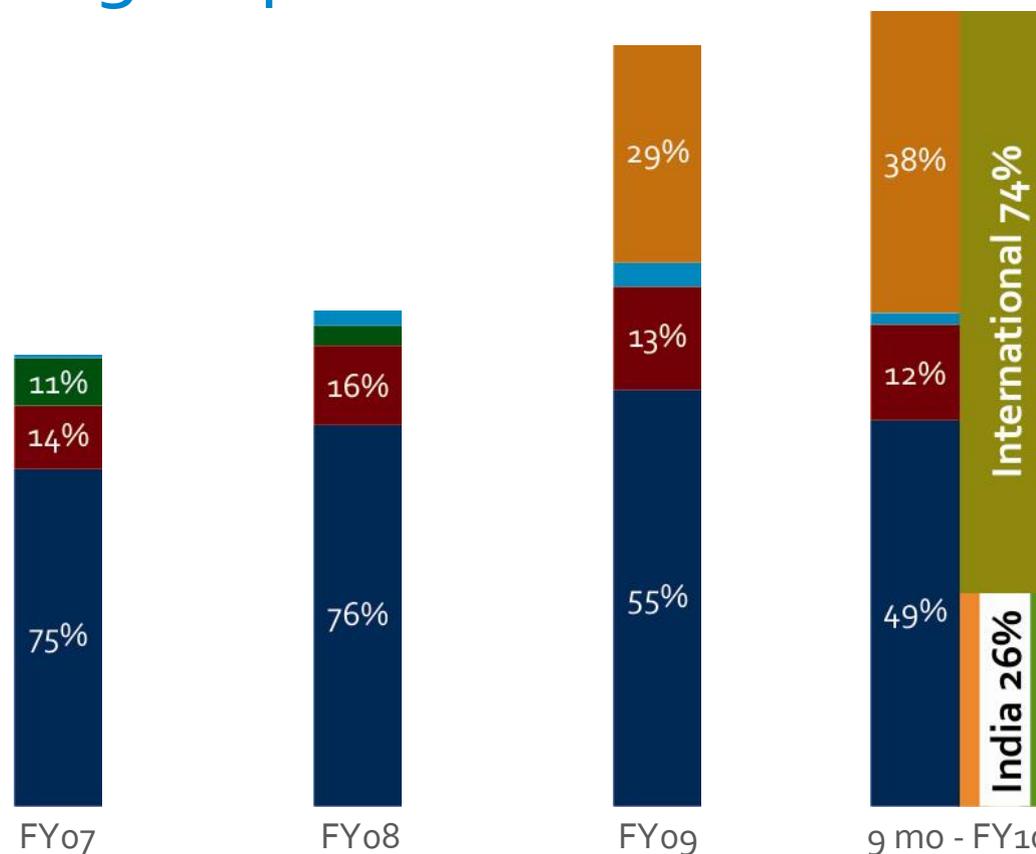
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Revenue mix: group

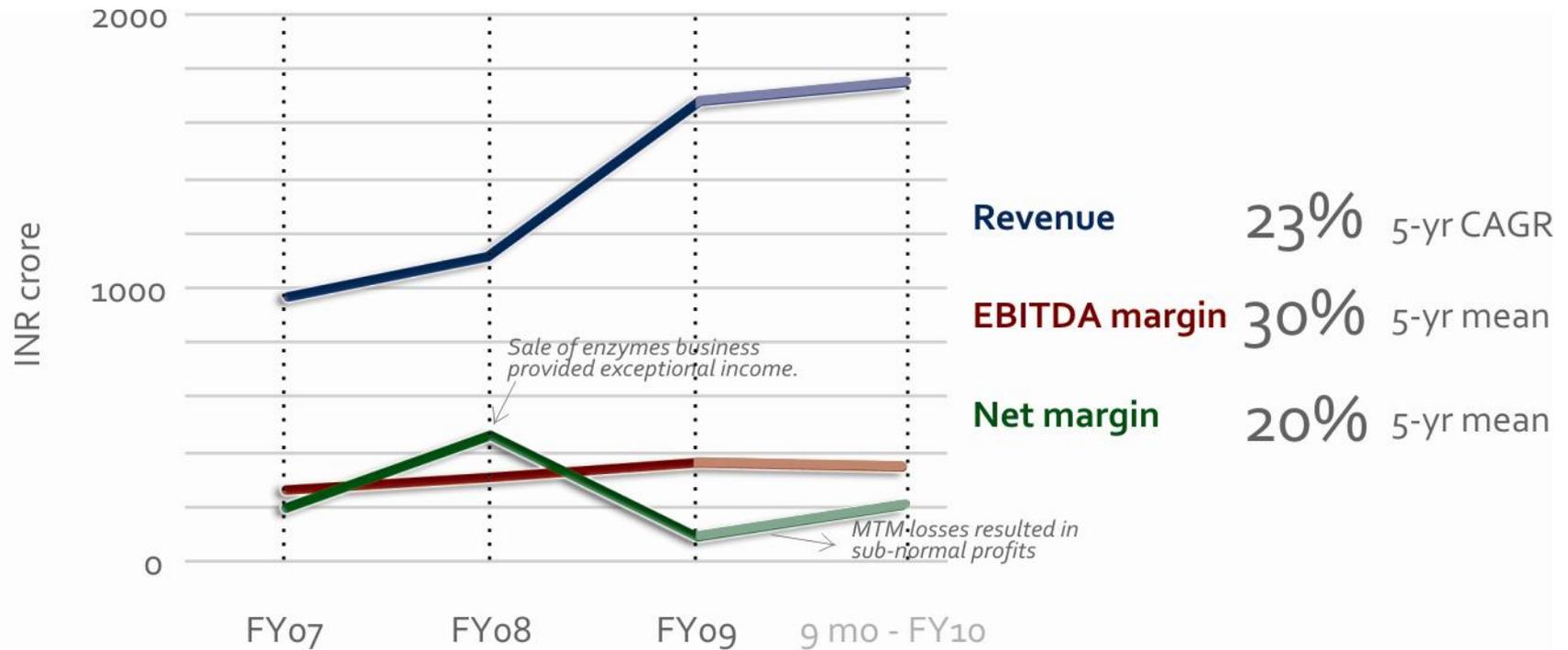


INR crore / USD million

Biopharma products	742	164	832	208	915	199	846	180
Research services	135	30	176	44	225	49	207	44
Enzymes	109	24	46	12	-	-	-	-
Others	4	1	36	9	54	12	26	6
Sub Total	990	220	1090	273	1194	260	1079	230
Axicorp	-	-	-	-	479	104	660	140
Grand Total	990	220	1090	273	1673	364	1739	370

FY07-09: Avg. exch. rate in that fiscal
 FY10: USD 1 = INR 47

Revenue, profit



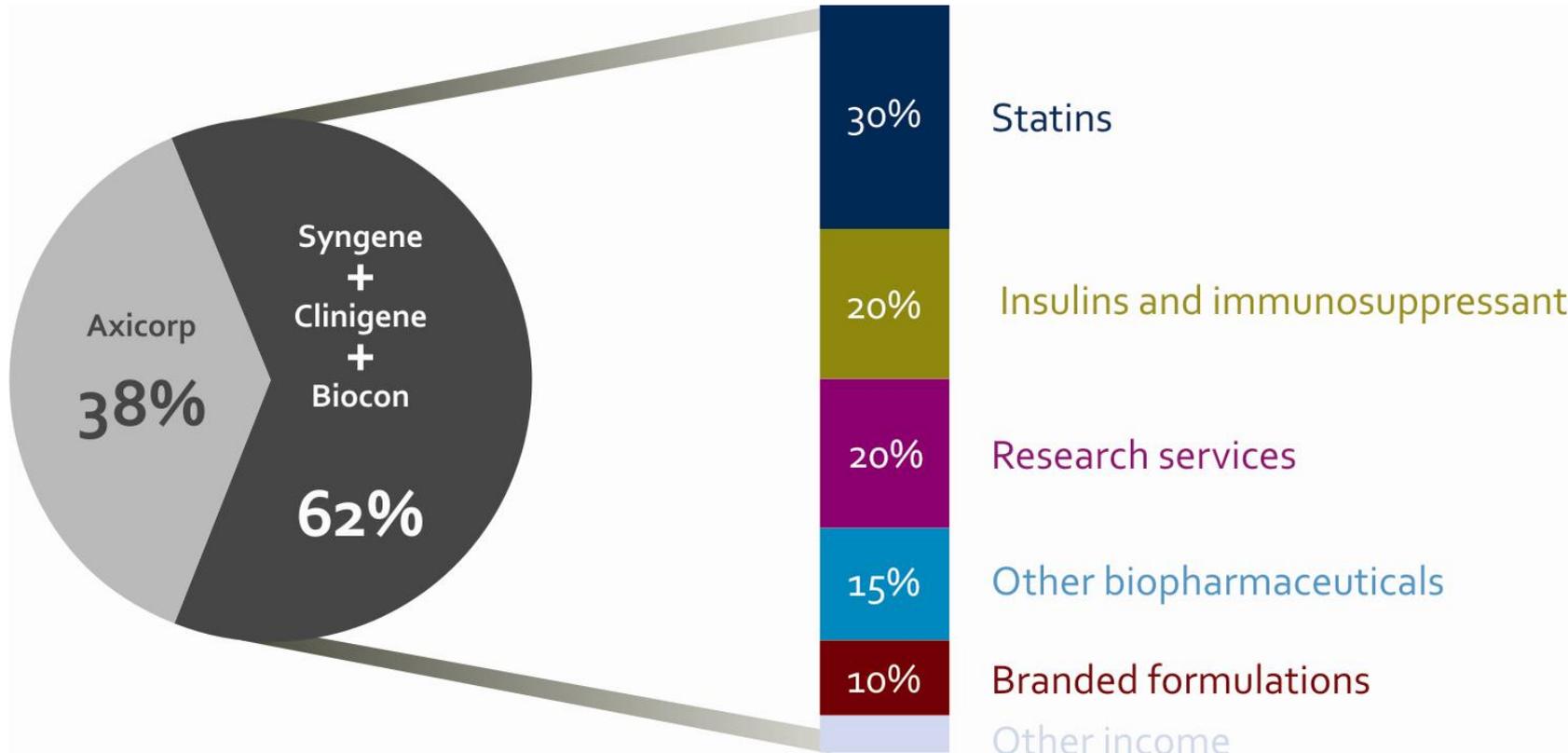
INR crore / USD million

Revenue	990	220	1090	273	1673	364	1739	370
EBITDA	287	63	335	83	388	84	369	78
Net profit	200	44	464	116	93	20	213	45

FY07-09: Avg. exch. rate in that fiscal

FY10: USD 1 = INR 47

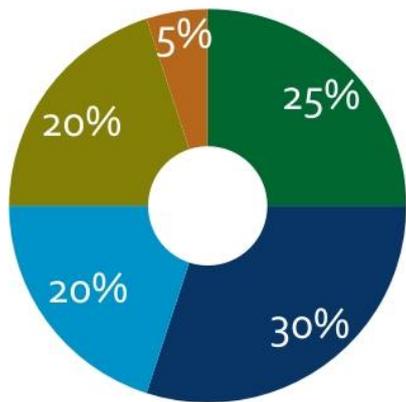
Revenue mix: segmental



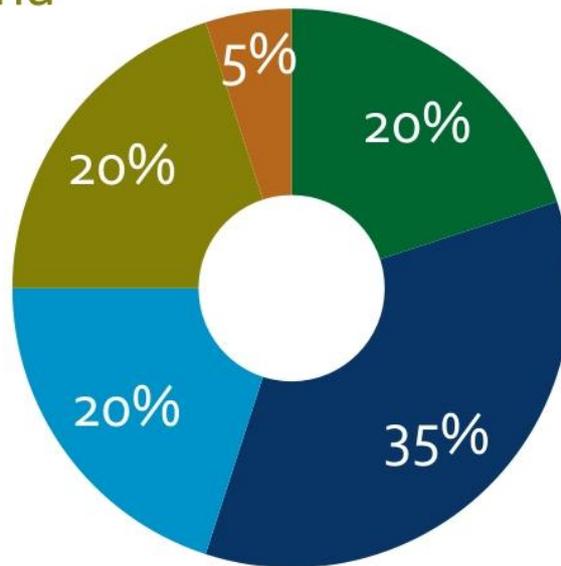
Approximate percentages ; 9 months to 31 Dec 2009

Biopharma mix: Segmental roadmap

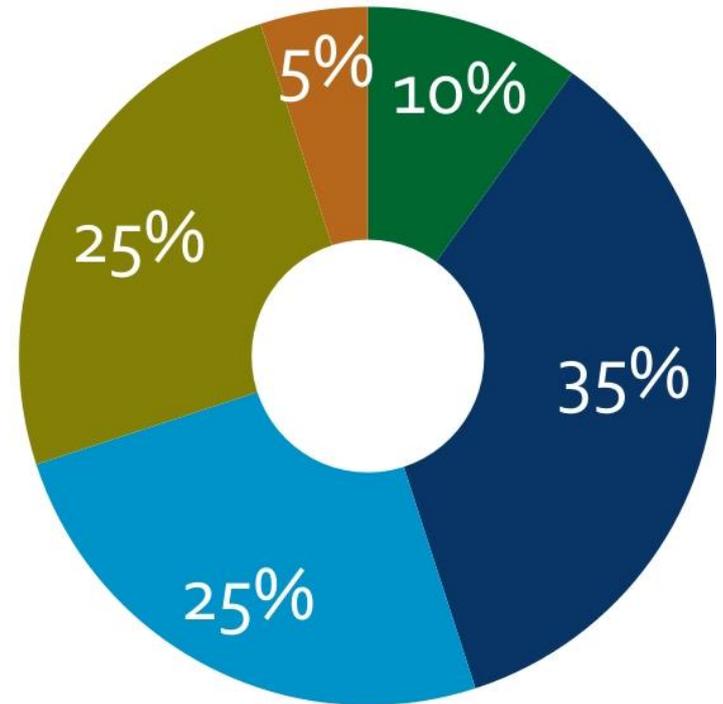
- APIs (Statins + Immunosuppressants)
- Insulins
- Branded formulations
- Licensing income
- Other biopharma



Short



Medium



Long

Takeaways



Global-scale bio-manufacturing

Strong biosimilars portfolio: Insulins; MABs

Strength in each link of the discovery-to-commercialization chain

Global alliances for research and co-development in novel drugs

Alliances for accelerated entry into emerging, regulated markets



Thank you