A decorative graphic of three white, wavy, overlapping lines is located in the top-left corner of the slide.

Innovative Science Affordable Medicine



**Investor Presentation
March 2015**

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 currencies, 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 the company, nor its directors and any of the 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: Who are we?

Growth Segments

- **Small Molecules**
- **Biosimilars**
- **Branded Formulations**
- **Research Services**
- **Novel Molecules**

Financials

Outlook



Biocon: Who are We?

Mission: *“To be an integrated biotechnology enterprise of global distinction”*

Value Creation along 3 axes:

Reducing therapy costs of **chronic diseases**. (*diabetes, cancer & auto-immune diseases*)

Strategic Research and marketing **partnerships** that provide global access

Leveraging the India advantage to deliver **high value, licensable R&D assets**

Preparing for the future

An Enzymes Company
Revenue: ₹ 320 Million

1978 -
1999

Transforming into a
Biopharma company

Revenues: ₹ 5,490 Million
People: 700+

1999 -
2004

Building the India Business
and expertise in biologics
Revenue: ₹ 11,940 Million
People: 3,500+

2004 -
2009

Investment intensive phase with
focus on R&D, capacity
enhancement & partnership
execution
Revenue (FY 14): ₹ 29,332 Million
People: 7,000+

2009 -
2014

Investments in capacity
building to continue, R&D
pipeline makes progress in
the clinic, prepare for
entering developed markets
with finished formulations
and biosimilars

2014 &
Beyond

Unwavering focus through the years on Innovation & Difficult to make, niche products to create tangible differentiators for sustainable growth

9M FY15 Highlights

Financial Performance

- Group Revenue at ₹ 22,884 Million (5% YoY growth)
- YoY Growth* across verticals:

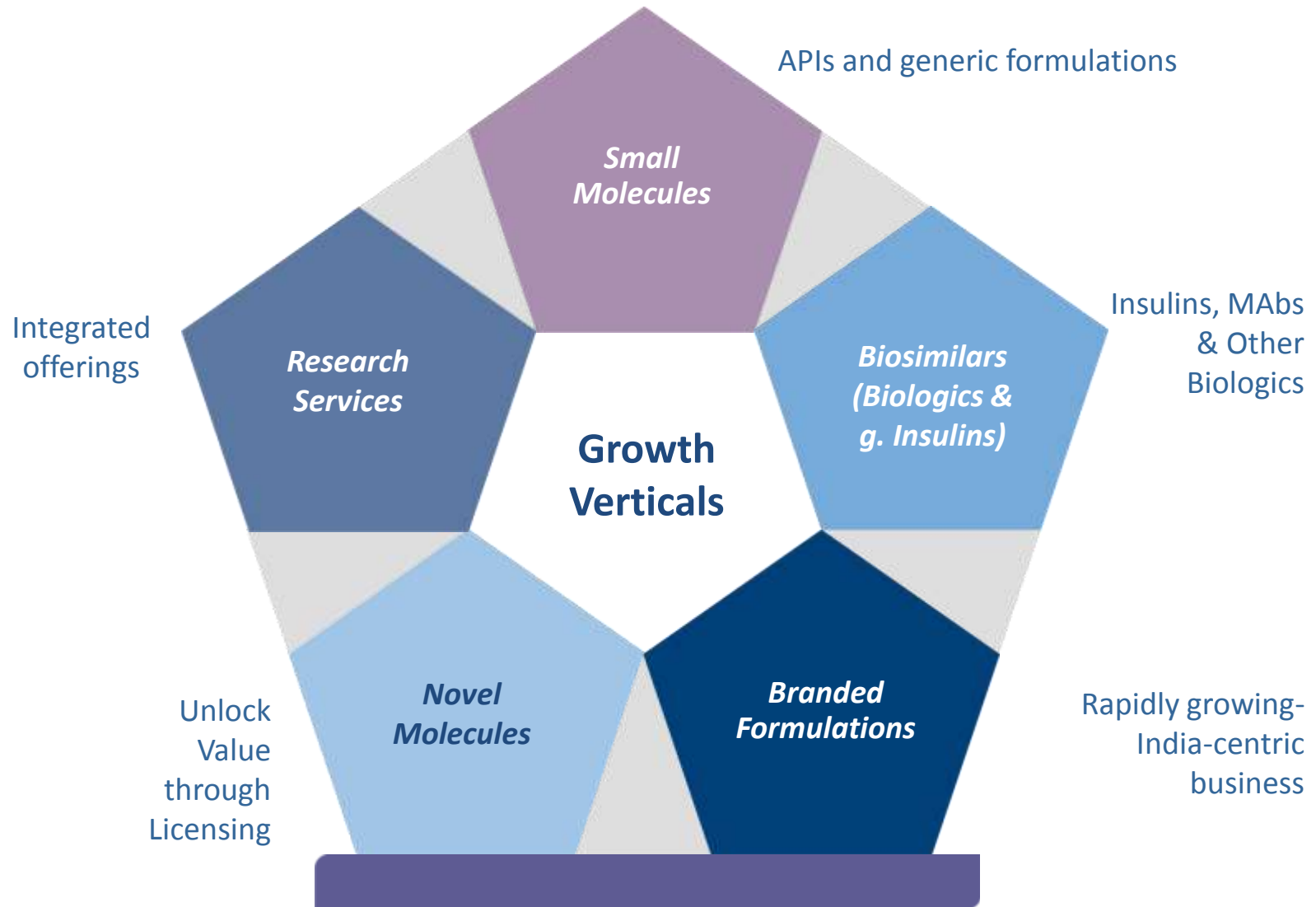
| Business Vertical | Absolute Growth (%) |
|----------------------|---------------------|
| Biopharma | 1 |
| Branded Formulations | 11 |
| Biopharmaceuticals | 3 |
| Research Services | 11 |
| Total Sales | 5 |

- EBITDA at ₹ 5,484 Million (*EBITDA Margin: 24%*)
- R&D Expense: ₹ 1,128 Million (7% of Biopharmaceuticals Revenue)
- PAT at ₹ 2,959 Million (*PAT Margin: 13%*)

Events

- Biocon concludes 10% stake sale in Syngene to IVF Trustee Company Private Limited
- Biocon Board approves initiation of the process of listing Syngene and appointment of merchant bankers
- Biocon commences recruitment of patients for the India clinical trial of biosimilar bevacizumab

Growth Verticals: Aligned with Shifting Paradigms





Business Segments: Snapshot

Small Molecules: APIs & Generics



- ❖ Product Portfolio which leverage our core fermentation capabilities and have a high degree of complexity.
- ❖ Early mover in niche products coupled with economies of scale.
- ❖ Portfolio based Approach.
- ❖ Making investments' to forward integrate from APIs to generic formulations, including ANDAs.

| Current Portfolio | Constituents |
|---------------------|--|
| Statins | Simvastatin, Atorvastatin, Lovastatin, Rosuvastatin, Fluvastatin & Pravastatin |
| Immuno suppressants | Tacrolimus, Sirolimus, MMF & MPA |
| Other Biopharma | Orlistat, Fidaxomicin, 50+ other molecules |

Biosimilars: Demystifying

**A
biosimilar
is...**

*“a **biological product** that is **highly similar** to the reference product notwithstanding minor differences in clinically inactive components, and.. **no clinically meaningful differences against the reference product** in terms of the safety, purity and potency.”*

**Unlike a
small
molecule...**

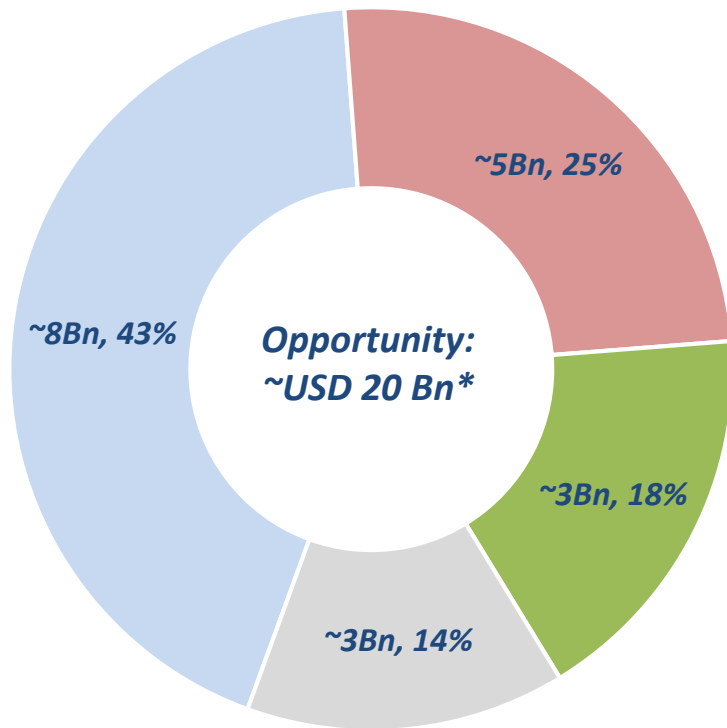
*Large Molecules (proteins): greater complexity
Extensive development process
Process development and Capacity constraints*

**Current
Portfolio**

*g. rh-Insulin & g. Insulin Analogs (insulin glargine, insulin lispro & insulin aspart)
Monoclonal Antibodies (Trastuzumab, Bevacizumab, Adalimumab)
Other Biologics (Etanercept, Peg-filgrastim)*

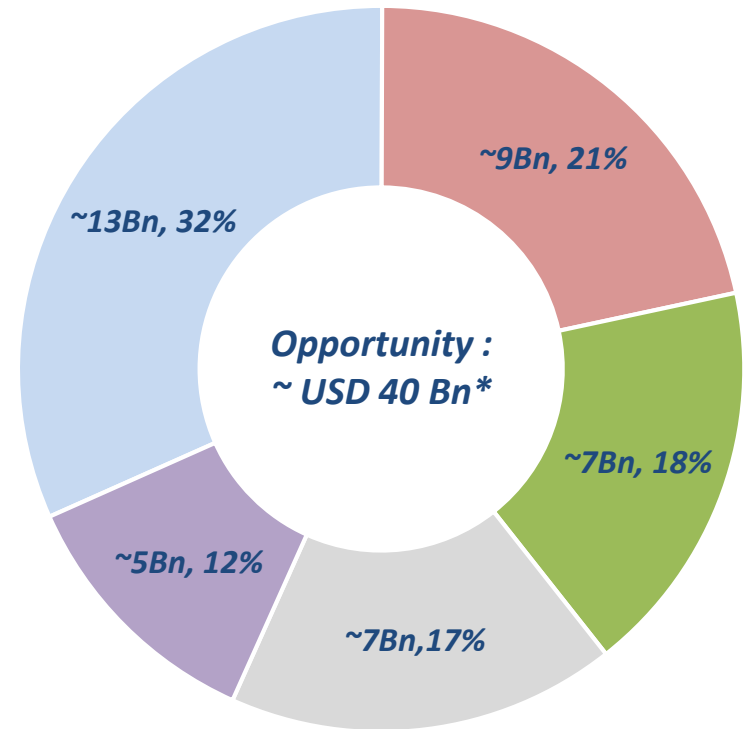
Biosimilars: Opportunity

The Insulin Pie



■ glargine ■ aspart ■ human insulin ■ lispro

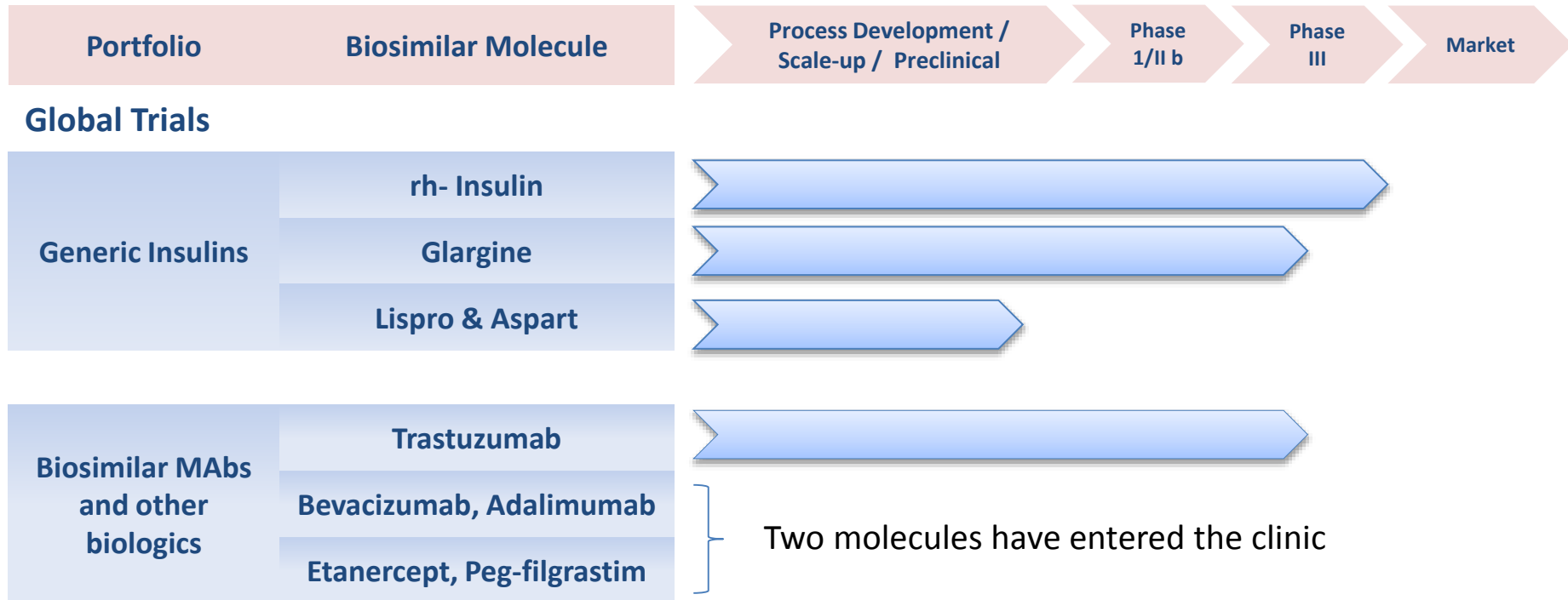
Biosimilar MABs & Other Biologics



■ adalimumab ■ etanercept ■ bevacizumab
 ■ trastuzumab ■ peg-filgrastim

*Source: Company reports, market size of innovator products in CY 2014, all figures rounded off to nearest USD Bn, %ages rounded off

Biosimilars: Pipeline



- ❖ **Emerging Markets First strategy** coupled with a **regional partnership** commercialization approach
- ❖ Launched the world's most affordable trastuzumab, CANMAb™ in India, in Q4 of fiscal 2014. Licensed the product in one key EM in fiscal 2015, finalizing agreements for more EMs
- ❖ Generic rh Insulin registered in 55+ countries; generic insulin glargine registered in 10+ nations
- ❖ Commenced recruitment of patients for the India clinical trial of biosimilar bevacizumab

Biosimilars: Collaboration

Co-Development & Commercialization Partnership



Combines Biocon's R&D and manufacturing prowess of biologics with Mylan's regulatory & commercialization capabilities in the US and Europe

| | Generic Insulin Analogs | Biosimilar MABs & other Biologics |
|---|---|---|
| Global Market Size * | ~ USD 16 Bn | ~ USD 40 Bn |
| Portfolio Constituents | Glargine, Lispro & Aspart | Trastuzumab, Bevacizumab, Adalimumab, Eterncept, Peg-filgrastim |
| Mylan's <i>Exclusive Commercialization</i> Regions | US, Canada, Europe, Australia & New Zealand | Developed markets |
| Upfront Received | \$ 20 Mn | \$ 18 Mn |

Structure: Upfront Payment + Cost Sharing + Supplies + Profit Sharing[#]

Mylan and Biocon to share development and capital costs

#Profit Sharing Arrangement in regions where Mylan has exclusive commercialization rights

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

Malaysia Insulin Facility

Key Highlights

Biocon's First Manufacturing expansion overseas : Iskandar, Johor

Asia's largest integrated Insulins manufacturing facility

Capital Investment of ~\$ 200 Mn in the first phase

Expected Commissioning: FY15

Plant Qualification, Product Stability Testing: To start in FY16



Branded Formulations: Introduction

- An India Centric Business with Global Ambitions
- Organized into 5 verticals around key therapy areas
- **Portfolio highlights:**
 - ❖ **Insugen® & Basalog®**: India's largest selling generic insulin & long acting analog
 - ❖ **BioMab EGFR®**: India's 1st indigenous novel MAb for head & neck cancer
 - ❖ **Alzumab™**: India's 2nd indigenous novel MAb for Psoriasis
 - ❖ **CANMab™**: World's most affordable trastuzumab to be commercialized
 - ❖ **Cytosorb®**: First-in-class Cytokine Filter



Branded Formulations: Key Brands

CV-Met



Cancer Therapies



Autoimmune



Renal Therapies



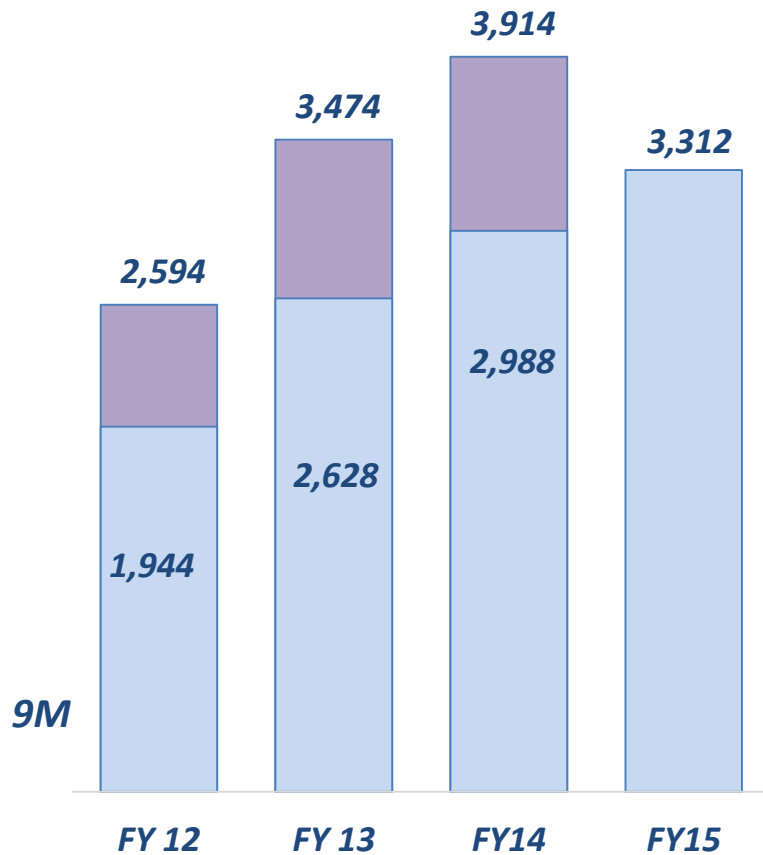
Hospital: Critical Care



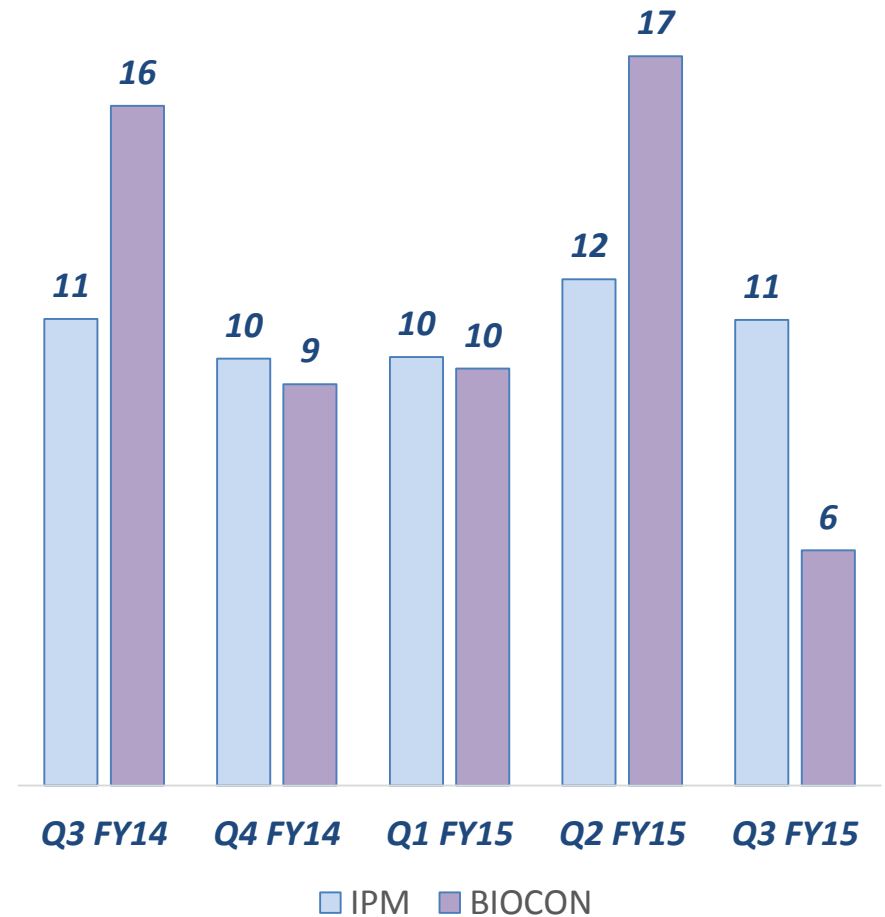
Branded Formulations: Performance

Financial Performance

Revenues in ₹ Million



Revenue Growth Benchmarking



IPM Source: IMS

IPM BIOCON

Key Differentiators

First-in-Class Therapy :Novel MOA with an excellent safety profile

Excellent clinical remission & safety data in phase III for Psoriasis

Very low Infection rates vis-à-vis other approved therapies

Modulates TH17 Pathway: Frontrunner in the hot bed of research in auto immune space

Commercialised in India post a successful Phase III trial in Psoriasis (200+ patients);

Promising preclinical and clinical efficacy data in **other auto immune diseases** (Rheumatoid Arthritis, Psoriatic Arthritis etc)



Key Differentiators

Approved after a Phase 3 (130 + patient) trial in India

Available in India from February 2014

C: Convenience -- Available in unique combination of multi-dose vial of 150 mg & 440 mg

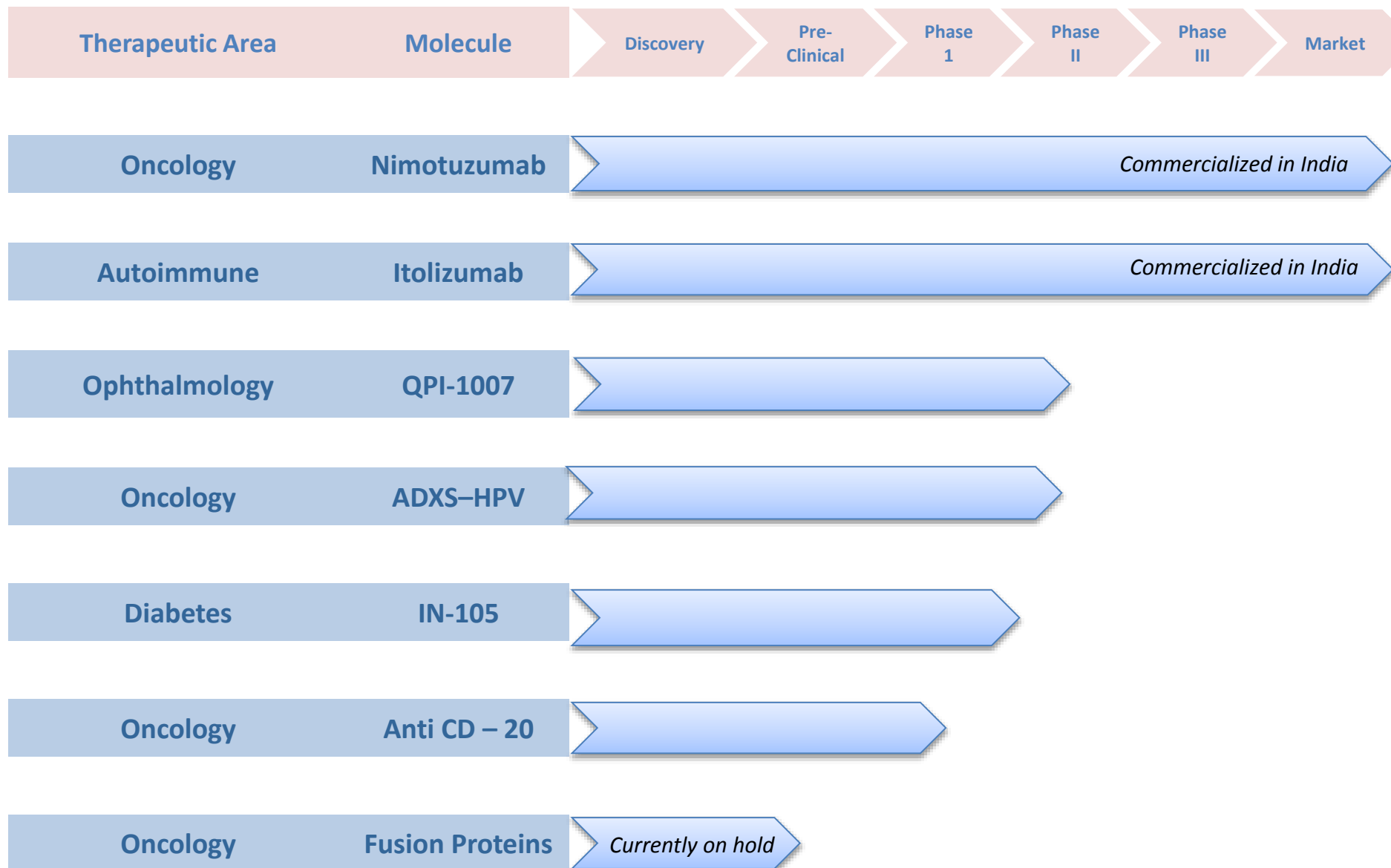
A: Affordability

- MRP – Rs 57,500 for 440mg vial, Rs 19,500 for 150mg vial
- Availability of 150 mg multi-dose vial allows patients to save money by buying smaller quantities, and storing unused product for their next dose rather than wasting it

N: New from India-- World's most affordable trastuzumab to be commercialized



Novel Molecules: Pipeline



Novel Molecules: Collaboration

IN-105 Option Agreement: BMS (First-in-Class Oral Prandial Insulin)



Combines Biocon's novel asset and development experience with BMS' novel drug development, regulatory & commercialization capabilities.

*Biocon will **continue global development** of the molecule through Phase II via redesigned trials.*

*Partnership encompasses **Financial, Strategic and Clinical Support** throughout the development phase*

*BMS will have an **exclusive option post phase II** to further develop & commercialise the asset worldwide (excl. India)*

*Biocon will receive **licensing fee in addition to potential regulatory & commercialization milestones**, when BMS exercises its option*



An investment of ~\$20 Mn supported by 100+ scientists focused on building a world class CRO

2000

Today

India's largest CRO with 2,000 + scientists, working with 16 of the Top 20 pharma companies in the world.
Capital Investment of ~\$130 Mn

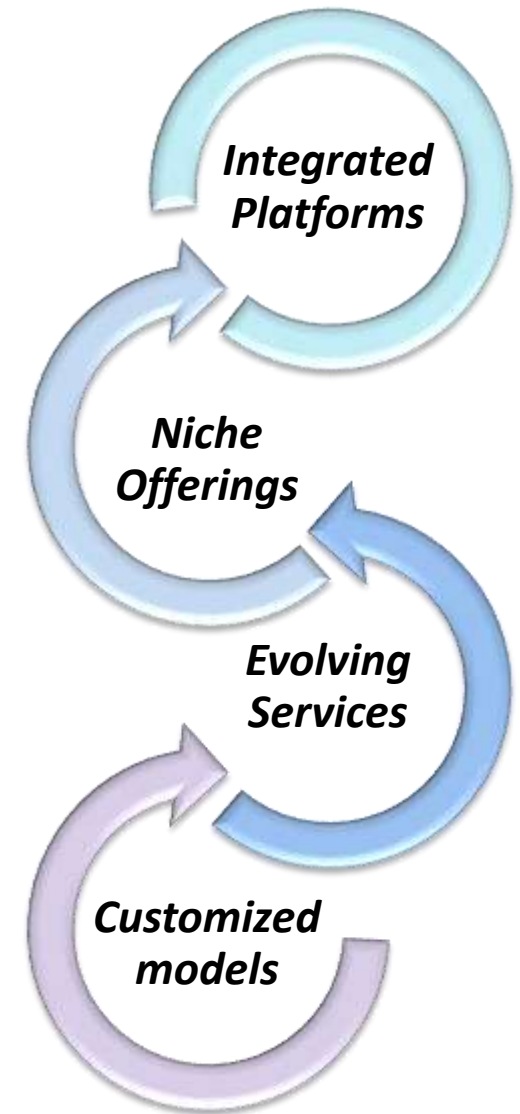
Research Services: Capabilities & Collaboration Models

- Integrated Drug Discovery and Development
- Biologics Discovery and Development
- ***Syngene- Clinigene axis***

- Bioanalytical testing of small and large molecules
- Antibody Drug Conjugate (ADC) development
- Unique *In-Vivo* Models- Human tumour tissue Xenograft
- Early and rapid toxicology evaluation (Cardiomyocytes)

- Commercial scale production of NCEs
- High potency (cytotoxic) API manufacturing
- Formulation development

- Dedicated/customized infrastructure
- End-to-end services
- Risk sharing: Milestone based
- Incubation: IP sharing



Research Services: Key Customers



Largest R&D Centre by a Big Pharma in Asia (started in 2009, contract extended to 2020)

Dedicated centre of research excellence with world class facilities

Over 400 scientists supporting Novel Molecule research in small and large molecules

Integrated drug discovery & development across various therapeutic areas



Baxter

Baxter's 1st research centre in India in partnership with Syngene (2014)

State of the art facility supporting R&D of medical products and devices

Engages a multidisciplinary team of over 100 scientists

R&D activities centred on product and analytical development, preclinical evaluation in parenteral nutrition and renal therapy



Abbott Nutrition's 1st R&D centre in India set up in collaboration with Syngene (2012)

Dedicated centre supporting development of nutrition products

Over 30 multi-disciplinary scientists engaged in product development lifecycle

Focus on maternal, paediatric, neonatal nutrition and diabetes care in line with emerging market needs

Research Services: Financial Performance

Revenues in ₹ Million

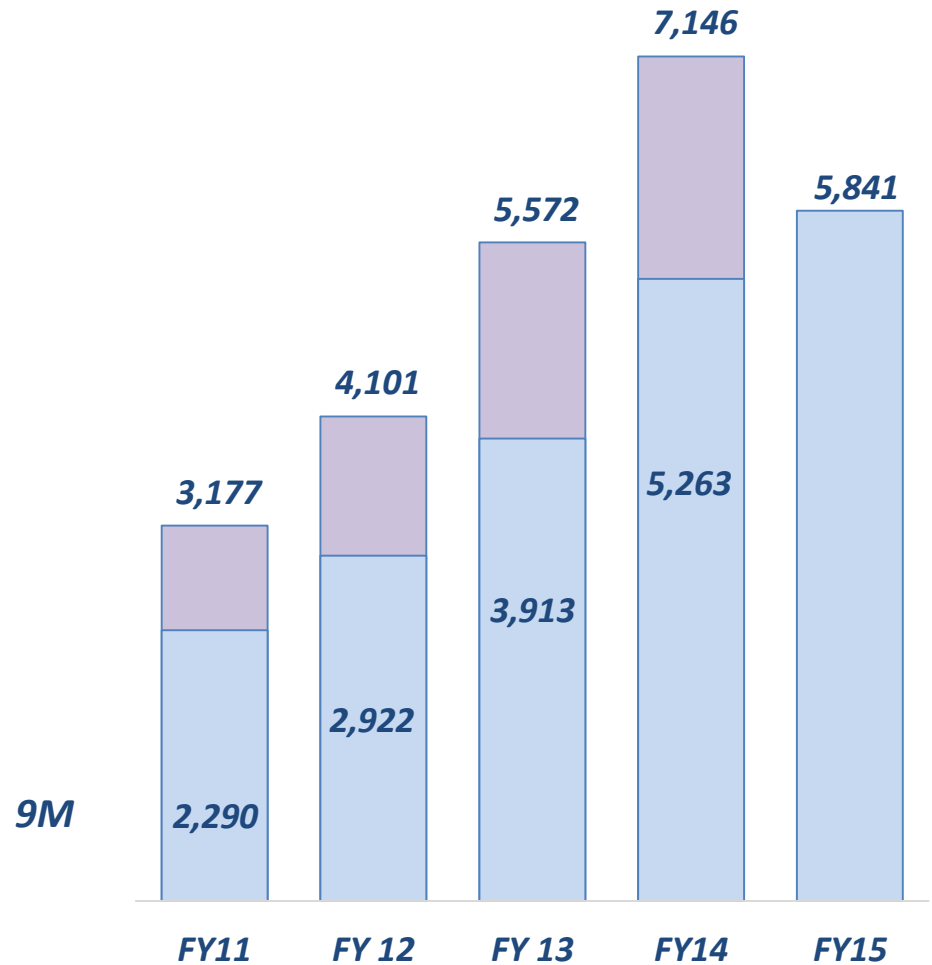


INDIA VALUE FUND

- IVF Trustee Company Private Limited acquires 10% stake in Syngene at a valuation of ₹ 38,000 Million

Performance drivers:

- Strategic Partnerships
- Innovative business models
- Customer centricity
- Affordable innovation
- Focus on productivity





Financials

Financial Performance

All Figures in ₹ Million / USD Mn except EPS

| | FY10 | FY11 | FY12 | FY13 | FY14 |
|---------------|--------------|--------------|--------------|--------------|--------------|
| Revenue | 14,930 318 | 18,579 407 | 21,483 445 | 25,380 467 | 29,332 487 |
| R&D Spend | 785 17 | 1,183 26 | 1,366 28 | 1,640 30 | 1,310 22 |
| EBITDA | 4,551 97 | 5,733 125 | 5,791 120 | 5,957 110 | 7,429 123 |
| Net profit* | 2,729 58 | 3,399 74 | 3,384 70 | 3,241 60 | 4,137 69 |
| EPS (FV: ₹ 5) | 13.6 | 17.0 | 16.9 | 25.4 | 20.7 |

| | 9M FY15 | 9M FY14 |
|---------------------------------------|--------------|--------------|
| Revenue | 22,884 377 | 21,874 364 |
| R&D Spends | 1,128 19 | 1,020 17 |
| <i>% of Biopharmaceutical Sales #</i> | 7% | 6% |
| EBITDA | 5,484 90 | 5,502 92 |
| <i>EBITDA Margin</i> | 24% | 25% |
| Net Profit | 2,959 49 | 3,006 50 |
| <i>PAT Margin</i> | 13% | 14% |
| EPS | 14.8 | 15.0 |

FY10-FY14: Avg. exchange rate in that fiscal ; 9M FY14: USD 1 = ₹ 60.08; 9M FY15: USD 1 = ₹ 60.77

Biopharmaceutical Sales including Branded Formulations | * Net Profit Pre exceptional items

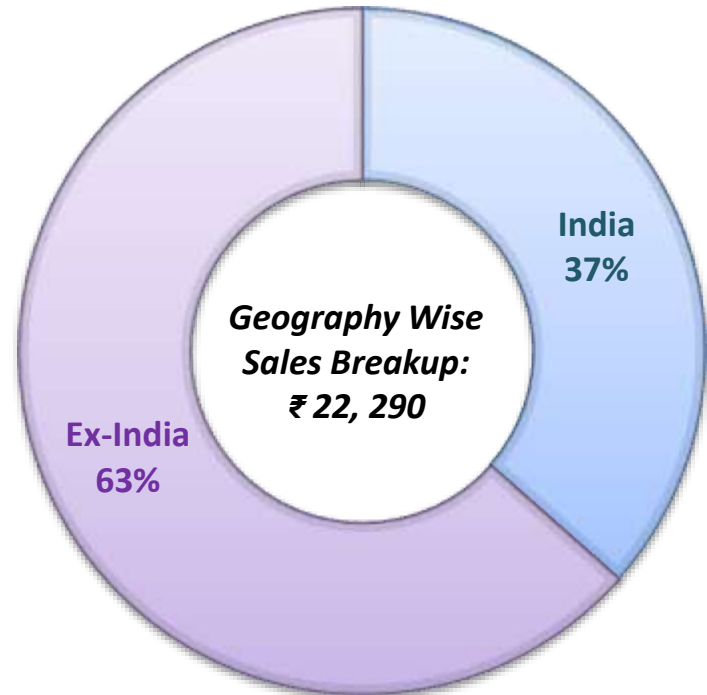
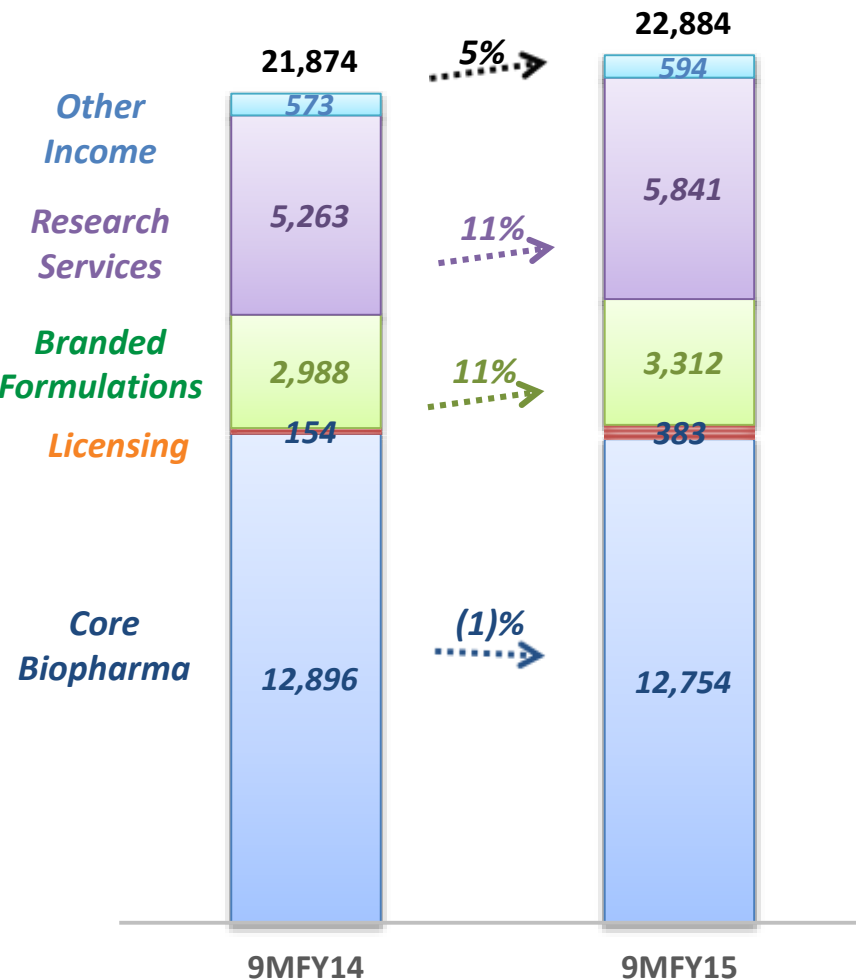
Core Business Margins: Detailed

All Figures in ₹ Million

| | FY 10 | FY 11 | FY 12 | FY 13 | FY 14 | 9M FY15 |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue | 14,930 | 18,579 | 21,483 | 25,380 | 29,332 | 22,884 |
| Less: Other Income | 324 | 516 | 993 | 1,103 | 804 | 594 |
| Less: Licensing Income | 507 | 1,525 | 1,266 | 246 | 149 | 383 |
| Core Revenues | 14,099 | 16,538 | 19,224 | 24,031 | 28,379 | 21,907 |
| EBITDA | 4,551 | 5,733 | 5,791 | 5,957 | 7,429 | 5,484 |
| Add: R&D Expense | 785 | 1,183 | 1,366 | 1,640 | 1,310 | 1,128 |
| Less: Other Income | 324 | 516 | 993 | 1,103 | 804 | 594 |
| Less: Licensing Income | 507 | 1,525 | 1,266 | 246 | 149 | 383 |
| Core EBITDA | 4,505 | 4,875 | 4,899 | 6,248 | 7,786 | 5,635 |
| Core EBITDA Margin | 32% | 29% | 25% | 26% | 27% | 26% |
| | | | | | | |

Revenue: Detailed

All Figures in ₹ Million unless otherwise specified



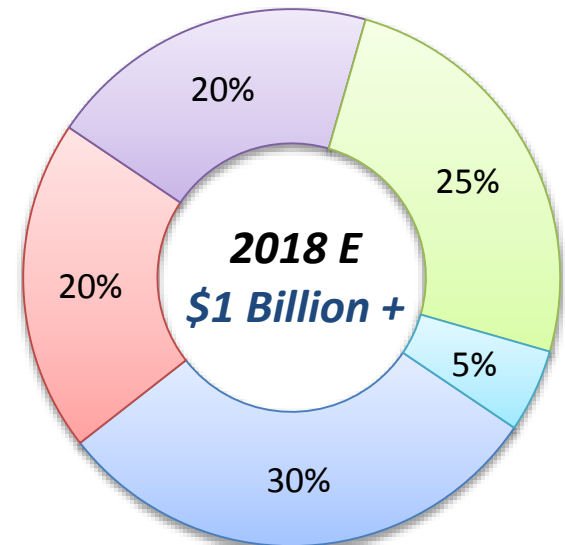


Outlook

Key Focus Areas

- **Small Molecules** - Improved product Mix
- **Biosimilars** - Geographical Expansion in semi regulated and regulated markets
- **Branded Formulations** - Differentiated Value offerings
- **Research Services** - Sustained Growth Momentum
- **Novel Molecules** - Out-licensing and Global Development

Growth drivers supplemented by addition of new offerings (products, services & partnerships)





BIOPHARMA SUBSIDIARIES

Biocon Research , India | **100%**
R&D- Novel Molecules & Biosimilars

Biocon Pharma , India | **100%**
Manufacturing - Generic Formulations

Biocon Sdn. Bhd, Malaysia | **100%**
Overseas subsidiary

Biocon SA, Switzerland | **100%**
Overseas subsidiary

NeoBiocon, UAE | **51%**
Overseas subsidiary

RESEARCH SERVICES

Syngene International, India | **~86%**
Custom research, drug discovery, clinical development

***Spanning the entire Value Chain with capabilities ranging from
discovery to manufacturing***

For updates and specific queries, please visit www.biocon.com
or contact

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