

## Good Morning and Welcome to Q4 & FY 15 Results of Biocon

### Financial Highlights: in Rs. Crore

	FY 15	FY15 growth	Q4	Q4 growth
Revenue	3143	+7%	854	+15%
PAT	497	+20%	201	+78%
PAT Margins	16%		24%	
EBITDA	749	Marginally up from 743	202	+5% from 193
EBITDA Margins	24%	Marginally lower from 25%	24%	
R&D Expenses (Gross)	329	Doubled from 169		
R&D Expenses (Net)	169	8% of biopharma	56	
PAT (Excluding exceptional item)	402	Marginally down from 414	106	Down 6% from 113

	SEGMENT WISE REVENUE BREAK UP (in Rs. Crore)	
	FY 15	Q4
Biopharmaceuticals	2237 / 2138 +5%	592 / 535 +11%
Branded Formulations	430 / 390 + 10%	98 / 93 +6%
Research Services	823 / 715 +15%	238 / 188 +27%
Other Income:	84 / 80 +4%	24 / 23 +8%

#### **Q4 Financials:**

**For this quarter our Revenues stood at Rs 854 crores**

**PAT at Rs 201 crores, reported a growth of 78% y-oy, largely boosted by an exceptional income from the sale of shares of Syngene.**

**EBITDA at Rs 202 Crores was also up 5% and overall EBITDA margins stood at a healthy 24%.**

**This was the strongest quarter of the year reporting a topline growth of 15% and 24% PAT margin.**

**We posted a healthy growth of 11% in biopharmaceuticals business and a spectacular growth of 27% in the research services business, which is by far the highest this fiscal for Syngene.**

**Branded Formulations with a focus on its core brands reported nearly Rs. 100 crores in Q4.**

### FY15 Financials:

Our topline for the full year, at Rs. 3143 crores, grew by 7%, while PAT at Rs. 497 crores reported a 20% jump. Our EBITDA margins were steady at 24% despite gross R&D expenses doubling to Rs. 329 crores in FY15, with Rs. 169 crores R&D expense reported in the P&L.

### Advancing R&D Programs

This significant ramp up in R&D expense reflects advances made in multiple R&D programs. As you know, we have a rich pipeline of biosimilars and novel biologics. This increase in R&D is in line with our strategic focus on innovation. We are unlocking value from Syngene to fund our R&D programs. This fund infusion will help accelerate these programs which are at various stages of development currently and meet certain capex requirements.

### Business Highlights

All our businesses have reported a healthy growth in FY15 despite challenges in various segments. Our branded formulations business reported a growth of 10% in FY15, due to our strategic shift to focus on core brands to enhance our specialty franchise. This has reflected in higher profitability of the business during the year. Our branded business in GCC countries through NeoBiocon continued to grow from strength to strength. In oncotherapy, NeoBiocon has emerged as a leading player in the taxane segment.

We extended our footprint for the insulins business with approvals for rh-insulin in 60 countries and for Glargine in 20 countries. The approval of Glargine in Mexico is likely to open the gates for us in several other LATAM markets.

We are happy to share that our Malaysia insulins facility has been commissioned, which once qualified, should provide us the scale to increase our presence and penetration in emerging markets and then in developed markets.

Our biosimilars research programs are on track. As we move into FY16, we are clearly seeing our biosimilar strategy playing out with greater clarity, credibility and traction visible across our portfolio of Biologics as they advance in clinical development. We continue to make investments in R&D as a strong future value driver.

The increase in R&D spends have resulted in encouraging outcomes for our novel molecules business, as well. We have completed the first set of trials in the U.S. with our oral insulin candidate IN-105 earlier this month. The data from these studies is currently being analyzed. The US studies, we have undertaken, can be classified as Phase 1b/2a studies conducted on ~100 subjects under a US IND. Up till now, nearly 400 people across type 1, type 2 diabetics and healthy volunteers have participated in the trials.

The development work on our novel anti-CD6 molecule, Itolizumab continues, as we explore the potential of this molecule for rare neurological indications which has significant unmet medical need.

We are excited to move ahead with the listing of Syngene over the next few months.

Thank you and over to questions.