



PRESS RELEASE

Bangalore, January 20, 2005

Biocon's 9 months profits grow 63% to Rs. 155 crores

Biocon Limited today announced its financial performance for the 9 months ended December 31, 2004.

9 MONTHS HIGHLIGHTS

- Revenues grew by 39% to Rs: 550 crores, Q3 revenues at Rs: 183 crores
- PAT grew 63% to Rs: 155 crores, Q3 PAT at Rs:50.3 crores
- All sectors performed well (Biopharmaceuticals, enzymes & research services)
- Insugen successfully launched in Indian market
- Oral Insulin development program commenced
- Biologicals facility on track: To be fully operational by Q3 2005-06
- Multi-product fermentation facility on track. To be ready in time for US Patent expiry of Simvastatin & Pravastatin.
- Biocon signs Collaboration with Vaccinex Inc., Rochester, USA, to develop novel therapeutic monoclonal antibodies to add to their discovery pipeline.

Commenting on the results, **Kiran Mazumdar-Shaw, Chairman & Managing Director, Biocon Limited**, said:

“I am pleased to report a strong third quarter. Our business continues to expand and all sectors recorded healthy growth despite the challenging conditions in the European Statins market. Our recently announced collaborations with Nobex and Vaccinex have both made a good start. We remain on track in meeting our strategic and financial targets for the year.”

FINANCIAL HIGHLIGHTS:

9 Months - FY2005 (April – Dec 2004) v/s 9 Months - FY 2004 (April – Dec 2003)

- Total income increased by 39% to Rs. 550 crores from Rs. 397 crores.
- Revenues from the biopharmaceuticals business increased by 33% to Rs. 426 crores from Rs. 321 crores, contributing 79% of sales.
- Revenues from Research Services increased by 75% to Rs. 47 crores from Rs. 27 crores.
- Operating profit increased by 43% to Rs. 187 crores from Rs. 131 crores.
- Net profit up by 63% at Rs. 155 crores from Rs. 95 crores.
- Earnings per share at Rs. 15.50 for the nine month period.

CORPORATE HIGHLIGHTS IN Q3 FY2005

- Biocon successfully launched its own branded (Insugen^R) recombinant human insulin formulation into the Indian market on World Diabetes Day, November 14th 2004.
- Biocon entered into a strategic collaboration with Rochester NY based Biotechnology company, Vaccinex Inc. to develop novel therapeutic fully human antibodies using Vaccinex's proprietary '*in vitro*' antibody technology.

Vaccinex is a privately held biotechnology company engaged in the discovery and development of novel therapeutic antibodies. Using its proprietary vaccinia vector technology, Vaccinex has developed the only library-based antibody discovery platform capable of directly expressing bivalent, fully human antibodies in mammalian cells. Vaccinex's technology offers the potential to directly generate fully functional antibodies against difficult targets such as homologous proteins and multi-pass membrane receptors.

- Biocon's development program for Oral Insulin with Nobex commenced.
- Biocon's CAPEX programme covering Multi-product Fermentation & Synthesis facilities along with the new biological plant, are on track.

- **About Biocon**

Established in 1978, Biocon Limited is India's premier biotechnology company. Biocon and its two subsidiary companies, Syngene International Pvt. Ltd. and Clinigene International Pvt. Ltd. together with its Joint Venture Company Biocon Biopharmaceuticals Pvt. Ltd. form a fully integrated biotechnology company, specializing in biopharmaceuticals, enzymes, custom research and clinical research. With successful initiatives in clinical development, bioprocessing and global marketing, Biocon delivers products and solutions to partners and customers across 50 countries. Visit us at www.biocon.com

Note: The discussions in this release reflect the audited financial performance of Biocon Limited based on Indian GAAP on a consolidated basis. This considers the financial performance of Biocon Limited, its wholly owned subsidiaries Syngene International Private Limited and Clinigene International Private Limited and its 51% joint venture Biocon Biopharmaceuticals Private Limited. All comparisons are with the first half of last financial year.

Disclaimer

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 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, 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.

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