



For Immediate Release

Bangalore, India

January 20, 2011

BIOCON DELIVERS STRONG Q3 PERFORMANCE WITH GROWTH ACROSS BUSINESSES
ANNOUNCES CLINICAL EFFICACY DATA FROM PHASE III TRIALS ON IN-105

Biocon Limited announces earnings for the nine months ended December 31, 2010.

Revenues at Rs 2,097 crores; EBITDA at Rs 471 crores; PAT at Rs 267 crores

“Commenting on the financial performance, Kiran Mazumdar-Shaw, Chairman & Managing Director said “Biocon has delivered the highest ever PAT this quarter and has crossed the Rs:100 crore mark. The operating margin has also increased to 24% this quarter reflecting the improved quality of earnings. This marks an important growth milestone which will enable us to invest in advancing our research programs and expand our manufacturing and marketing partnerships, which we believe, are catalysts of growth for the future.”

Biocon Group (consolidated)

For Nine-Months ended December 31, 2010

- Total Income at Rs 2,097 crores. Up 21% YoY.
- EBITDA at Rs 471 crores. YoY growth was 28%.
- PAT at Rs 267 crores. YoY growth was 25%.
- EBITDA Margin at 22%.
- Earnings Per Share at Rs 13.6.
- Headcount at 5,300+ employees.

For three months ended December 31, 2010

- Total Income at Rs 738 crores. Up 15% YoY.
- EBITDA at Rs 178 crores. YoY growth was 34%.
- PAT at Rs 101 crores. YoY growth was 24%.
- EBITDA Margin at 24%.
- Earnings Per Share at Rs 5.2.

Business Performance and Outlook



Biopharmaceuticals

The Biopharma business posted a 22% YoY increase in revenues in the nine-months of this fiscal on the back of strong growth in the sales of immunosuppressants, statins and the branded formulations segment.

There has been a significant increase in the sales of both MMF and Tacrolimus to the US and European markets.

Domestic Branded Formulations – The six verticals in branded formulations, namely, Diabetology, Oncotherapeutics, Nephrology, Cardiology, Dermatology and Comprehensive Care, have posted a combined YoY growth of 32%.

In Diabetology, the response of diabetes specialists to the launch of Insugen 100 i.u. in India has been very encouraging. This launch will help the division increase its market share in the human Insulin vials space. Overall, the Insulin portfolio has grown by 40% over last year.

The Immunotherapy division was launched in September 2010 with a vision to present a portfolio of unique, effective, and affordable medicines predominantly for the treatment of immune-related dermatological disorders. The current portfolio comprises of Tbis (Tacrolimus) and Picon (Pimecrolimus).

In October 2010, the company also forayed into the Dermatology market with a scientific symposium which was attended by over 100 dermatologists from across the nation.

Axicorp

Effective August 2010, the German government has forced drug makers to give a 16% rebate for the next 3 years. AxiCorp's action plan is focused on managing the situation by eliminating certain low margin products from the current portfolio.

Said Dirk Ullrich, CEO, AxiCorp GmbH, "The impact of revamping our product portfolio led to a sales dip in this past quarter and will impact the next quarter as well but it does provide the opportunity for further quality growth thereafter. In the first nine months, AxiCorp showed a sales growth of 28% vs. 2009 and a net profit growth of 33%".

Research Services



Syngene - Dr. Goutam Das, retired at the end of December 2010 after sixteen years of outstanding leadership at Syngene. Pursuant to this, Mr. Peter Bains has taken interim charge of Syngene. Mr. Bains brings a wealth of experience from big pharma having had a 23-year career at GSK in which at various times he was Head of Global Marketing and SVP of Commercial Development for GSK's International Region. His experience and insights will bring a fresh perspective to Syngene's businesses as traditional models and technologies are being challenged and new collaboration models are evolving.

Syngene's business has gained momentum in the current quarter with a 21% growth in top line and a 3% improvement in EBITDA margins; Increased traction in biologics and integrated research services are expected to drive further growth in the year ahead.

Commenting on the business outlook, Peter Bains said: "The rationale for external R&D is no longer simply about cost, but now also about value added services that enhance the success of drug development programs. FTEs have made way for preferred suppliers of integrated offerings which in turn are now being replaced by strategic development partnerships. I believe Syngene & Clinigene are in a unique position to offer integrated, end to end drug discovery and development services both for small molecules and biologics."

Research Pipeline

IN-105: Announced preliminary efficacy data from phase III clinical trials on IN-105 - Top line data show encouraging results in patients with Type 2 Diabetes.

The company released encouraging preliminary data from a recently concluded clinical study conducted in India, on IN-105, its novel oral insulin candidate for the treatment of diabetes.

Initial data analyses show that an unexpectedly high placebo effect prevented IN-105 from meeting its primary end point of lowering HbA1c levels by 0.7% compared to placebo. However, **multiple secondary endpoints on both efficacy and safety were met**, further strengthening the emerging profile of IN-105.

Most notably on efficacy, the IN-105 patient arm demonstrated a statistically significant reduction in post prandial glucose levels compared to placebo throughout the duration of the study. On secondary safety endpoints, IN-105 demonstrated an excellent overall safety profile



with no incidence of serious adverse events, and no occurrences of clinical hypoglycaemia. Data also show that the drug is weight neutral and non immunogenic.

Releasing the data, said CMD Kiran Mazumdar-Shaw, “Based on these encouraging results, Biocon is committed to continue its global development of IN-105 in partnership with a global pharmaceutical partner for which we plan to initiate partnering discussions shortly”.

T1h: Phase III clinical trials for the Anti-CD6 targeting monoclonal antibody (T1h) program for Psoriasis are ongoing. Patient enrollment has been completed and the primary end point is expected to be evaluated in Q1 FY12.

BVX-20 (Anti-CD20): The MAb has been established as safe in non-human primates. An application to conduct first-in man studies with BVX-20 MAb in NHL patients has been submitted to the DCGI.

[Corporate Developments in Q3 FY11](#)

Biocon to set up manufacturing and R&D unit in Malaysia

Biocon announced a strategic foreign direct investment in Malaysia with the Malaysian Biotechnology Corporation SdnBhd (BiotechCorp). The investment will be made towards setting up a Bio-manufacturing and Research and Development facility in Bio-XCell, a custom-built biotechnology park and ecosystem in Iskandar Malaysia, Johor. The investment is the largest for the Malaysian biotechnology sector thus far.

The project would focus on the production of Insulins in the first phase. Biocon proposes to invest around RM500 million (approximately US \$161 million) in this facility in the first phase which is targeted to be operational by 2014.

About Biocon

Established in 1978, Biocon Limited (**BSE code:** 532523, **NSE Id:** BIOCON, **ISIN Id:** INE376G01013) is India's largest biotechnology company by revenue. The Group, promoted by Ms. Kiran Mazumdar-Shaw, is a fully-integrated, innovation-driven healthcare enterprise with strategic focus on biopharmaceuticals and research services. Biocon's value chain traverses the entire length of discovery, development and commercialization of novel therapeutics. With successful initiatives in clinical development, bio-processing and global



marketing, Biocon delivers products and solutions to partners and customers in approximately 75 countries across the globe. Many of these products have USFDA and EMA acceptance. Biocon's robust product offering includes the world's first Pichia-based recombinant human insulin, INSUGEN® and India's first indigenously produced monoclonal antibody BIOMAb-EGFR^(TM). **For more information, visit www.biocon.com**

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 our 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.

Earnings Call

The company will conduct an hour long call at 3:00 pm IST on January 20, 2011 where the senior management will discuss the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below five to ten minutes ahead of the scheduled start time. The dial-in numbers for the call are 1800 425 4061 / 1800 425 4250 / 1800 22 4061 / 1800 425 1300 (India Toll Free numbers are accessible through all mobiles and landline services) Other toll numbers are listed in the conference call invite which is posted on the company website www.biocon.com. The operator will provide instructions on asking questions before the start of the call. A replay of this call will also be available from 20 January 2011 – 27 January 2011 on the same dial-in numbers provided above. The transcript of the conference call will be posted on the corporate website.

Contact Information

Media Relations	Paula Sengupta +91 80 2808 2808 Paula.sengupta@biocon.com
Investor Relations	Jill Deviprasad +91 80 2808 2054 Jill.deviprasad@biocon.com



Encl: Fact Sheet - Consolidated Income Statement and Balance Sheet (Indian GAAP)

(All figures in Rs. Crores, except EPS data)

Note: *The discussions in this release reflect the financial performance of Biocon Limited and its subsidiaries based on Indian GAAP on a consolidated basis. Results for the German subsidiary are reported with a one-quarter lag.*