



Biocon Limited

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Electronics City
Bangalore 560 100, India
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CIN : L24234KA1978PLC003417

www.biocon.com

Date: January 24, 2017

Bombay Stock Exchange Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra – East,
Mumbai - 400051

Dear Sir / Madam,

Sub: - Outcome of Board Meeting & Unaudited Financial Results for the quarter and period ended 31st December, 2016.

Ref: NSE Symbol: **BIOCON / BSE** Scrip code: **532523**

1. The Board of Directors ("Board") of the Company met today, the 24th January 2017 to consider and approve the unaudited financial results of the Company (both standalone and consolidated) for the quarter and period ended 31st December, 2016. A copy of the unaudited financial results in the prescribed format, reviewed by Audit and Risk Committee and approved by the Board along with the limited review report of the statutory auditors is enclosed herewith. Also please find enclosed the fact sheet and a copy of the press release issued by the Company in this regard.
2. The Meeting of the Board of Directors commenced at 12.45 PM & concluded at 7.25 PM.

The unaudited financial results of the Company for the quarter and period ended 31st December, 2016 is also available on Company website at www.biocon.com.

Kindly take note of the above.

Thanking you,

For **BIOCON LIMITED**

A handwritten signature in blue ink, appearing to read "Arun S Chandavarkar", is written over a horizontal line.

ARUN S CHANDAVARKAR
CEO & JOINT MANAGING DIRECTOR

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

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Review report to The Board of Directors of Biocon Limited

We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Biocon Limited ('the Company') for the quarter and nine months ended 31 December 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations').

Attention is drawn to the fact that the figures for the corresponding quarter and nine months ended 31 December 2015 and for the year ended 31 March 2016 are based on the previously issued standalone financial results or annual standalone financial statements that were reviewed/audited by the predecessor auditors (vide their unmodified limited review report of 21 January 2016 and unmodified audit report of 26 April 2016) as adjusted for differences in the accounting principles adopted by the Company on transition to Indian Accounting Standards ('Ind AS'), which have been reviewed by us. These adjustments reconcile the net profit for the corresponding periods quarter and nine months ended 31 December 2015 and the net profit for and equity as at the end of the corresponding period 31 March 2016 under the previously applicable Generally Accepted Accounting Principles with the total comprehensive income and equity as reported in these standalone financial results under Ind AS.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of SEBI Regulations and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W/W-100022

S Sethuraman

Partner

Membership Number: 203491

Place: Bengaluru

Date: 24 January 2017

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koiamangala
Bangalore 560 071 India

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Review Report to The Board of Directors of Biocon Limited

We have reviewed the accompanying statement of unaudited consolidated financial results ("Statement") of Biocon Limited ('the Company'), its subsidiaries and a joint venture (collectively referred to as 'the Group') (Refer to Note 3 of the Statement), for the quarter and nine months ended 31 December 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations').

Attention is drawn to the fact that the figures for the corresponding quarter and nine months ended 31 December 2015 and for the year ended 31 March 2016 are based on the previously issued consolidated financial results or annual consolidated financial statements that were reviewed/audited by the predecessor auditors (vide their unmodified limited review report of 21 January 2016 and unmodified audit report of 26 April 2016) as adjusted for differences in the accounting principles adopted by the Company on transition to Indian Accounting Standards ('Ind AS'), which have been reviewed by us. These adjustments reconcile the net profit for the corresponding periods quarter and nine months ended 31 December 2015 and the net profit for and equity as at the end of the corresponding period 31 March 2016 under the previously applicable Generally Accepted Accounting Principles with the total comprehensive income and equity as reported in these consolidated financial results under Ind AS.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not review the unaudited financial information of a subsidiary and a joint venture both incorporated outside India included in the consolidated financial results of the Group. This subsidiary accounts for Rs 19 million of net profit and Rs 29 million of net loss and Rs 322 million and Rs 395 million of revenues for the quarter and nine months ended 31 December 2016 respectively and Rs 21,455 million of total assets as at 31 December 2016. The financial results also include the Group's share of net profit of Rs 8 million and Rs 108 million for the quarter and nine months ended 31 December 2016, in respect of such joint venture. The unaudited financial results of the subsidiary and joint venture both incorporated outside India have been reviewed by the other auditors whose reports have been furnished to us. Our opinion on the unaudited consolidated Statement, in so far as it relates to this subsidiary and joint venture, is based on the aforesaid review reports of the other auditors.

B S R & Co. LLP

Biocon Limited

Review report (continued)

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of SEBI Regulations and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022



S Sethuraman

Partner

Membership Number: 203491

Place: Bengaluru

Date: 24 January 2017

BIOCON LIMITED

CIN: L24234KA1978PLC003417 Website: www.biocon.com

Registered office: 20th KM HOSUR ROAD, ELECTRONIC CITY P.O., BANGALORE - 560 100

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rs in Million, except per equity share data)

Sl. No.	Particulars	3 months ended	3 months ended	3 months ended	9 months ended	9 months ended	Previous Year ended
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Income from operations						
	a) Sale/ Income from operations	5,932	5,840	4,976	18,324	15,476	21,633
	b) Other operating income	618	419	301	1,539	1,419	1,721
	Total income from operations	6,550	6,259	5,277	19,863	16,895	23,354
2	Expenses						
	a) Cost of materials consumed	2,676	2,523	2,294	7,327	7,200	9,479
	b) Purchases of stock-in-trade	215	219	181	718	530	760
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(362)	(330)	(311)	(111)	(515)	(364)
	d) Excise duty on sales	68	83	72	247	219	336
	e) Employee benefits expense	953	892	823	2,746	2,413	3,219
	f) Depreciation and amortisation expenses	382	378	357	1,125	1,041	1,397
	g) Other expenses	1,470	1,553	1,418	4,293	3,921	5,754
		5,402	5,318	4,834	16,345	14,809	20,581
	Less: Recovery of product development costs from co-development partners (net)	-	(2)	(6)	(1)	(20)	(48)
	Total expenses	5,402	5,316	4,828	16,344	14,789	20,533
3	Profit from operations before other income, finance costs and exceptional items (1-2)	1,148	943	449	3,519	2,106	2,821
4	Other income	332	255	301	881	970	1,702
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	1,480	1,198	750	4,400	3,076	4,523
6	Finance costs	8	16	1	29	4	9
7	Profit from ordinary activities after finance costs before exceptional items (5-6)	1,472	1,182	749	4,371	3,072	4,514
8	Exceptional items [refer note 4(c) and 4(d) below]	-	-	-	-	962	1,061
9	Profit from ordinary activities before tax (7+8)	1,472	1,182	749	4,371	4,034	5,575
10	Tax expense	431	482	111	1,216	1,636	1,937
11	Net profit for the period / year (9-10)	1,041	700	638	3,155	2,398	3,638
12	Other comprehensive income	20	44	21	51	(8)	(9)
13	Total comprehensive income (11+12)	1,061	744	659	3,206	2,390	3,629
14	Paid-up equity share capital (Face value of Rs. 5 each)	1,000	1,000	1,000	1,000	1,000	1,000
15	Reserves i.e. Other equity						59,240
16	Earnings per share (of Rs. 5 each) (not annualised)						
	(a) Basic	5.30	3.57	3.25	16.08	12.21	18.53
	(b) Diluted	5.26	3.54	3.25	15.98	12.20	18.52
	See accompanying notes to the financial results						



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STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rs in Million, except per equity share data)

Sl. No.	Particulars	3 months ended	3 months ended	3 months ended	9 months	9 months	Previous Year
		31.12.2016	30.09.2016	31.12.2015	ended	ended	ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Income from operations						
	a) Sale/ Income from operations	10,293	9,404	7,962	29,513	23,463	32,916
	b) Other operating income	151	137	109	392	780	894
	Total income from operations	10,444	9,541	8,071	29,905	24,243	33,810
2	Expenses						
	a) Cost of materials consumed	3,808	3,260	3,103	9,819	9,471	12,549
	b) Purchases of stock-in-trade	481	556	308	1,626	775	1,070
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(610)	(361)	(452)	(405)	(885)	(715)
	d) Excise duty on sales	68	83	72	247	218	336
	e) Employee benefits expense	1,942	1,804	1,522	5,531	4,436	6,101
	f) Depreciation and amortisation expenses	703	683	639	2,047	1,839	2,487
	g) Other expenses	2,373	2,242	2,045	6,450	5,599	8,135
		8,765	8,267	7,237	25,315	21,453	29,963
	Less: Recovery of product development costs from co-development partners (net)	(379)	(443)	(375)	(1,155)	(1,003)	(1,320)
	Total expenses	8,386	7,824	6,862	24,160	20,450	28,643
3	Profit from operations before other income, finance costs and exceptional items (1-2)	2,058	1,717	1,209	5,745	3,793	5,167
4	Other income	474	384	216	1,267	632	792
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,532	2,101	1,425	7,012	4,425	5,959
6	Finance costs	88	65	15	210	88	254
7	Profit from ordinary activities after finance costs before exceptional items (5-6)	2,444	2,036	1,410	6,802	4,337	5,705
8	Exceptional items (net) [refer note 4(a), 4(b) and 4(f) below]	-	-	-	-	(1,078)	1,606
9	Profit from ordinary activities before tax (7+8)	2,444	2,036	1,410	6,802	3,259	7,311
10	Tax expense	544	417	218	1,513	876	1,467
11	Net profit for the period / year (9-10)	1,900	1,619	1,192	5,289	2,383	5,844
12	Share of profit of Joint venture	8	46	26	108	164	217
13	Non-controlling interest	(195)	(198)	(177)	(551)	(373)	(584)
14	Net profit after taxes, minority interest and share of profit from associates(11+12+13)	1,713	1,467	1,041	4,846	2,174	5,477
15	Other comprehensive income	246	396	107	481	(105)	(57)
16	Non-controlling interest	(44)	(80)	(6)	(101)	8	(9)
17	Total comprehensive income attributable to Shareholders (14+15+16)	1,915	1,783	1,142	5,226	2,077	5,411
	Total comprehensive income attributable to:						
	Shareholders of the Company	1,915	1,783	1,142	5,226	2,077	5,411
	Non-controlling interest	239	278	183	652	365	593
	Total comprehensive income	2,154	2,061	1,325	5,878	2,442	6,004
18	Paid-up equity share capital (Face value of Rs. 5 each)	1,000	1,000	1,000	1,000	1,000	1,000
19	Reserves i.e. Other equity						39,577
20	Earnings per share (of Rs. 5 each) (not annualised)						
	(a) Basic	8.72	7.48	5.30	24.69	11.07	27.90
	(b) Diluted	8.65	7.42	5.30	24.55	11.06	27.88
	See accompanying notes to the financial results						



BIOCON LIMITED

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SEGMENT DETAILS OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

(Rs in Million)

Particulars	3 months ended 31.12.2016	3 months ended 30.09.2016	3 months ended 31.12.2015	9 months ended 31.12.2016	9 months ended 31.12.2015	Previous Year ended 31.03.2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Segment revenue						
a. Small Molecules	4,069	4,034	3,209	12,457	10,528	14,583
b. Biologics	2,224	1,555	1,425	5,385	3,764	5,296
c. Branded formulations	1,233	1,366	1,045	4,179	3,360	4,409
d. Research services	3,322	3,030	2,804	9,097	7,755	11,070
Total	10,848	9,985	8,483	31,118	25,407	35,358
Less: Inter-segment revenue	(404)	(444)	(412)	(1,213)	(1,164)	(1,548)
Net sales / Income from continuing operations	10,444	9,541	8,071	29,905	24,243	33,810
Segment results						
Profit before interest and tax from each segment						
a. Small Molecules	970	949	434	3,076	2,041	2,506
b. Biologics	623	253	283	1,338	450	764
c. Branded formulations #	52	101	141	364	627	804
d. Research services	920	914	772	2,563	1,878	2,810
Total	2,565	2,217	1,630	7,341	4,996	6,884
Less: Interest	20	38	4	64	15	171
Other un-allocable expenditure / (income), net	93	97	190	367	480	791
Profit before tax and before exceptional items #	2,452	2,082	1,436	6,910	4,501	5,922
Segment Assets						
a. Small Molecules	15,161	14,845	13,955	15,161	13,955	14,831
b. Biologics	32,285	30,674	19,941	32,285	19,941	28,758
c. Branded formulations	2,145	2,401	2,237	2,145	2,237	1,698
d. Research services	25,240	25,290	14,836	25,240	14,836	23,575
	74,831	73,210	50,969	74,831	50,969	68,862
e. Unallocable	17,323	15,518	12,626	17,323	12,626	15,928
Total segment assets	92,154	88,728	63,595	92,154	63,595	84,790
Segment Liabilities						
a. Small Molecules	3,735	2,993	2,534	3,735	2,534	2,906
b. Biologics	6,994	6,351	2,896	6,994	2,896	5,527
c. Branded formulations	1,513	1,334	653	1,513	653	601
d. Research services	12,386	13,408	4,780	12,386	4,780	13,328
	24,628	24,086	10,863	24,628	10,863	22,362
e. Unallocable	17,722	17,158	11,407	17,722	11,407	18,989
Total segment liabilities	42,350	41,244	22,270	42,350	22,270	41,351
Capital employed						
a. Small Molecules	11,426	11,852	11,421	11,426	11,421	11,925
b. Biologics	25,291	24,323	17,045	25,291	17,045	23,231
c. Branded formulations	632	1,067	1,584	632	1,584	1,097
d. Research services	12,854	11,882	10,056	12,854	10,056	10,247
	50,203	49,124	40,106	50,203	40,106	46,500
e. Unallocable	(399)	(1,640)	1,219	(399)	1,219	(3,061)
Total capital employed	49,804	47,484	41,325	49,804	41,325	43,439
# includes share of profit of Joint venture						



Biocon Limited
Unaudited financial results for the quarter and nine months ended 31 December 2016

Notes to the financial results:

1. The unaudited standalone financial results and the unaudited consolidated financial results for the quarter and nine months ended 31 December 2016 in respect of Biocon Limited ('the Company') have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 24 January 2017. The above results have been subjected to limited review by the statutory auditors of the Company. The reports of the statutory auditors are unqualified.
 2. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016. The Company has not opted for the relaxation provided by SEBI in respect of disclosure requirements for corresponding figures for earlier periods. Accordingly, the figures for the year ended 31 March 2016 have been presented after incorporating the applicable Ind AS adjustments in addition to the figures for the quarter and nine months ended 31 December 2015.
- a) The Company has prepared a reconciliation of the net profit for the corresponding periods under the previously applicable Generally Accepted Accounting Principles ('Previous GAAP') with the total comprehensive income as reported in these financial results under Ind AS. The net profit reconciliations for the quarter and nine months ended 31 December 2015 and year ended 31 March 2016 for standalone and consolidated financials are presented below.

Rs in million

Net profit reconciliation	Standalone			Consolidated		
	3 months ended 31.12.2015	9 months ended 31.12.2015	Year ended 31.03.2016	3 months ended 31.12.2015	9 months ended 31.12.2015	Year ended 31.03.2016
Net Profit attributable to shareholders of the Company as per previous GAAP	685	6,706	8,088	1,030	5,352	8,961
<i>Exceptional items (net of taxes)</i>	-	(4,089)	(4,167)	-	(2,028)	(4,589)
Net Profit attributable to shareholders of the Company before exceptional items as per previous GAAP [A]	685	2,617	3,921	1,030	3,324	4,372
<i>Ind AS adjustments</i>						
Difference on account of revenue recognition, net of related costs	(56)	(128)	(230)	(56)	(128)	(230)
Impact of derivative accounting and exchange gain/loss	(30)	(96)	(149)	61	13	3
Impact of borrowing cost				-	-	(152)
Other adjustments	(2)	(19)	(22)	(15)	(26)	(59)
Income tax impact of above adjustments	41	104	120	21	69	60
Subtotal [B]	(47)	(139)	(281)	11	(72)	(378)
Net Profit attributable to shareholders of the Company before exceptional items as per Ind AS [C = A + B]	638	2,478	3,640	1,041	3,252	3,994



Biocon Limited
Unaudited financial results for the quarter and nine months ended 31 December 2016

Rs in million

Net profit reconciliation – (continued)	Standalone			Consolidated		
	3 months ended 31.12.2015	9 months ended 31.12.2015	Year ended 31.03.2016	3 months ended 31.12.2015	9 months ended 31.12.2015	Year ended 31.03.2016
Exceptional items, net of tax as per previous GAAP [X]	-	4,089	4,167	-	2,028	4,589
Ind AS adjustments						
Impact on Profit on sale of Syngene Shares, net of tax [Y]	-	(4,169)	(4,169)	-	(3,106)	(3,106)
Total [D = X + Y]	-	(80)	(2)	-	(1,078)	1,483
Net Profit attributable to shareholders of the Company as per Ind AS [E= C+D]	638	2,398	3,638	1,041	2,174	5,477
<i>Other comprehensive income (OCI):</i>						
Effective portion of cash flow hedges	25	1	2	114	(82)	(26)
Actuarial loss on defined benefit obligations – Gratuity	(4)	(9)	(11)	(7)	(23)	(31)
Minority Interest				(6)	8	(9)
Sub-total [F]	21	(8)	(9)	101	(97)	(66)
Total Comprehensive income attributable to Shareholders of the Company [E + F]	659	2,390	3,629	1,142	2,077	5,411



Biocon Limited
Unaudited financial results for the quarter and nine months ended 31 December 2016

- b) The Company has also prepared an equity reconciliation between the equity for the comparative period under previous GAAP and the equity as reported in the financial results under Ind AS.

The equity reconciliation as at 31 March 2016 for the standalone and consolidated financial results is as below:

Equity reconciliation	Rs in million	
	As at 31.03.2016	
	Standalone	Consolidated
Equity under previous GAAP attributable to shareholders of the Company	32,885	40,556
Difference on account of revenue recognition, net of related costs	(802)	(752)
Impact of derivative accounting, translations adjustments and exchange gain/loss	(21)	297
Impact of borrowing cost	-	(152)
Consolidation of ESOP trust	430	430
Other adjustments	36	(60)
Impact of fair valuation of investment in a subsidiary on transition date	27,519	-
Income tax impact of above adjustments	193	258
Equity under Ind AS attributable to shareholders of the Company	60,240	40,577

3. The consolidated financial results include the financial results of the parent company Biocon Limited and the financial results of the following subsidiaries:

- Syngene International Limited ('Syngene')
- Biocon Research Limited
- Biocon Pharma Limited
- Biocon Academy
- Biocon SA
- Biocon SDN. BHD
- Biocon FZ LLC
- Biocon Biologics Limited, UK
- Biocon Pharma Inc.
- Biocon Biologics India Limited

In addition to the above, the consolidated financial results also include the financial results in respect of Biocon India Limited Employee Welfare Trust and Syngene Employees Welfare Trust. The Company has also accounted for its share of interest in the joint venture NeoBiocon FZ-LLC under the equity method. Biocon Limited, its subsidiaries and a joint venture are collectively referred to as 'the Group'.

4. Exceptional items comprise the following:

- a) Consequent to an agreement with a customer which resulted in changes to the nature of the Group's future obligations on the rh-insulin program, deferred revenue of Rs 2,684 relating to the program has been recognized as income in the consolidated financial results for the year ended 31 March 2016 and has been disclosed under exceptional items.



Biocon Limited

Unaudited financial results for the quarter and nine months ended 31 December 2016

- b) Pursuant to the uncertainty in respect of the ability of the Group to license a product for development and commercialization in certain territories, Biocon SA recorded an impairment of the carrying value of the intangible asset amounting to Rs 1,078. The impairment has been recognized as an exceptional item in the consolidated financial results for the nine months ended 31 December 2015 and for the year ended 31 March 2016.
- c) The gain arising from sale of equity shares in respect of Syngene, net of related expenses and cost of equity shares amounting to Rs 962 has been accounted as an exceptional gain in the standalone financial results for the nine months ended 31 December 2015 and for the year ended 31 March 2016.
- d) During the year ended 31 March 2016, the Company sold its investment in the equity shares of Biocon SDN. BHD., a wholly owned subsidiary to Biocon Biologics Limited (UK), another wholly owned subsidiary of the Company for a sum of Rs 811. Gain arising from such sale of equity shares, net of cost of such equity shares, amounting to Rs 99 is recorded as an exceptional item in the standalone financial results.
- e) Consequential tax charge recorded in respect of exceptional items is Rs 123 for the year ended 31 March 2016 in the consolidated financial results. Consequential tax charge recorded in respect of exceptional items is Rs 1,042 for the nine months ended 31 December 2015 and Rs 1,063 for the year ended 31 March 2016 in the standalone financial results.
- f) Pursuant to a fire incident on 12 December 2016 at Syngene, certain fixed assets, inventory and other contents in one of the buildings was damaged. Syngene has lodged an initial estimate of loss with the insurance company and the survey is currently ongoing. During the quarter ended 31 December 2016, Syngene has written off the net book value of assets aggregating to INR 798 million and recognised a minimum Insurance claim receivable for an equivalent amount. This has been presented under Exceptional items.

In addition, the Group is in the process of determining its claim for Business Interruption and has accordingly not recorded any claim arising therefrom at this stage.

- 5. Segment Reporting in Consolidated financial results: Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.
- 6. Prior period/ year figures have been reclassified wherever required to conform to the classification of the current period/ year.

For and on behalf of the Board of Directors of Biocon Limited



Kiran Mazumdar Shaw

Kiran Mazumdar Shaw
Chairman and Managing Director

Bangalore,
24 January 2017



BIOCON GROUP

FACT SHEET

December - 2016

BIOCON LIMITED (CONSOLIDATED)
BALANCE SHEET

(Rs Cr)

	December 31, 2016	March 31, 2016
ASSETS		
Non-current assets		
(a) Property, plant and equipment	1,763	1,681
(b) Capital work-in-progress	2,330	2,062
(c) Investment property	1	1
(d) Goodwill	26	26
(e) Other intangible assets	46	41
(f) Intangible assets under development	296	180
(g) Investments in associates and a joint venture	43	32
(h) Financial assets		
Loans and advances	30	31
Other financial assets	111	114
(i) Income tax asset, net	91	91
(j) Deferred tax asset, net	70	74
(k) Other non-current assets	240	234
	5,047	4,567
Current assets		
(a) Inventories	604	542
(b) Financial assets		
Investments	441	432
Trade receivables	907	712
Cash and cash equivalents	551	1,123
Other bank balances	1,260	805
Other financial assets	238	233
(c) Other current assets	167	65
	4,168	3,912
TOTAL	9,215	8,479
EQUITY AND LIABILITIES		
Equity		
(a) Share capital	100	100
(b) Other equity	4,528	3,958
Equity attributable to equity holders of the Company	4,628	4,058
Non-controlling interest	352	286
	4,980	4,344
Non-current liabilities		
(a) Financial liabilities		
Borrowings	2,230	2,072
Other financial liabilities	8	19
(b) Provisions	35	30
(c) Other non-current liabilities	364	371
	2,637	2,492
Current liabilities		
(a) Financial liabilities		
Borrowings	315	395
Trade payables	695	524
Other financial liabilities	327	296
(b) Short-term provision	46	37
(c) Income tax liability, net	113	75
(d) Other current liabilities	102	316
	1,598	1,643
TOTAL	9,215	8,479

BIOCON LIMITED (CONSOLIDATED)								
PROFIT & LOSS STATEMENT								
(Rs. Cr)								
Particulars	9M - FY17			9M - FY16			Variance IGAAP	Variance IndAS
	IGAAP	Adj	IndAS	IGAAP	Adj	IndAS		
INCOME								
Biocon	1,982	102	2,084	1,737	(89)	1,648	14%	27%
Small molecules	1,121	78	1,199	977	15	992	15%	21%
Biologics	322	16	338	237	(15)	222	36%	52%
Branded formulations	419	(1)	418	425	(89)	336	-2%	24%
Licensing#	120	9	129	98	-	98	24%	33%
Syngene - Research Services	866	-	866	744	-	744	16%	16%
Total Sales	2,848	102	2,950	2,481	(89)	2,392	15%	23%
Other income	158	9	167	87	8	95	80%	74%
TOTAL REVENUE	3,006	111	3,117	2,568	(81)	2,487	17%	25%
EXPENDITURE								
Material & Power costs	1,183	45	1,228	1,085	(11)	1,074	9%	14%
Staff costs	504	5	509	424	(19)	405	19%	26%
Research & Development expenses*	201	-	201	175	(1)	174	15%	15%
Other expenses	263	10	273	217	(10)	207	21%	31%
Manufacturing, staff & other expenses	2,151	60	2,211	1,901	(41)	1,860	13%	19%
EBITDA	855	51	906	667	(40)	627	28%	45%
Interest & Finance charges	21	-	21	9	-	9	139%	139%
Depreciation & Amortisation	199	6	205	180	4	184	11%	11%
Share of profit in JV	(11)	-	(11)	-	(16)	(16)	-	-34%
PBT BEFORE EXCEPTIONAL ITEM	646	45	691	478	(28)	450	35%	58%
Exceptional item, Net	-	-	-	307	(415)	(108)	-	-
PBT	646	45	691	785	(443)	342	-18%	-102%
Taxes	135	16	151	95	(7)	88	43%	73%
Taxes on exceptional item	-	-	-	104	(104)	-	-	-
NET PROFIT BEFORE MINORITY INTEREST	511	29	540	586	(332)	254	-13%	-112%
Minority interest	54	1	55	51	(14)	37	5%	48%
NET PROFIT FOR THE PERIOD	457	28	485	535	(318)	217	-15%	123%
EPS Rs.	22.9		24.3	26.8		10.9		
NET PROFIT BEFORE EXCEPTIONAL ITEM	457	28	485	332	(7)	325	36%	49%
Exceptional item, net of taxes	-	-	-	203	(311)	(108)		
NET PROFIT FOR THE PERIOD	457	28	485	535	(318)	217	-15%	123%

Note: The figures are rounded off to the nearest crore, percentages are based on absolute numbers

Including one time compensation from customer during Q1 - FY16

* Gross Research & Development expenses

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BIOCON LIMITED (CONSOLIDATED)								
PROFIT & LOSS STATEMENT								
(Rs. Cr)								
Particulars	Q3 - FY17			Q3 - FY16			Variance IGAAP	Variance IndAS
	IGAAP	Adj	IndAS	IGAAP	Adj	IndAS		
INCOME								
Biocon	705	7	712	558	(32)	526	26%	35%
Small molecules	383	7	390	318	(3)	315	20%	24%
Biologics	120	-	120	80	(5)	75	51%	61%
Branded formulations	123	-	123	128	(24)	104	-4%	18%
Licensing#	79	-	79	32	-	32	147%	148%
Syngene - Research Services	317	-	317	270	-	270	17%	17%
Total Sales	1,022	7	1,029	828	(32)	796	23%	29%
Other income	59	4	63	25	8	33	136%	88%
TOTAL REVENUE	1,081	11	1,092	853	(24)	829	27%	32%
EXPENDITURE								
Material & Power costs	407	-	407	354	(10)	344	15%	18%
Staff costs	177	2	179	146	(7)	139	21%	29%
Research & Development expenses*	85	-	85	68	-	68	25%	25%
Other expenses	90	7	97	76	(4)	72	17%	34%
Manufacturing, staff & other expenses	759	9	768	644	(21)	623	18%	23%
EBITDA	322	2	324	209	(3)	206	54%	57%
Interest & Finance charges	9	-	9	2	-	2	487%	487%
Depreciation & Amortisation	69	2	71	62	2	64	10%	10%
Share of profit in JV	(1)	-	(1)	-	(3)	(3)	-	-69%
PBT BEFORE EXCEPTIONAL ITEM	245	-	245	145	(2)	143	69%	71%
Exceptional item, Net	-	-	-	-	-	-	-	-
PBT	245	-	245	145	(2)	143	69%	71%
Taxes	54	1	55	24	(2)	22	122%	150%
Taxes on exceptional item	-	-	-	-	-	-	-	-
NET PROFIT BEFORE MINORITY INTEREST	191	(1)	190	121	-	121	58%	57%
Minority interest	19	-	19	18	(1)	17	8%	10%
NET PROFIT FOR THE PERIOD	172	(1)	171	103	1	104	67%	65%
EPS Rs.	8.6		8.6	5.2		5.2		
<p>Note: The figures are rounded off to the nearest crore, percentages are based on absolute numbers</p>								
<p>* Gross Research & Development expenses 100 91</p>								

BIOCON LIMITED (CONSOLIDATED)								
PROFIT & LOSS STATEMENT								
(Rs. Cr)								
Particulars	Q3 - FY17			Q2 - FY17			Variance IGAAP	Variance IndAS
	IGAAP	Adj	IndAS	IGAAP	Adj	IndAS		
INCOME								
Biocon	705	7	712	637	17	654	11%	9%
Small molecules	383	7	390	380	9	389	1%	0%
Biologics	120	-	120	96	-	96	24%	24%
Branded formulations	123	-	123	137	(1)	136	-10%	-10%
Licensing	79	-	79	24	9	33	225%	142%
Syngene - Research Services	317	-	317	286	-	286	11%	11%
Total Sales	1,022	7	1,029	923	17	940	11%	9%
Other income	59	4	63	50	3	53	19%	20%
TOTAL REVENUE	1,081	11	1,092	973	20	993	11%	10%
EXPENDITURE								
Material & Power costs	407	-	407	382	1	383	6%	6%
Staff costs	177	2	179	164	2	166	8%	8%
Research & Development expenses*	85	-	85	65	-	65	30%	30%
Other expenses	90	7	97	99	2	101	-9%	-4%
Manufacturing, staff & other expenses	759	9	768	710	5	715	7%	8%
EBITDA	322	2	324	263	15	278	23%	16%
Interest & Finance charges	9	-	9	7	-	7	35%	35%
Depreciation & Amortisation	69	2	71	66	2	68	3%	3%
Share of profit in JV	(1)	-	(1)	(5)	-	(5)	-	-83%
PBT BEFORE EXCEPTIONAL ITEM	245	-	245	195	13	208	26%	18%
Exceptional item, Net	-	-	-	-	-	-	-	-
PBT	245	-	245	195	13	208	26%	18%
Taxes	54	1	55	39	2	41	38%	30%
Taxes on exceptional item	-	-	-	-	-	-	-	-
NET PROFIT BEFORE MINORITY INTEREST	191	(1)	190	156	11	167	23%	15%
Minority interest	19	-	19	18	1	19	6%	-2%
NET PROFIT FOR THE PERIOD	172	(1)	171	138	10	148	26%	17%
EPS Rs.	8.6	-	8.6	6.9	-	7.4	-	-

Note: The figures are rounded off to the nearest crore, percentages are based on absolute numbers

* Gross Research & Development expenses

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Press Release

Biocon Q3 FY17 Net Profit Up 65% at Rs 171 Crore
Revenue Rises 32% at Rs 1092 Crore; EBITDA Increases 57% to Rs 324 Crore

Bengaluru, Karnataka, India: January 24, 2017

Biocon Ltd (BSE code: 532523, NSE: BIOCON), Asia's premier biopharmaceuticals company, announced today its consolidated financial results for the third quarter ended on December 31, 2016.

*Commenting on the quarterly performance and highlights, **Chairperson and Managing Director, Kiran Mazumdar-Shaw** stated: "Our strong performance in Q3FY17 was led by robust growth of our Biologics business with both insulins and biosimilar MAb's gaining traction in Japan and key emerging markets. The commercialization of our Malaysian facility was a key milestone this quarter. Other major milestones this quarter were the acceptance of our first Biologics License Application (BLA) for the proposed biosimilar Trastuzumab by US FDA, and Marketing Authorization Application (MAA) for Insulin Glargine by EMA. These developments have strengthened Biocon's position as a front runner in the arena of biosimilars. Our Small Molecules and Research Services businesses also reported strong growth this quarter."*

Highlights of Q3FY17:

- **Biologics License Application (BLA)** for a proposed biosimilar **Trastuzumab** accepted for review by the **US FDA**; Marks first US regulatory submission through the Mylan/Biocon collaboration.
- **Marketing Authorization Application (MAA)** for **Insulin Glargine** co-developed by Biocon and Mylan **accepted** for review by **European Medicines Agency (EMA)**
- **The prestigious Journal of the American Medical Association (JAMA)** published the clinical study results of biosimilar **Trastuzumab** after a rigorous peer review process.
- Biocon's Insulins facility in Malaysia commenced commercial operations with 'Made in Malaysia' product introduced in Malaysia.
- A **three year contract** for supplying **rh-Insulin cartridges** and re-usable insulin pens awarded to Biocon SDN. BHD. by Ministry of Health (MoH) Malaysia.
- Biocon ranked among the **world's Top Ten Best Employers** in Biotechnology by *Science* magazine; The only Asian company to feature in 2016 list.

- Biocon's novel **diabetes education initiative** for medical practitioners, **ABIDE**, conferred with the '**Award of Recognition**' by the prestigious **Research Society for the Study of Diabetes in India**.
- Biocon debuts on the prestigious **Asia IP Elite 2016** list; **Only pharmaceutical** company from India to be recognized for **IP-led value creation** by IP Business Congress Asia.

FINANCIAL HIGHLIGHTS: Q3 FY17

As per IND-AS

In Rs Core, except growth numbers

Particulars	Q3FY17	Q3FY16	Growth (%)
INCOME			
Small Molecules	390	315	24
Biologics	120	75	61
Branded Formulations	123	104	18
Licensing	79	32	148
Syngene: Research Services	317	270	17
Total Sales	1029	796	29
Other Income	63	33	88
TOTAL REVENUE	1092	829	32
EBITDA	324	206	57
PBT	245	143	71
Net Profit	171	104	65
R&D Expenses in P&L	85	68	25
Gross R&D Spends	100	91	10
EBITDA Margin	30%	25%	
Net Profit Margin	16%	13%	

Notes: Figures above are rounded off to the nearest Cr; % based on absolute nos.

For financials in IGAAP kindly refer to the fact sheet

EXECUTIVE COMMENTARY

PERFORMANCE REVIEW

Biocon reported a revenue growth of 32% at Rs 1092 Cr in Q3FY17, which was led by a robust growth of 61% in the Biologics business, 24% growth recorded by Small Molecules, 18% by Branded Formulations and 17 % growth by Research Services businesses. Licensing Income stood at Rs 79 Cr and Other Income was Rs 63 Cr.

EBITDA rose 57% to Rs 324 Cr; Net Profit stood at Rs 171 Cr a growth of 65% over last year.

Net R&D spends during the quarter stood at Rs. 85 Cr, an increase of 25% YoY. At a Gross level, R&D spends in Q3FY17 were Rs 100 Cr largely on account of the clinical advancement of several of our programs.

Note: All financials in this document are as per IND-AS, for IGAAP numbers, please refer to the factsheet 2

Q3FY17 also saw a strong contribution from our international business wherein we supply both Active Pharmaceutical Ingredients (APIs) and formulations across our Small Molecules and Biosimilars segments.

SMALL MOLECULES

The Small Molecules business reported strong revenue growth of 24% to Rs 390 Cr, led by good traction in its business in India, Europe, LatAm and NAFTA for statins, immunosuppressants and specialty products. A strong demand for Rosuvastatin API post genericization in the US market as well as the acquisition of new customers for statins and immunosuppressant APIs provided a fillip to the business.

Biocon received Final Approval from the US FDA for generic Rosuvastatin Calcium tablets, the first such approval for our Generic Formulations business in the US.

BIOLOGICS

The Biologics segment comprising Novels and Biosimilars, including rh-insulin, insulin analogs, monoclonal antibodies and recombinant proteins, reported a strong growth of 61% at Rs 120 Cr. Biocon with its global partner Mylan made good regulatory progress in its biosimilar and insulin analogs global development programs.

Biosimilars

Insulins & Analogs

Our Insulins business recorded a strong growth this quarter led by the expansion of our commercial footprint and increased traction in some of the key emerging markets.

Biocon commenced commercial operations from its Malaysian manufacturing facility with the launch of its rh-Insulin in Malaysia. The Company has been awarded a three-year contract by Ministry of Health (MoH) for supplying rh-Insulin cartridges and re-usable insulin pens for people with diabetes in Malaysia. The contract is extendable for additional two years, subject to government's approval.

Biocon's ready-to-use, prefilled disposable Insulin Glargine pen, launched in Japan in Q2FY17 continues to do well with increase in market share. The product has been introduced in a few more emerging markets this quarter.

During the quarter, the Marketing Authorization Application (MAA) for Insulin Glargine, co-developed by Biocon and Mylan was accepted for review by the European Medicines Agency (EMA). It is a significant development considering it is the first filing in a developed market incorporating a product validated at our state-of-the-art Malaysia facility.

Several other regulatory filings and audits are underway to enable commercial sales from the new Malaysian manufacturing facility.

Monoclonal Antibodies & Recombinant Proteins

The Biocon-Mylan collaboration to co-develop a broad portfolio of biosimilar products for the global marketplace made good progress and achieved critical milestones in US and Europe in Q3FY17.

The most significant development was the acceptance for review of our Biologics License Application (BLA) for a proposed biosimilar Trastuzumab by the US FDA. This is Mylan and Biocon's first U.S. regulatory submission through the 351(k) pathway and the acceptance of the BLA positions the two companies among the first to be able to address the critical need of US patients for a high-quality biosimilar to treat certain HER2-positive breast cancers.

Earlier in the quarter, the *Journal of the American Medical Association (JAMA)* had published data from Biocon and Mylan's safety and efficacy study that demonstrated equivalent overall response rate for their proposed biosimilar Trastuzumab in comparison to branded Trastuzumab. The results indicate that a biosimilar can deliver similar safety, efficacy and immunogenicity in comparison to a branded product.

Biocon also entered into a strategic agreement for Trastuzumab in one of the leading emerging markets.

Novel Biologics

Our Novel programs, Itolizumab (anti-CD6 monoclonal antibody) and QPI 1007 (SiRNA), are progressing actively in the ongoing clinical trials. The clinical study using a sub-cutaneous form of Itolizumab, currently on in Australia has completed stage-1 dose escalation and stage-2 is being initiated. No severe adverse safety events have been reported. QPI 1007, undergoing a global phase III trial in NIAON patients, a rare ophthalmic disease, is recruiting actively in several regions including India.

We have finalized the clinical plan to progress Insulin Tregopil and will file a Clinical Trial Application (CTA) with the Indian regulator to clinically validate its promise as an orally delivered, rapid acting prandial insulin.

New preclinical data on the novel immunotherapy product, Fmab2, was presented at the Society for Immunotherapy meeting in Washington DC, recently.

BRANDED FORMULATIONS

The Branded Formulations business which includes sales in India and UAE reported sales of Rs 123 Cr during Q3FY17. The business was impacted by the discontinuance of in-licensed Abraxane®.

The Branded Formulations India business focuses on critical therapies and specialty brands. 16 of our brands are category leaders and feature amongst the Top three.

CANMAb™ our Trastuzumab brand continues to gain traction and features in the Top 10 Oncology brands in India with a market share of 22% (MAT-IPSoS).

Our novel diabetes education initiative for medical practitioners, ABIDE, was conferred with the 'Award of Recognition' by the prestigious Research Society for the Study of Diabetes in India.

Our key brands in UAE continue to gain traction with overall prescription share of the Company recording a 60% growth as per IMS (Apr-Sep 2016).

RESEARCH SERVICES – SYNGENE

Our Research Services business through Syngene reported revenue growth of 17% to Rs 317 Cr, which was driven by broad-based growth across the Dedicated R&D Centers and Discovery Services verticals.

During the quarter, there was an unfortunate fire at one of the blocks of Syngene that housed some biologics and analytical laboratories. There were no injuries or loss of life due to the fire. Following the incident, Syngene implemented its business continuity plan and all ongoing projects of that block along with the scientific teams were relocated to other parts of the facility to minimize impact on the client projects. The Company's 'Industrial All Risk' policy will help in minimizing financial impact of the incident.

NEW APPOINTMENT

The Board of Directors of the Company have approved the appointment of Rajiv Balakrishnan as the Company Secretary for Biocon Limited. Rajiv is a Fellow Company Secretary from Institute of Company Secretaries of India and brings with him over 15 years of diverse experience across Secretarial, Legal, Investor Relations and Finance functions. Prior to joining Biocon, he was working as Company Secretary & Additional General Manager – Investor Relations with VA Tech Wabag Limited.

Enclosed: Fact Sheet – with Financials as per IND-AS and IGAAP

About Biocon Ltd:

Biocon Limited, publicly listed in 2004, (BSE code: 532523, NSE Id: BIOCON, ISIN Id: INE376G01013) is India's largest and fully-integrated, innovation-led biopharmaceutical company. As an emerging global biopharmaceutical enterprise serving customers in over 120 countries, it is committed to reduce therapy costs of chronic diseases like autoimmune, diabetes, and cancer. Through innovative products and research services it is enabling access to affordable healthcare for patients, partners and healthcare systems across the globe. It has successfully developed and taken a range of Novel Biologics, Biosimilars, differentiated Small Molecules and affordable Recombinant Human Insulin and Analogs from 'Lab to Market'. Some of its key brands are INSUGEN®(rh-insulin), BASALOG® (Glargine), BIOMAb-EGFR™ (Nimotuzumab), CANMAb™ (Trastuzumab), Evertor® (Everolimus) and ALZUMAb™ (Itolizumab), a 'first in class' anti-CD6 monoclonal antibody. It has a rich pipeline of Biosimilars and Novel Biologics at various stages of development. Visit: www.biocon.com

Note: All financials in this document are as per IND-AS, for IGAAP numbers, please refer to the factsheet 5

Earnings Call

The company will conduct a call at **9.00 AM IST on Jan 25, 2017** 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 ten minutes ahead of the scheduled start time. The **dial-in number for this call is +91-22-3938 1081**. 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 the conclusion of the call till **Jan 29, 2017 on +91 22 3065 2322/ 6181 3322 Playback ID: 44711**. Transcript of the conference call will be uploaded on the company website in due course.

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Disclaimer

This press release may include statements of future expectations and other forward-looking statements based on management's current expectations and beliefs concerning future developments and their potential effects upon Biocon and its subsidiaries/ associates. These forward-looking statements involve known or unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from our expectations include, amongst other: general economic and business conditions in India and overseas, 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 and global biotechnology and pharmaceuticals industries, changes in political conditions in India and changes in the foreign exchange control regulations in India. Neither Biocon, nor our Directors, or any of our subsidiaries/associates assume any obligation to update any particular forward-looking statement contained in this release.