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, any member of the syndicate 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.
Vision of Leadership and Excellence

1978  BIOTECHNOLOGY
- India’s first & No 1 Biotech company with a global Biotech ranking of 16*

1979  ENZYMES
- Global leadership in specialty enzymes

1989  FERMENTATION
- Globally unique fermentation profile - Solid State, Submerged & Mammalian Cell Culture

1994  CUSTOM RESEARCH
- SYNGENE: India’s first & No 1 Contract Research Company. Global market share of 2%
Vision of Leadership and Excellence

1998  STATINS

- India’s largest and only USFDA qualified producer and exporter of Statins

2000  CLINICAL RESEARCH

- CLINIGENE: India’s first CAP accredited Clinical Laboratory

2002  INSULIN

- The most clinically validated r-human Insulin in India
- India's first and Asia's largest Insulin plant
- Global supply arrangement with BMS

2003  ANTIBODIES & CANCER VACCINES

- India's first and Asia's largest Antibody Facility
- Unique platform of proprietary products in Antibodies & Vaccines
Billion Dollar market cap on first day of listing

Biocon in Top 20 Global Biotech Companies*

Biocon in India's Top 5 Life Science Companies*
## Biocon in Top 20 Global Biotech Companies**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Revenues ($mln) 2003</th>
<th>Net Income ($mln) 2003</th>
<th>Market Capitalization*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Amgen Inc</td>
<td>8,356</td>
<td>2,260</td>
<td>67,800</td>
</tr>
<tr>
<td>2</td>
<td>Genentech</td>
<td>3,300</td>
<td>563</td>
<td>55,306</td>
</tr>
<tr>
<td>3</td>
<td>Serono</td>
<td>2,019</td>
<td>390</td>
<td>9,776</td>
</tr>
<tr>
<td>4</td>
<td>Chiron Corporation</td>
<td>1,766</td>
<td>227</td>
<td>8,125</td>
</tr>
<tr>
<td>5</td>
<td>Applied BioSystems</td>
<td>1,683</td>
<td>183</td>
<td>4,168</td>
</tr>
<tr>
<td>6</td>
<td>Genzyme Corporation</td>
<td>1,580</td>
<td>104</td>
<td>10,506</td>
</tr>
<tr>
<td>7</td>
<td>MedImmune</td>
<td>1,054</td>
<td>192</td>
<td>5,632</td>
</tr>
<tr>
<td>8</td>
<td>Novozymes</td>
<td>981</td>
<td>123</td>
<td>3,460</td>
</tr>
<tr>
<td>9</td>
<td>Gilead Sciences</td>
<td>868</td>
<td>(72)</td>
<td>14,096</td>
</tr>
<tr>
<td>10</td>
<td>Biovail Corp</td>
<td>824</td>
<td>(27)</td>
<td>2,937</td>
</tr>
<tr>
<td>11</td>
<td>Biogen Idec Inc</td>
<td>679</td>
<td>(875)</td>
<td>21,153</td>
</tr>
<tr>
<td>12</td>
<td>Millennium Pharmaceuticals</td>
<td>434</td>
<td>(484)</td>
<td>3,755</td>
</tr>
<tr>
<td>13</td>
<td>Genencor International</td>
<td>383</td>
<td>16</td>
<td>908</td>
</tr>
<tr>
<td>14</td>
<td>Sepracor</td>
<td>344</td>
<td>(136)</td>
<td>4,276</td>
</tr>
<tr>
<td>15</td>
<td>Affymetrix</td>
<td>301</td>
<td>14</td>
<td>1,858</td>
</tr>
<tr>
<td>16</td>
<td><strong>Biocon</strong></td>
<td><strong>124</strong></td>
<td><strong>31</strong></td>
<td><strong>1,159</strong></td>
</tr>
<tr>
<td>17</td>
<td>Netkar</td>
<td>106</td>
<td>(47)</td>
<td>1,562</td>
</tr>
<tr>
<td>18</td>
<td>Celera Genomics</td>
<td>88</td>
<td>(82)</td>
<td>791</td>
</tr>
<tr>
<td>19</td>
<td>ImClone Systems Inc</td>
<td>81</td>
<td>(113)</td>
<td>6,032</td>
</tr>
<tr>
<td>20</td>
<td>Exelixis Inc</td>
<td>51</td>
<td>(96)</td>
<td>600</td>
</tr>
</tbody>
</table>
Biocon in India's Top 5 Life Science Companies*

<table>
<thead>
<tr>
<th>Company</th>
<th>Current Price</th>
<th>Mcap Rsm</th>
<th>Mcap USDm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranbaxy</td>
<td>963</td>
<td>178,753</td>
<td>3,909</td>
</tr>
<tr>
<td>Cipla</td>
<td>227</td>
<td>68,040</td>
<td>1,488</td>
</tr>
<tr>
<td>Sun</td>
<td>353</td>
<td>65,466</td>
<td>1,432</td>
</tr>
<tr>
<td>Dr Reddy</td>
<td>746</td>
<td>57,053</td>
<td>1,248</td>
</tr>
<tr>
<td><strong>Biocon</strong></td>
<td><strong>530</strong></td>
<td><strong>53,010</strong></td>
<td><strong>1,109</strong></td>
</tr>
<tr>
<td>Nicholas Piramal</td>
<td>754</td>
<td>28,654</td>
<td>625</td>
</tr>
<tr>
<td>Wockhardt</td>
<td>265</td>
<td>28,848</td>
<td>631</td>
</tr>
<tr>
<td>Cadila</td>
<td>423</td>
<td>26,564</td>
<td>581</td>
</tr>
</tbody>
</table>
1. Building **strong fermentation technology platforms**

2. Leveraging technology for **product differentiation**

3. Creating long term value through **quality & innovation**

4. Charting an integrated development pathway for **proprietary products**
Delivering on a long term vision of proprietary products

New drug discovery & development

- Clinical data mining for novel bio-makers
- Alliances for new molecules (e.g. MAb)
- Development of NDDS*

Generic Biopharmaceuticals

- Products with large global markets
- Near term patent expiry
- Fermentation derived molecules
- High technology barriers
- High regulatory barriers

Funding long term discovery research through a short term generic strategy
Leveraging Fermentation Technologies

**Biologicals**
- r-human Insulin
- Streptokinase
- GCSF

**Small Molecules**
- Statins
- Immunosuppressants

**Proprietary Molecules**
- Antibodies
  - h-R3 (anti-EGFR)
  - Anti-CD6 & Anti-CD 3
- Cancer Vaccines
  - EGF, TGFα, HER1

Research ➔ Clinical Development ➔ Process Development ➔ Commercialization
Statins (anti-cholesterol) are the largest selling drugs in the world with global sales in excess of US$ 20bn

The global generic market for Lovastatin, Pravastatin & Simvastatin is estimated at US$ 7bn in 2007

Biocon is the only USFDA approved producer of Lovastatin, Pravastatin & Simvastatin in India

Biocon has leadership position in USA & Europe for Lovastatin & Simvastatin in APIs
Biocon’s leadership position in this segment is supported by

- USFDA & EDQM approvals
- Patented / non infringing processes
- Global-scale manufacturing facilities
- Significant market share in key markets where the products have gone off patent
- Tie-ups with a large number of Generic Companies
Recombinant Human Insulin

Global Sales of US$ 5 bn dominated by few players

Demand for Insulin expected to grow exponentially post approval of pulmonary Insulin (Pfizer’s Exubera)

The USFDA has stated that products like Insulin and Human growth hormone whose science has progressed far enough for FDA to be able to assess “similarity” may be accepted under the 505 (b)(2) process

This should open up a significant generic opportunity in the near term
Biocon is well poised to access this opportunity based on the following:

- Long term supply agreement with Bristol-Myers Squibb
- World class and Asia’s largest Insulin facility
- Alliances with Generic Companies
The market for monoclonal antibodies is expected to grow from US$ 4 bn in 2003 to US$ 13 bn by 2010.

Biocon is setting up Asia’s largest Monoclonal Antibody facility.

The facility will manufacture hR3, an anti-EGF receptor antibody targeted against head & neck cancer as its first product followed by other antibodies & cancer vaccines.
The product has completed Phase II Clinical Trials in Canada and Phase II B Clinical Trials in India are expected to commence in Q2 FY 2004-05.

Proof of concept studies have indicated potential application in treatment of other cancers including brain cancer, lung cancer and breast cancer.
Biocon has committed to invest approximately Rs 650 crores to establish the following:

- A new research facility for Syngene to double its current scientific strength
- A large fermentation and synthesis facility that will quadruple existing Statins capacity
- A Biologicals facility to undertake large scale Mammalian Cell Culture
Managing the Future

**Competitive Environment**

- Price pressure on Statins
- Commoditizing of Generics
- Potential competition in Insulin space

**Biocon’s Competitive Edge**

- Technology
- Regulatory Compliance
- Global Scale Capacities
- Strong Product Pipeline that addresses a sequential flow of new fermentation based generics
- Proprietary Molecules
- Technology
- Global Alliances (BMS)
- Regulatory Compliance
- New Insulins
Managing the Future

Competitive Environment

- Pace and Race for Drug Discovery is frenzied
- Increasing Costs of Drug Development

Biocon’s Competitive Edge

- Monoclonal Antibodies and Cancer Vaccines are the most promising front runners in the approval pipeline
- Integrated Model provides speed and cost advantage
Financial Analysis  FY 2003-04
Key Financial Highlights  FY 2003-04

- Revenues crosses Rs. 5 billion (Rs. 5.493 billion), - (94% ↑)
- Profits crosses Rs. 1 billion (Rs. 1.386 billion), - (219% ↑)
- PAT Margins increase to 25%, - (10% ↑)
- EPS (Post IPO Capital) @ Rs. 13.86 /share
- Maiden dividend of 20% recommended by Board
- Exports surge to 63%, - (15% ↑)
- Statins and Custom Research Services drives export revenues
Biocon signs agreement for supply of recombinant human insulin with BMS

Biocon files DMF with USFDA for recombinant human insulin

Biocon launches branded formulations in the domestic market for cardio diabetes

U.S. FDA acceptance for Biocon’s statins and pioglitazone manufacturing facilities

Human Pharmacology Unit launched by Clinigene


Expansion program on track:

Syngene Facility: Q3 2004
Statins Facility: Q1 2005
FY 2003 - 04 Overview

Revenues\(^{(1)}\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues (Rs. mm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY03</td>
<td>2,833</td>
</tr>
<tr>
<td>FY04</td>
<td>5,493</td>
</tr>
</tbody>
</table>

Profit After Tax\(^{(1)}\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit After Tax (Rs. mm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY03</td>
<td>435</td>
</tr>
<tr>
<td>FY04</td>
<td>1,386</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Values are in Rs. mm.
Revenue Break-up

(Rs. mm)

Growth rates: Custom Research - 39% ↑  Enzymes - 25% ↑  Pharma -117% ↑
Markets

(Rs. mm)

<table>
<thead>
<tr>
<th></th>
<th>FY 03</th>
<th>FY 04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>1,461</td>
<td>2,011</td>
</tr>
<tr>
<td>Exports</td>
<td>1,355</td>
<td>3,395</td>
</tr>
</tbody>
</table>

International Business - 15%
EBITDA and net margins have improved substantially due to
- Increased sales to regulated markets
- Process improvements
Key Growth Drivers in Q1 2004-05

- Successful market entry of Pravastatin in Europe post patent expiry in key markets in Europe
- Increased supply of Lovastatin to US post USFDA approval of additional statin facilities
- Increase in Syngene's research services
Key Developments in Q1 2004-05

Product portfolio of BBPL expanded to include the following products:

1. h-T1, a humanized anti-CD6 targeting immuno-suppressive monoclonal antibody for T-cell Lymphoma, Rheumatoid Arthritis and Psoriasis.
2. q-T3, a chimeric anti-CD3 targeting immuno-suppressive monoclonal antibody for organ transplant.
3. EGF Cancer Vaccine
4. TGFα Cancer Vaccine
5. HER 1 Cancer Vaccine

Insulin clinical trials completed & awaiting final approval for market launch

Syngene's new facilities housing 150 scientists to be commissioned shortly
Revenue Break-up

Revenue growth 65%

(Rs. mm)

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY 04</th>
<th>Q1 FY 05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Custom Research</td>
<td>78</td>
<td>37</td>
</tr>
<tr>
<td>Enzymes</td>
<td>161</td>
<td>205</td>
</tr>
<tr>
<td>Pharma</td>
<td>835</td>
<td>1,397</td>
</tr>
<tr>
<td>Other Income</td>
<td>2</td>
<td>8%</td>
</tr>
<tr>
<td>Total</td>
<td>1,076</td>
<td>1,779</td>
</tr>
</tbody>
</table>
## Revenue Growth

### Dynamics

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Custom research</td>
<td>80%</td>
<td>- Significant expansion of revenues from both existing &amp; new customers</td>
</tr>
<tr>
<td>Enzymes</td>
<td>27%</td>
<td>- Speciality Enzymes continue to generate significant interest in US &amp; Europe</td>
</tr>
<tr>
<td>Pharma Others</td>
<td>46%</td>
<td>- Introduction of Tacrolimus</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Commencement of supply of Domestic Formulations</td>
</tr>
<tr>
<td>Pharma Statins</td>
<td>79%</td>
<td>- Backlog supply of Lovastatin to US Markets</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Significant gains from supply of Pravastatin to Europe</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Consolidation of Simvastatin in Europe</td>
</tr>
</tbody>
</table>
### Profit

#### Revenues

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY 04</th>
<th>% to Revenues</th>
<th>Q1 FY 05</th>
<th>% to Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>1,076</td>
<td></td>
<td>1,779</td>
<td></td>
</tr>
</tbody>
</table>

#### EBDITA

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY 04</th>
<th>% to Revenues</th>
<th>Q1 FY 05</th>
<th>% to Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBDITA</td>
<td>352</td>
<td>33</td>
<td>573</td>
<td>32</td>
</tr>
</tbody>
</table>

**Increased by:**
- Improved Yields & Sales Mix
- Growth in Personnel & Salary Increment
- Exchange Loss & Increase in SG&A Exps

#### PBT

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY 04</th>
<th>% to Revenues</th>
<th>Q1 FY 05</th>
<th>% to Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>PBT</td>
<td>305</td>
<td>28</td>
<td>520</td>
<td>29</td>
</tr>
</tbody>
</table>

#### PAT

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY 04</th>
<th>% to Revenues</th>
<th>Q1 FY 05</th>
<th>% to Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAT</td>
<td>229</td>
<td>21</td>
<td>486</td>
<td>27</td>
</tr>
</tbody>
</table>

**Profit from 100% EOUs not taxable**

### EPS

- **Q1 FY 04**: 2.5
- **Q1 FY 05**: 4.9

**Profit Growth - 112%**
Thank You