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Innovative Science Affordable Medicine



Investor Presentation
February 2013

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 currencies, 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 the company, nor its directors and any of the 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.

Biocon: Aligned With Global Trends

Growth Segments

- **Small Molecules**
- **Biosimilars**
- **Branded Formulations**
- **Research Services**
- **Novel Molecules**

Financial Highlights



Biocon: Aligned with Global Trends

*Biocon is **an emerging, global Bio-pharmaceutical** enterprise, focused on innovation to develop affordable products and services for patients, partners and healthcare systems across the world.*

Biocon is committed towards:

Reducing therapy costs of ***chronic diseases***. (*diabetes, cancer & auto-immune diseases*)

Strategic Research and marketing ***partnerships*** that provide global access

Leveraging the India advantage to deliver ***high value, licensable R&D assets***

YTD FY13 Highlights

9M FY13 Financial Performance

- ❖ Group Revenue at ₹ 1,890 Crores (23% YoY growth)
- ❖ Growth across all verticals:
 - ❖ Biopharma - 17%
 - ❖ Branded Formulations - 35%
 - ❖ Research Services - 34%
- ❖ EBITDA at ₹ 472 Crores (EBITDA Margin: 25%)
- ❖ R&D Expense: 11% of Biopharma Revenue

Corporate Milestones

- ❖ GE Capital proposes Investment to the tune of ₹125 Crores in Syngene
- ❖ Commencement of Abbott Nutrition Research & Development Centre
- ❖ Inauguration of Biocon Research Centre
- ❖ Becomes the only Asian Company to feature in Science magazine's global 'Top 20 Employers' in biotech & pharma.

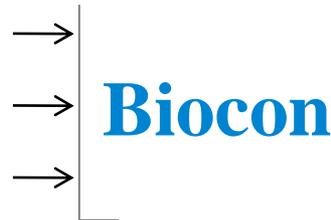
Research & Development Updates

- ❖ Mylan expands biosimilar partnership to encompass biosimilar insulin analogs
- ❖ Entered into an option agreement with BMS for our novel asset, a prandial oral insulin: IN-105
- ❖ Itolizumab: Marketing Approval received from DCGI for plaque Psoriasis in India
- ❖ Global Phase III trial initiated for Biosimilar Trastuzumab post the successful completion of its Global Phase I
- ❖ Part II of the EU Phase III trial for biosimilar rh-Insulin completed. Part 1 of the trial successfully established the efficacy endpoint with comparable safety & efficacy with innovator products.
- ❖ Global Phase I trial for Biosimilar Insulin Glargine successfully completed.

~61% | Promoters

~ 8 % | Employees & ESOP trust

~31 % | Public



BIOPHARMA SUBSIDIARIES

Biocon Research , India | **100%**
R&D- Novel Molecules

Biocon Biopharmaceuticals | **100%**
MAbs and Biosimilars

Biocon Sdn. Bhd, Malaysia | **100%**
Overseas subsidiary

Biocon SA, Switzerland | **100%**
Overseas subsidiary

NeoBiocon, UAE | **50%**
Overseas subsidiary

RESEARCH SERVICES

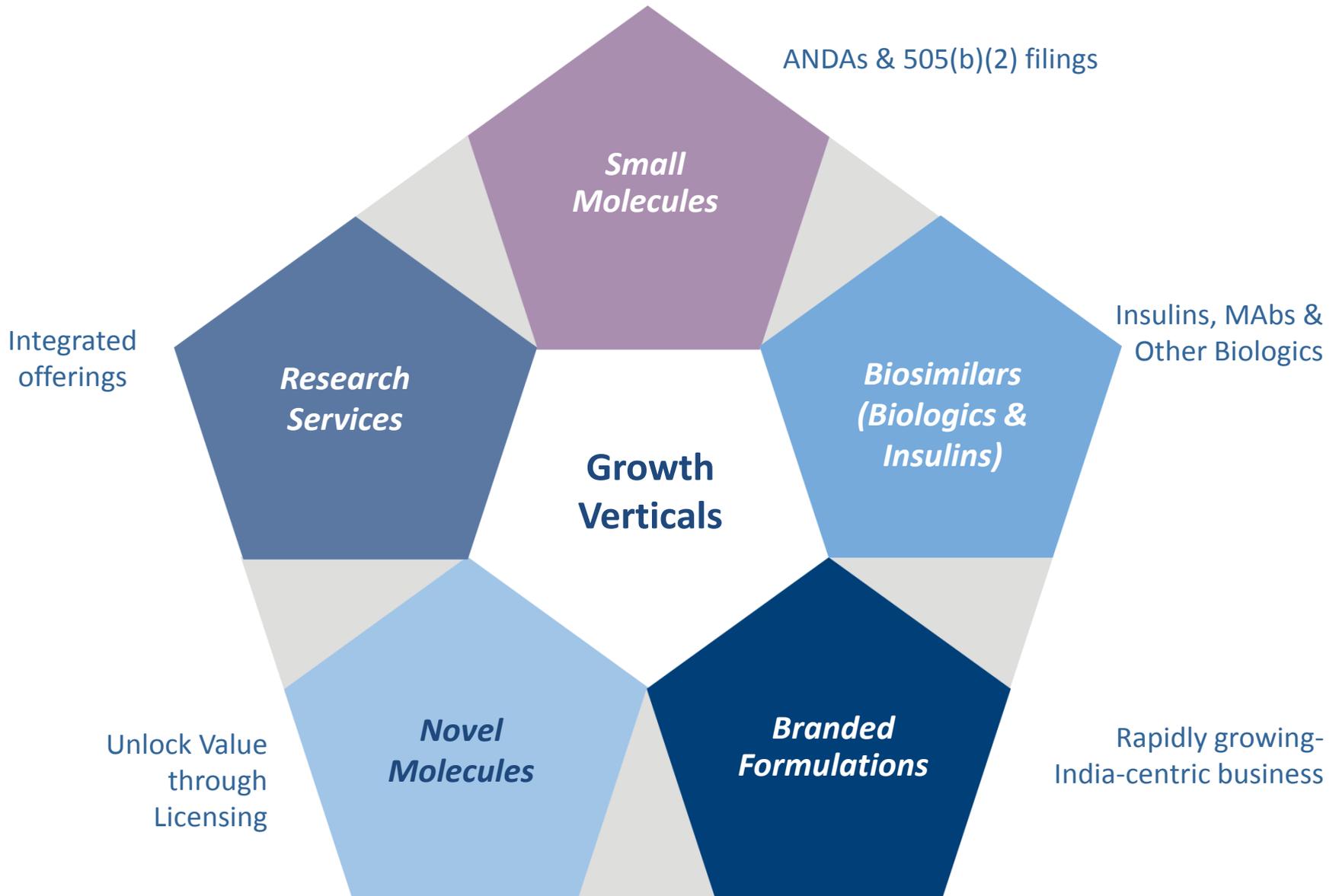
Syngene International, India | **99%**
Custom research, drug discovery



Clinigene International, India | **100%**
Clinical development

***Spanning the entire Value Chain with capabilities ranging from
discovery to manufacturing***

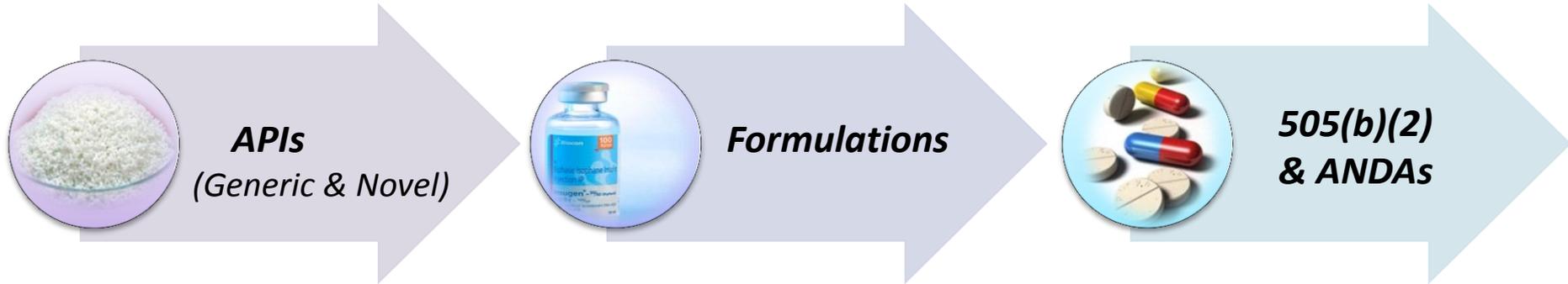
Growth Verticals: Aligned with Shifting Paradigms





Growth Segments: Snapshot

Growth Segment: Small Molecules



- ❖ Product Portfolio which leverage our core fermentation capabilities and have a high degree of complexity
- ❖ Early mover in niche products coupled with economies of scale.
- ❖ Portfolio based Approach

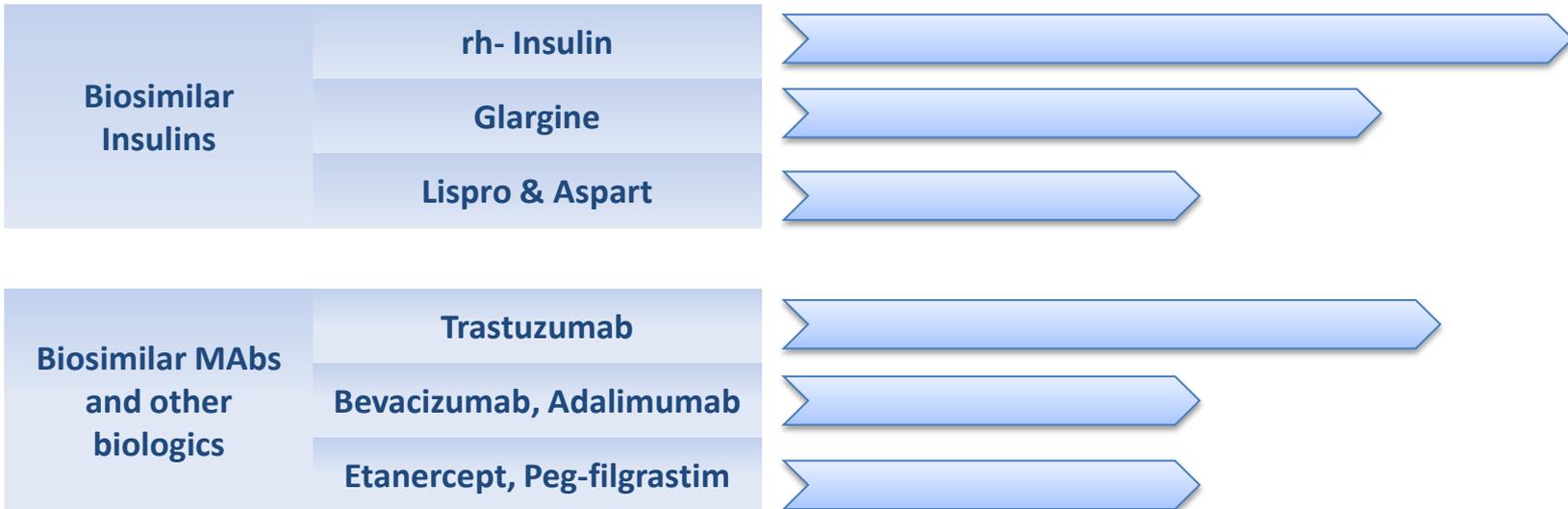
Current Portfolio	Constituents
Statins	Simvastatin, Atorvastatin, Lovastatin, Rosuvastatin, Fluvastatin & Pravastatin
Immuno suppressants	Tacrolimus, MMF & MPA
Other Biopharma	Orlistat, Fidaxomicin, 50+ other molecules

Growth Segment: Biosimilars

Biosimilars Pipeline



Global Trials



- ⚡ **Emerging Markets First strategy** coupled with a **regional partnership** commercialization approach
- ⚡ Biosimilar Insulins Portfolio: Currently being commercialized in Emerging Markets
- ⚡ Biosimilars MABs & Other Biologics:
 - ⚡ Biosimilar Trastuzumab undergoing an ROW focused, India Phase III trial.

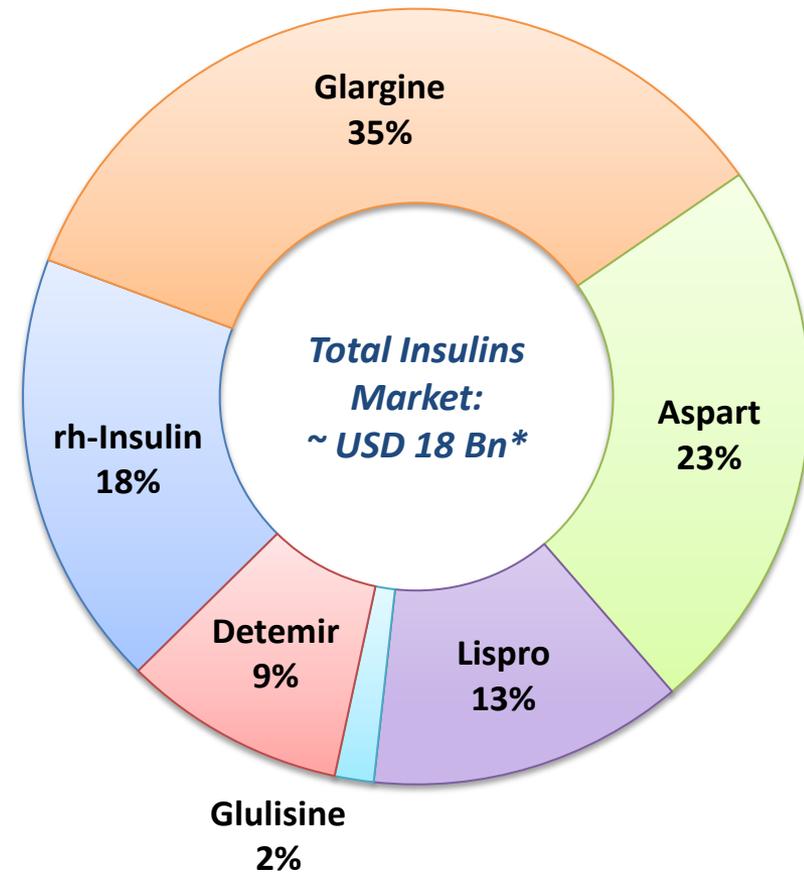
Growth Segment: Biosimilars

Biosimilar Insulin & Analogs

- **Registrations:**
 - rh-Insulin: 40+ countries
 - Glargine: 5+ countries

- **Biosimilar rh Insulin:**
 - Part 2 of the EU Phase III trial completed.
 - Part 1 of the study establishes the Efficacy end-point (*non inferiority to innovator product*)
 - Immunogenicity & Safety data similar to innovator at 6 month time point.

- **Biosimilar Glargine:**
 - Global Phase I (PK-PD) study successfully completed
 - Established equivalence between our biosimilar insulin glargine and the innovator product



Growth Segment: Biosimilars

Co-Development & Commercialization Collaboration



Seeing
is believing

Combines Biocon's R&D and manufacturing prowess of biologics with Mylan's regulatory & commercialization capabilities in the US and Europe

	Biosimilar Insulin Analogs	Biosimilar MABs & other Biologics
Global Market Size of Portfolio*	~ USD 13 Bn	~ USD 34 Bn
Portfolio Constituents	Glargine, Lispro & Aspart	Trastuzumab, Peg-filgrastim, Bevacizumab, Adalimumab, Eterncept
Mylan's <i>Exclusive Commercialization</i> Regions	US, Canada, Europe, Australia & New Zealand	All regulated markets

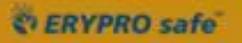
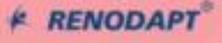
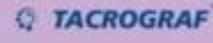
Structure: Upfront Payment + Cost Sharing + Supplies + Profit Sharing[#]

Mylan and Biocon to share development and capital costs

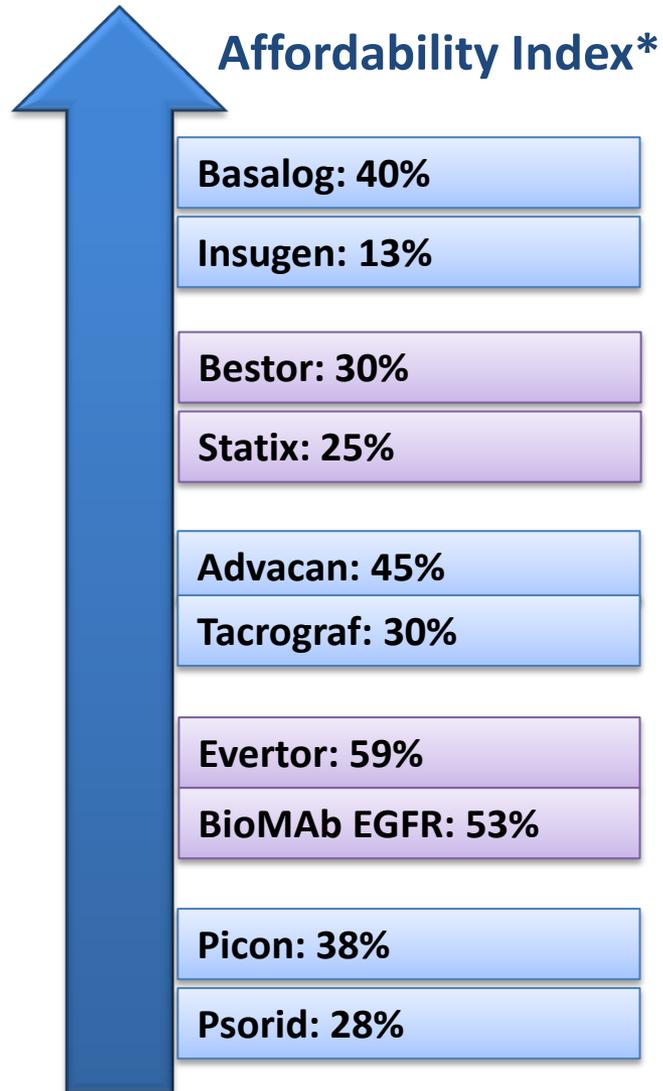
#Profit Sharing Arrangement in regions where Mylan has exclusive commercialization rights

Biocon and Mylan have co-exclusive commercialization rights in other markets.

Growth Segment: Branded Formulations

 <p>DIABETOLOGY sustaining life</p>			
 <p>CARDIOLOGY enhancing life</p>	<p>In high risk patient with ACS</p>  <p><small>Atorvastatin 20, 40, 80, 160 mg Tablet Preparation Form 1 tablet</small></p> <p>The Purest Atorvastatin</p>		
 <p>ONCO THERAPEUTICS transforming life</p>			
 <p>IMMUNOTHERAPY empowering life</p>			
 <p>NEPHROLOGY protecting life</p>	 	 	
 <p>COMPREHENSIVE CARE improving life</p>			
 <p>BIOPRODUCTS preserving life</p>	<p>Albumin for a better life</p> 		<p>Next to Natural Immunity</p> 

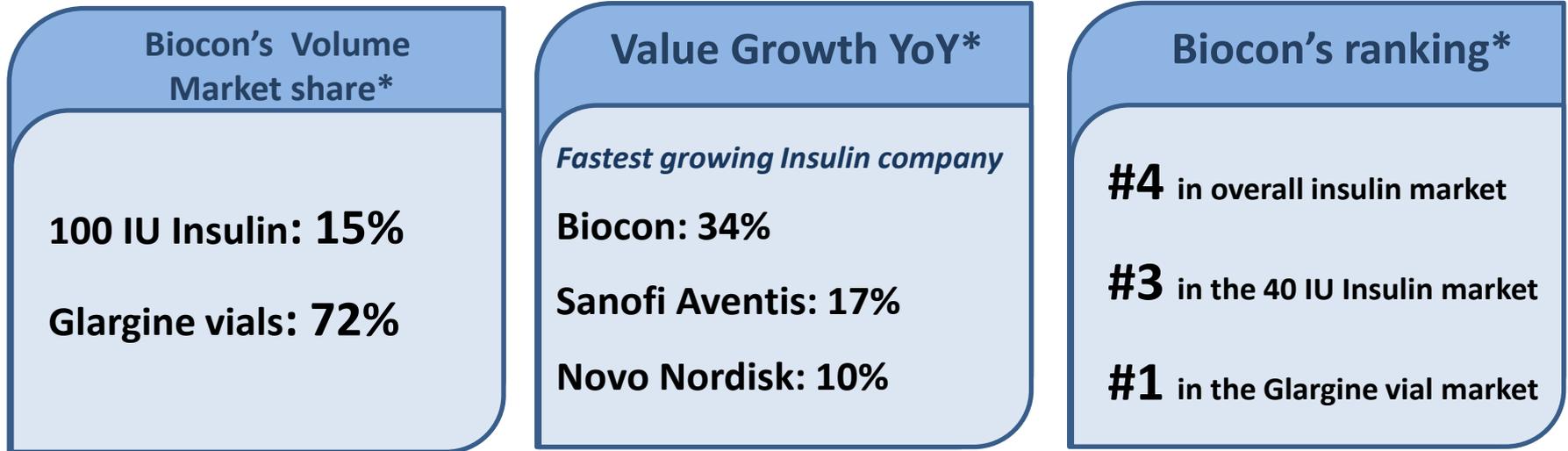
Growth Segment: Branded Formulations



INDIA PRODUCT RANKINGS#		
Cardiology		
	Clotide	1
	Myokinase	2
Oncotherapeutics		
	BioMAb EGFR	2
	Evertor	2
	Abraxane	3
Immunotherapy		
	Psorid	1
	Picon	2
	Tbis	2
Nephrology		
	Tacrograf	2
Bioproducts		
	Genpirome	2

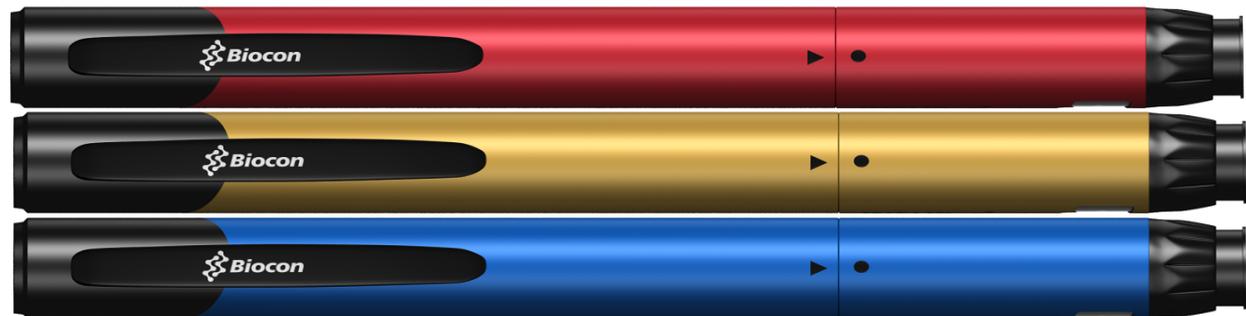
*: Compared to the top selling competitor brand; #: ORG IMS November MAT 2012, IPSOS

Growth Segment: Branded Formulations



INSUPen® ease

Reusable delivery device based on proprietary German technology, capable of delivering both Insugen™ & Basalog™ launched in India & Select Emerging Markets



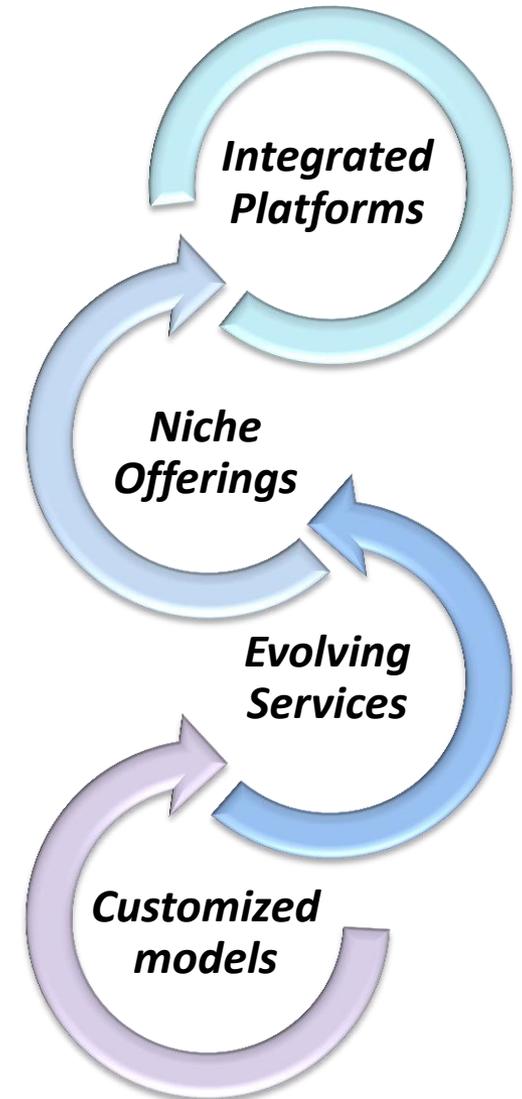
Growth Segment: Research Services

- Integrated Drug Discovery and Development
- Biologics Discovery and Development
- **Syngene- Clinigene axis**

- Bioanalytical testing of small and large molecules
- Antibody Drug Conjugate (ADC) development
- Unique *In-Vivo* Models- Human tumour tissue Xenograft
- Early and rapid toxicology evaluation (Cardiomyocytes)

- Commercial scale production of NCEs
- High potency (cytotoxic) API manufacturing
- Formulation development

- Dedicated/customized infrastructure
- End-to-end services
- Risk sharing: Milestone based
- Incubation: IP sharing





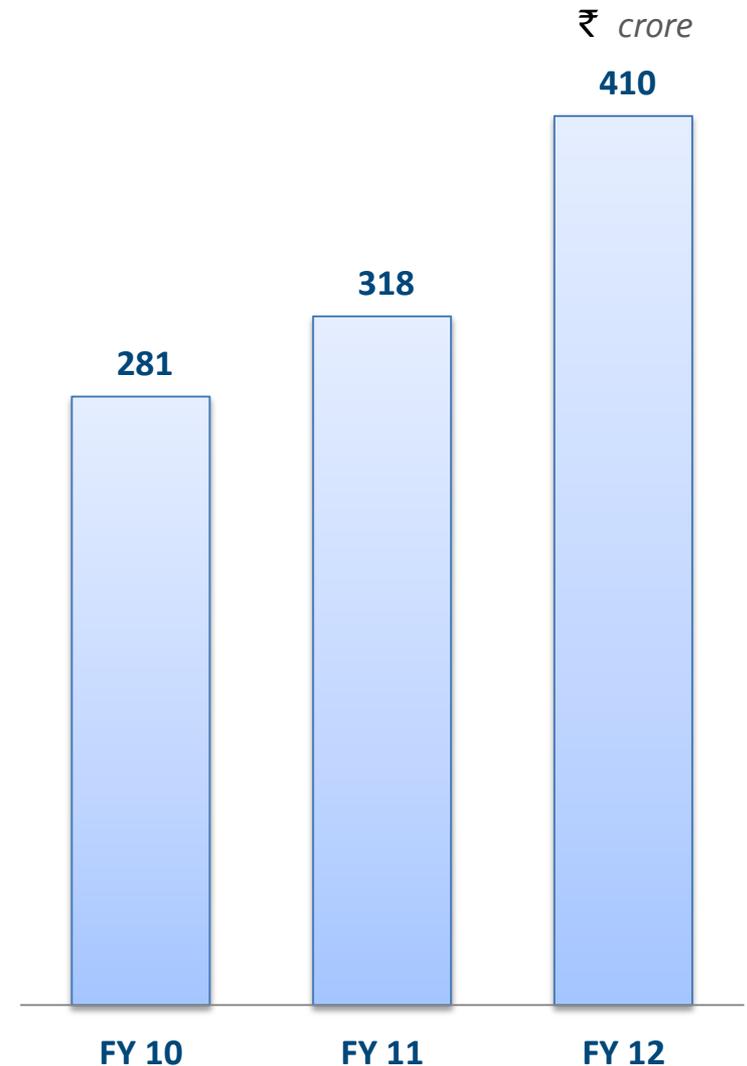
GE Capital

- PE Investment of \$ 25 Mn for a 7.7% stake, valuing Syngene at \$ 325 Mn
- Investment aimed at enhancing Syngene's service offerings & fund future growth



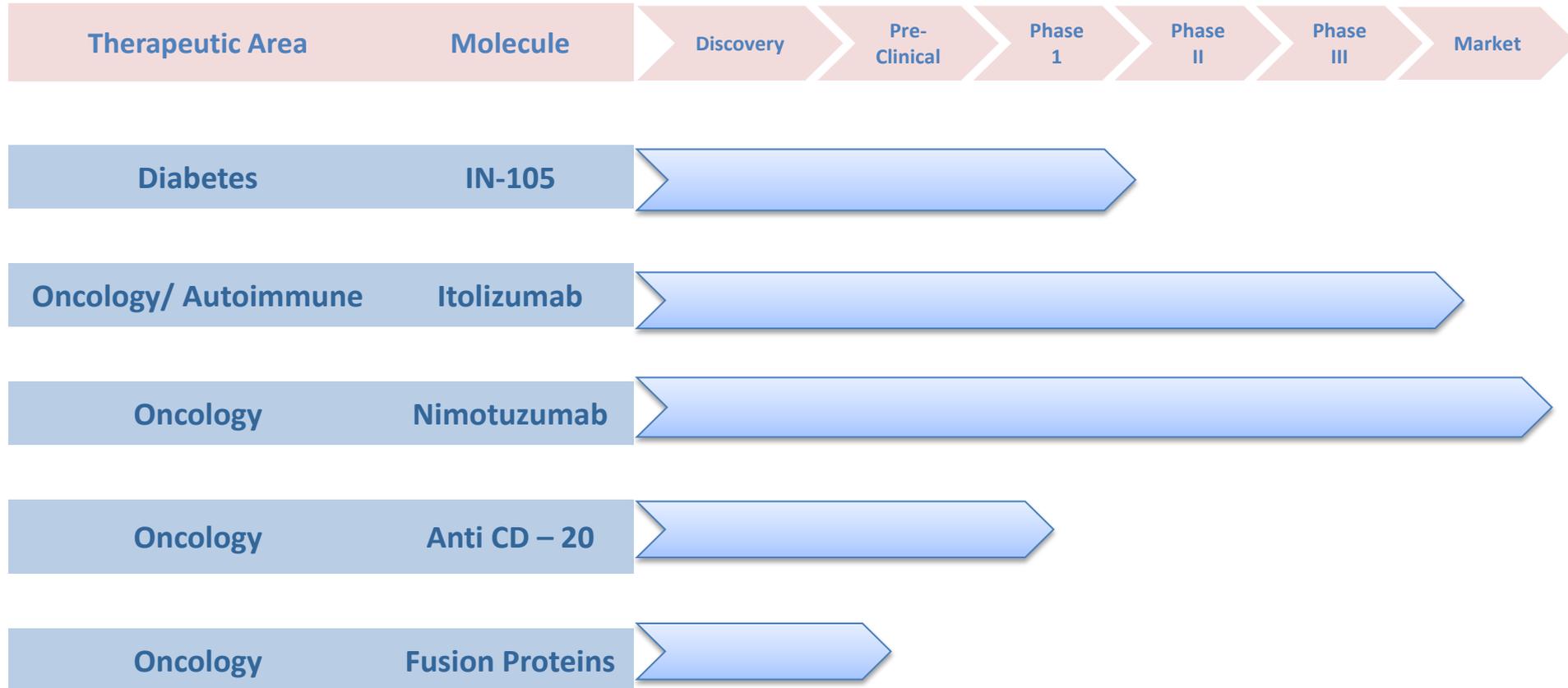
Abbott Nutrition

- Dedicated, India-centric nutrition R&D Centre
- Focused on:
 - Maternal & Child Nutrition
 - Diabetes Care



Growth Segment: Novel Molecules

Novel Pipeline



- ❖ **Itolizumab:** Marketing Authorization for Psoriasis approved by the Indian drug regulator
- ❖ **Anti CD 20 (BVx 20)** has entered the clinic in India
- ❖ Multiple Global Trials planned for **Oral Insulin** in collaboration with BMS

IN-105 Option Agreement: BMS (First-in-Class Oral Prandial Insulin)



Combines Biocon's novel asset and development experience with BMS' novel drug development, regulatory & commercialization capabilities.

*Biocon will **continue global development** of the molecule through Phase II via redesigned trials.*

Partnership encompasses Financial, Strategic and Clinical Support throughout the development phase

*BMS will have an **exclusive option post phase II** to further develop & commercialise the asset worldwide (excl. India)*

Biocon will receive licensing fee in addition to potential regulatory & commercialization milestones, when BMS exercises its option.

Growth Segment: Novel Molecules

Alzumab (Itolizumab- First-in-Class Anti CD6)

Marketing Authorization for *Itolizumab* (IV delivery) received from Indian Drug regulator for **Psoriasis**

Alzumab India launch in 2013

2nd Novel Biologic from Biocon's repertoire:
First Novel MAb for Psoriasis developed in India

US IND to be filed in 2013 to facilitate global clinical trials in Psoriasis, RA and other indications as Sub Q

First-in-Class Therapy :Novel MOA with an excellent safety profile

Very low Infection rates vis-à-vis other approved therapies

Promising preclinical and clinical efficacy data in **other auto immune diseases** (RA, MS)

Partnership discussions initiated for **global development** of this **late stage** opportunity

Baseline

12 Weeks

28 Weeks



Treatment Arm



Financial Highlights

₹ crore / USD mn

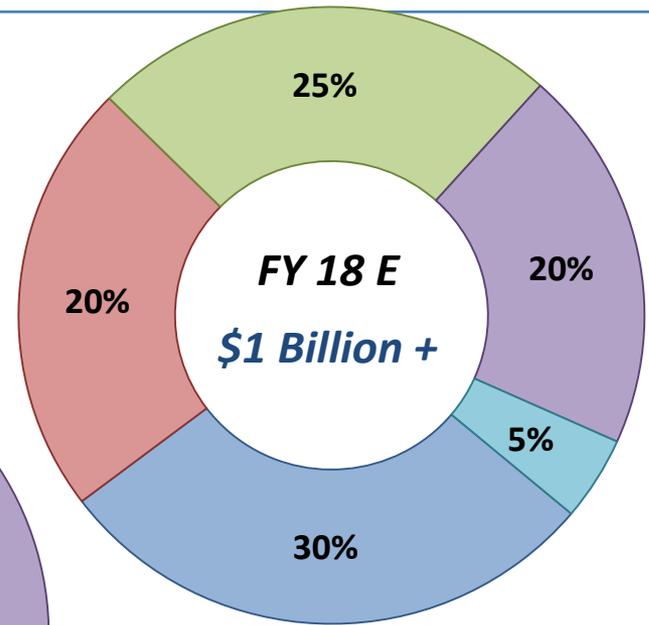
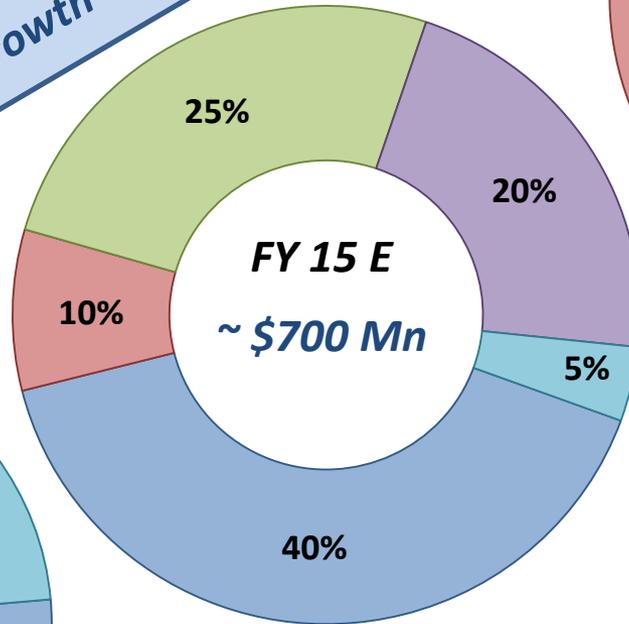
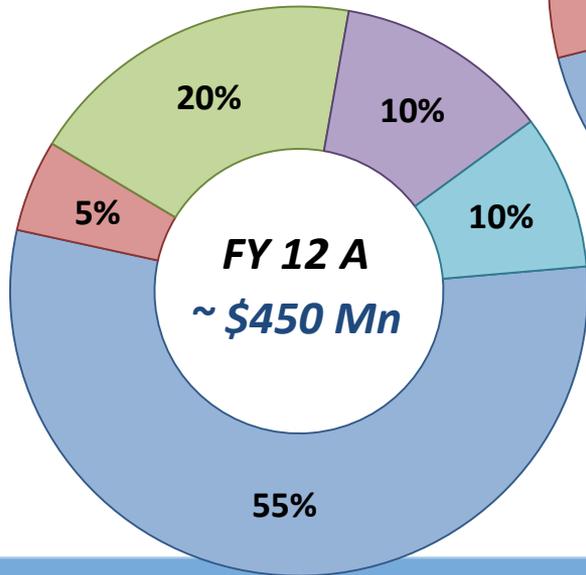
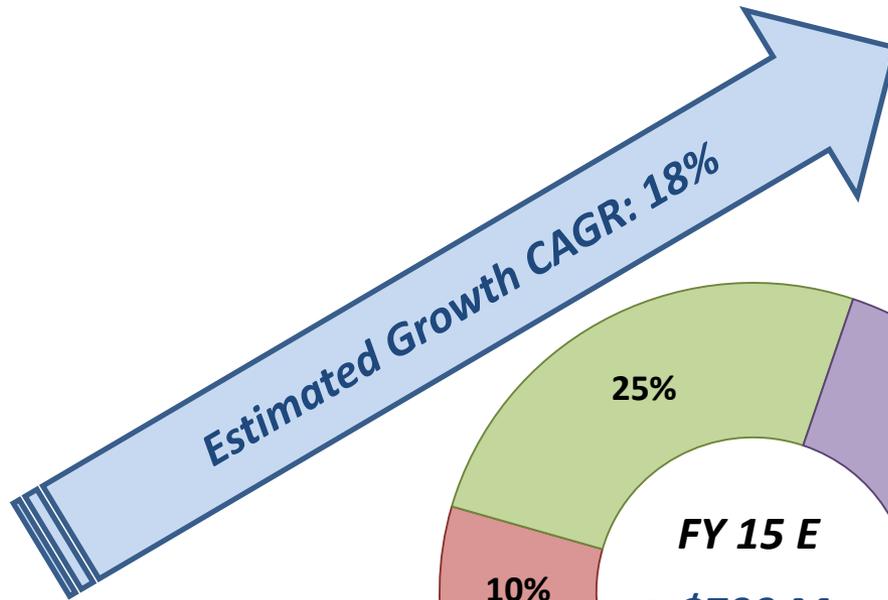
	FY08		FY09		FY10		FY11		FY12	
Revenue	1,090	273	1,194	260	1,493	318	1,858	407	2,148	445
R&D Spend	47	12	60	13	79	17	118	26	157	33
EBITDA	335	83	372	81	455	97	573	125	579	120
Net profit*	225	56	238	52	273	58	340	74	338	70

	9M FY13	9M FY12
Revenue	1,890 346	1,537 324
R&D Spends	121 22	84 18
<i>% of Biopharma Sales #</i>	11%	9%
EBITDA	472 86	423 89
<i>EBITDA Margin</i>	25%	27%
PAT	260 48	241 51
<i>PAT Margin</i>	14%	16%
EPS	13.3	12.3

FY08-12: Avg.exch.rate in that fiscal : 9M FY13: USD 1 = ` 54.64; 9M FY12: USD 1 = ` 47.39

Biopharma Sales excluding branded Formulations; * Net profit is pre-exceptional in table 1.No exceptional items in FY10, FY11 and FY12.

Leveraging Challenges For Sustained Growth



-  **Small Molecules**
-  **Biosimilars (Insulins + MABs)**
-  **Research Services**
-  **Branded Formulation**
-  **Licensing & Other Income**

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Innovative Science Affordable Medicine



Thank You

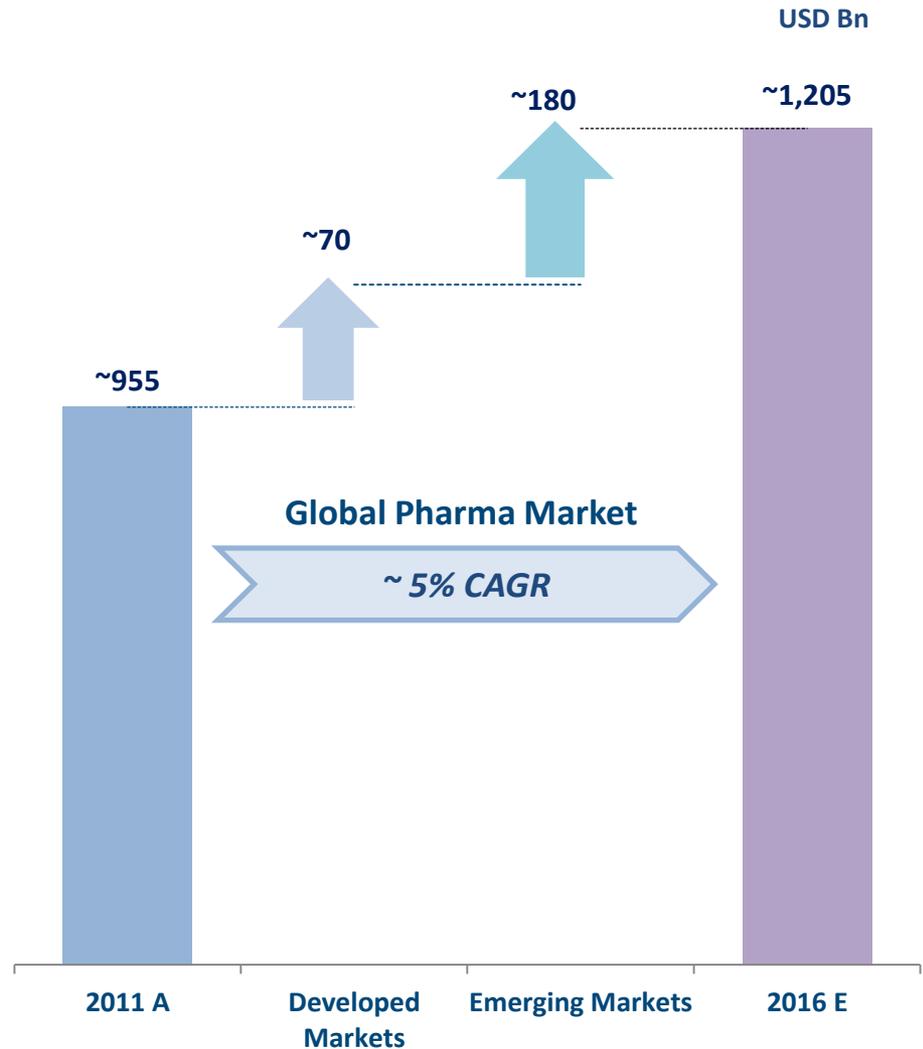
Investor Contact: Sweta Pachlangiya
sweta.pachlangiya@biocon.com



Global Pharma Growth Catalyst: Emerging Markets

Emerging Markets to contribute ~ 75% of the Total Pharma Growth by 2016

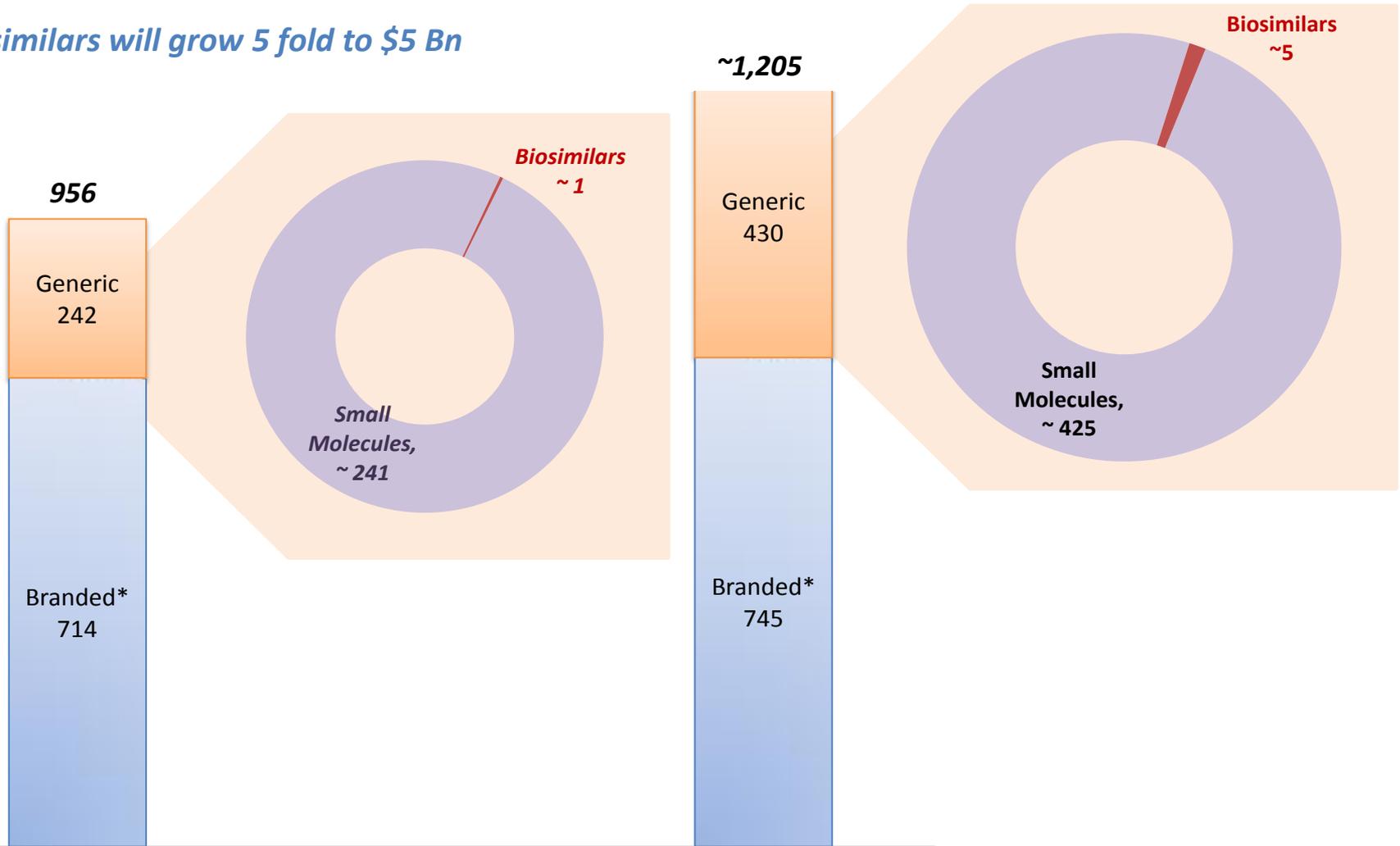
- ❖ Global Pharma Spending expected to cross **\$1.2 Trillion by 2016**
- ❖ Emerging Markets projected growth CAGR: **~10%**
- ❖ Developed Markets expected growth CAGR: **~2%**
- ❖ Emerging Markets growth driven by:
 - ❖ Increased Government Healthcare Spending
 - ❖ Growing Affluence



Global Pharma Growth Catalyst: Generics & Biosimilars

⚡ *Generic Spending to Increase by ~75% in the next 5 years vs. Branded drugs' growth of 9%* USD Bn

⚡ *Biosimilars will grow 5 fold to \$5 Bn*



*includes: OTC, diagnostics and non-therapeutics sales worth \$118 Bn in 2011 and \$145 Bn in 2016 E

STRATEGIC PARTNERSHIPS



<p>Discovery & Development</p>	<p>BMS CIMAb IATRICa Vaccinex</p>	<p>Diabetology Oncology Oncology Oncology</p>	<p>Oral Insulin (IN-105) BioMAb EGFR, Itolizumab Immuno-conjugated MABs Biobetter MABs</p>
<p>Co-Development & Commercialization</p> <p>Commercialization</p>	<p>Mylan Optimer</p>	<p>Oncology & Auto Immune First in Class Anti Infective</p>	<p>Biosimilar MABs & Biologics Fidaxomicin</p>
<p>Research Services</p>	<p>BMS Abbott</p>	<p>Discovery to Commercialization Nutrition R&D</p>	<p>Integrated DD Services Integrated discovery services</p>