



Bangalore, India

April 27, 2012

## **Strong growth momentum across business verticals drives Biocon's 16% YoY increase in revenues in FY12**

### **Board recommends dividend of Rs. 5/share (100%)**

**Revenues at Rs 2,148 Crores; EBITDA at Rs 579 Crores; PAT at Rs 338 Crores**

*Commenting on the results, Chairman and Managing Director Kiran Mazumdar-Shaw stated, "I am pleased with the overall performance that we have delivered in FY12. Group Sales have risen by 16% and PAT was sustained at previous year levels despite lower net licensing income. We have delivered particularly strong growth in our Research Services & Branded Formulations business verticals. Our Balance Sheet remains robust and our cash position is strong. The global economic outlook remains uncertain. However, we are confident that we will make significant progress across all our businesses."*

### ***Highlights:***

- Full-year FY12 financials reflect strong performance by:
  - ❖ Branded Formulations: 39% YoY growth, driven by chronic therapies.
  - ❖ Research Services: 29% YoY, growth driven by new contracts and expansions in existing contracts.
- EBITDA and PAT margins at 27% and 16% respectively.
- Biosimilar Trastuzumab (Herceptin, Mylan alliance) commences Phase III trials in India.
- Inauguration of Biocon Research Center, a state-of-the-art integrated research & development hub in Bangalore.
- Amicable conclusion of insulin commercialization deal with Pfizer.
- Mary Harney, former Deputy Prime Minister of Ireland joins the Board of Biocon Limited.

## Biocon Group

<i>(Rs Crores)</i>	<b><u>3 Months Ended March 31,2012</u></b>	<b><u>Full Year Ended March 31,2012</u></b>
Revenues	612	2,148
EBITDA	156	579
PAT	98	338
EBITDA Margin (%)	25%	27%
Earnings Per Share (Rs)	5	17
Head Count	6200+ employees	

### ***Business Performance and Outlook (Vertical-wise)***

#### **Small Molecules & Biosimilars**

The base business has seen steady growth over the last fiscal despite pricing pressure. The current portfolio has been strengthened by the introduction of Fidaxomicin supplies to Optimer Pharma.

The Biosimilar MAbs portfolio partnered with Mylan continues to make steady progress. Biosimilar Trastuzumab (Herceptin), aimed at India and the Emerging Markets, has entered multi-centric Phase III Clinical Trials in India.

#### **Inauguration of Biocon Research Centre (BRC):**

Biocon unveiled its state-of-the art, integrated R&D Centre on April 5, 2012. Expressing his delight, Nobel laureate **Prof. Kurt Wüthrich** who inaugurated the facility said, **“I am quite enthralled with the Biocon Research Centre’s capability which is at par with international standards. I will keenly watch the outcome of innovation from this centre as I see a lot of promise in the scientific talent here. I extend my best wishes to Biocon”**.

#### **Branded Formulations**

The Indian pharmaceutical market grew at 15% YoY (AIOCD, MAT Feb 2012). Reflecting the accelerated growth and growing clout of chronic therapies in the market, our branded formulations division grew 39% YoY in FY12.

#### **Novel Molecules**

Biocon continues to advance its novel portfolio, including the Anti-CD20 MAb program.

**Itolizumab:** Itolizumab, the first indigenously developed novel monoclonal antibody, completed a Phase III study for the treatment of Psoriasis in Indian patients in December 2011. The **52-week study met its primary endpoint and multiple secondary end points**. The full clinical study report and the regulatory submission package is currently being prepared for submission to the authorities. Itolizumab has also shown promising preliminary results in the treatment of Rheumatoid Arthritis (RA) and Multiple Sclerosis (MS).

**Peptide Hybrid:** A global phase 1 study under the US IND filed by our partner, Amylin, is ongoing.

We continue to actively progress our partnering efforts for both the leading R&D assets – Itolizumab and IN-105.

### **Induction of new Board member**

Biocon announced the induction of former Deputy Prime Minister of Ireland, Mrs. Mary Harney as an additional non-executive Board member of Biocon Limited. Mary Harney (born 11 March 1953) served as Tánaiste (Deputy Prime Minister) of the Irish Republic from 1997–2006. She also held the position of Minister for Enterprise, Trade and Employment from 1997–2004, and as Minister for Health and Children from 2004 to 2011. She was leader of the Progressive Democrats party between 1993–2006 and again from 2007–08. During her illustrious political career, she initiated far reaching health care reforms and played a key role in positioning Ireland as a key IT hub in Europe. Mrs. Harney was also Ireland's representative to the European Council of Ministers for the Software Patents Directive.

### **Research Services**

This fiscal saw strong continuing momentum with recent investments in chemistry, biology and biologics services coming into fruition. In FY12, Syngene & Clinigene together grew revenues by 29% YoY on the back of strong expansion from existing customers and a steady flow of new customer contracts. Moving up the value chain with differential models and more integrated service offerings has contributed to improved profitability with EBITDA margin firming to 33% in FY12.

During the year, Syngene International Limited acquired 100% of the shareholding of Clinigene International Limited from Biocon Limited to ensure seamless operational integration of the combined research service offerings.

***Commenting on the performance and the recent developments Peter Bains, Director, Syngene International, said, “2012 has been one of the strongest years of delivery for our Research Services. Our strategy has been to invest in strengthening our scientific team and capability platforms in discovery and development to allow us to build stronger, more integrated and value creating collaborations to support our customers”.***

### **About Biocon**

Biocon Limited (**BSE code:** 532523, **NSE Id:** BIOCON, **ISIN Id:** INE376G01013) is India's premier biotechnology company with a strategic focus on biopharmaceuticals and research services. Established in 1978 by Dr. Kiran Mazumdar-Shaw, the Group is an integrated, innovation-driven healthcare enterprise with offerings that traverse the entire drug development value chain. Balancing its novel molecule research pipeline with a diversified product portfolio, Biocon delivers affordable solutions to partners and customers in over 70 countries across the globe. Many of these products have USFDA and EMA acceptance. Stellar products from Biocon's stable include the world's first *Pichia*-based recombinant human Insulin, INSUGEN® and glargine, BASALOG® coupled with a state of the art insulin pen device, INSUPen® and India's first indigenously produced monoclonal antibody BioMAb-EGFR®. [www.biocon.com](http://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 pm IST on April 27, 2012** 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 number for this call is 1800 425 4249** (India Toll Free number is 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](http://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 **April 27, 2012 – May 4, 2012** on the same dial-in numbers provided above. The transcript of the conference call will be posted on the company website.

[Encl: Fact Sheet - Consolidated Income Statement and Balance Sheet \(Indian GAAP\)](#)

**BIOCON GROUP**

**FACT SHEET**

**Mar/12**

**FY 2012 vs. FY 2011  
Q4 FY 2012 vs. Q4 FY 2011**

<b>BIOCON LIMITED (CONSOLIDATED) UNAUDITED</b>		
<b>BALANCE SHEET</b>		<i>(Rs. Millions)</i>
	<b>March 31, 2012</b>	<b>March 31, 2011</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's Funds</b>		
(a) Share capital	1,000	1,000
(b) Reserves and surplus	21,725	19,328
	<b>22,725</b>	<b>20,328</b>
<b>Minority interest</b>	<b>38</b>	<b>377</b>
<b>Non-current liabilities</b>		
(a) Long-term borrowings	699	658
(b) Deferred Tax Liability (net)	-	497
(c) Other long-term liabilities	5,832	3,390
	<b>6,531</b>	<b>4,544</b>
<b>Current liabilities</b>		
(a) Short-term borrowings	1,873	2,475
(b) Trade payables	3,478	2,965
(c) Other current liabilities	2,689	3,755
(d) Short-term provisions	2,115	1,410
	<b>10,154</b>	<b>10,605</b>
<b>TOTAL</b>	<b>39,448</b>	<b>35,854</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Fixed Assets	16,594	15,602
(b) Non-current investments	643	609
(c) Deferred Tax Asset (net)	78	-
(d) Other non-current assets	2,455	1,574
	<b>19,770</b>	<b>17,784</b>
<b>Current assets</b>		
(a) Current Investments	4,921	3,995
(b) Inventories	3,783	4,136
(c) Trade Receivables	4,815	4,852
(d) Cash and cash equivalents	5,232	4,414
(e) Short term loans and advances	95	46
(f) Other current assets	830	627
	<b>19,678</b>	<b>18,070</b>
<b>TOTAL</b>	<b>39,448</b>	<b>35,854</b>

**BIOCON LIMITED (CONSOLIDATED) UNAUDITED  
PROFIT & LOSS STATEMENT**

(Rs. Millions)

Particulars	Q4 FY 12	Q3 FY 12	Variance	Q4 FY 11	Variance
<b>INCOME</b>					
Biopharmaceuticals	4,272	3,360	27%	3,337	28%
Branded formulations - India	650	720	-10%	485	34%
<b>Total Biopharmaceuticals</b>	<b>4,922</b>	<b>4,080</b>	<b>21%</b>	<b>3,822</b>	<b>29%</b>
Contract research	1,180	1,120	5%	888	33%
<b>Total Sales</b>	<b>6,102</b>	<b>5,200</b>	<b>17%</b>	<b>4,710</b>	<b>30%</b>
Other income	13	157	-92%	169	-92%
<b>Total Revenue</b>	<b>6,115</b>	<b>5,357</b>	<b>14%</b>	<b>4,879</b>	<b>25%</b>
<b>EXPENDITURE</b>					
Material & Power Costs	2,771	2,332	19%	2,315	20%
Staff costs	761	732	4%	584	30%
Research & Development	726	330	120%	223	226%
Other Expenses	298	543	-45%	280	6%
<b>Manufacturing, staff &amp; other expenses</b>	<b>4,556</b>	<b>3,937</b>	<b>16%</b>	<b>3,402</b>	<b>34%</b>
<b>PBDIT /EBITDA</b>	<b>1,559</b>	<b>1,420</b>	<b>10%</b>	<b>1,477</b>	<b>6%</b>
Interest and finance charges	30	24	25%	50	-40%
Depreciation & Amortisation	431	434	-1%	382	13%
<b>PBT</b>	<b>1,098</b>	<b>962</b>	<b>14%</b>	<b>1,045</b>	<b>5%</b>
Taxes	120	113	6%	103	17%
<b>NET PROFIT (PAT) WITHOUT AXICORP</b>	<b>978</b>	<b>849</b>	<b>15%</b>	<b>942</b>	<b>4%</b>
Profit from discontinued (AxiCorp) Operations, net	-	-		66	
<b>NET PROFIT FOR THE PERIOD</b>	<b>978</b>	<b>849</b>	<b>15%</b>	<b>1,008</b>	<b>-3%</b>
<b>EPS Rs.</b>	<b>4.9</b>	<b>4.2</b>		<b>5.0</b>	
<i>Note: The figures are rounded off to the nearest million, percentages are based on absolute numbers</i>					
Biopharmaceuticals Income includes:					
Licensing development fees	463	292		580	
Licensing Income	-	-		188	

**BIOCON LIMITED (CONSOLIDATED) UNAUDITED**  
**PROFIT & LOSS STATEMENT** (Rs. Millions)

Particulars	12M FY 12	12M FY 11	Variance
<b>INCOME</b>			
Biopharmaceuticals	14,170	13,023	9%
Branded formulations - India	2,594	1,863	39%
<b>Total Biopharmaceuticals</b>	<b>16,764</b>	<b>14,886</b>	<b>13%</b>
Contract research	4,101	3,177	29%
<b>Total Sales</b>	<b>20,865</b>	<b>18,063</b>	<b>16%</b>
Other income	618	516	20%
<b>Total Revenue</b>	<b>21,483</b>	<b>18,579</b>	<b>16%</b>
<b>EXPENDITURE</b>			
Material & Power Costs	9,486	8,081	17%
Staff costs	2,866	2,188	31%
Research & Development	1,566	1,183	32%
Other Expenses	1,773	1,394	27%
<b>Manufacturing, staff &amp; other expenses</b>	<b>15,691</b>	<b>12,846</b>	<b>22%</b>
<b>PBDIT /EBITDA</b>	<b>5,792</b>	<b>5,733</b>	<b>1%</b>
Interest and finance charges	123	230	-46%
Depreciation & Amortisation	1,744	1,516	15%
<b>PBT</b>	<b>3,925</b>	<b>3,987</b>	<b>-2%</b>
Taxes	541	588	-8%
<b>NET PROFIT (PAT) WITHOUT AXICORP</b>	<b>3,384</b>	<b>3,399</b>	<b>0%</b>
Profit from discontinued (AxiCorp) Operations, net	-	276	
<b>NET PROFIT FOR THE PERIOD</b>	<b>3,384</b>	<b>3,675</b>	<b>-8%</b>
<b>EPS Rs.</b>	<b>16.9</b>	<b>18.4</b>	
<i>Note: The figures are rounded off to the nearest million, percentages are based on absolute numbers</i>			
Biopharmaceuticals Income includes:			
Licensing development fees	1,253	610	
Licensing Income	13	915	