



For Immediate Release

Bangalore, India

April 28, 2011

Biocon Limited announces earnings for the full year ended March 31, 2011.

[BIOCON DELIVERS STRONG MULTI-SECTOR GROWTH; DIVESTMENT OF GERMAN SUBSIDIARY AXICORP GmbH](#)

Revenues at Rs 2,814 crores; EBITDA at Rs 630 crores; PAT at Rs 368 crores

Board declares interim dividend of Rs 1.50 per equity share; also recommends final dividend of Rs 3.00 per equity share, totaling to Rs 4.50 per equity share.

Commenting on the results, Chairman and Managing Director Kiran Mazumdar-Shaw stated, "FY11 has delivered strong multi-sectoral growth. Emerging markets have realized significant and sustained growth for our APIs, whilst our branded formulations have scripted business success in the Indian market place. Licensing income from Pfizer and others has contributed materially to profit generation this fiscal. Our Research Services businesses supported by Syngene and Clinigene have signaled a turn around. We are confident this will drive robust profitability next fiscal. To support our expanding business operations, we expect to increase our employee strength by around 1000 in FY12. I believe FY11 has been an excellent year and I am pleased to announce the payment of an interim dividend of Rs 1.50 per share and recommend a final dividend of Rs 3.00 per equity share as our on-going commitment to building incremental shareholder value."

Performance Highlights

Biocon Group (consolidated)

For full-year ended March 31, 2011

- Total Income at Rs 2,814 crores. Up 17% YoY.
- EBITDA at Rs 630 crores. YoY growth was 24%.
- PAT at Rs 368 crores. YoY growth was 26%.
- Operating Margin at 22%.
- Earnings Per Share at Rs 18.4.
- Headcount at 5,500 employees.

For three months ended March 31, 2011

- Total Income at Rs 717 crores. Up 8% YoY.
- EBITDA at Rs 158 crores. YoY growth was 14%.
- PAT at Rs 101 crores. YoY growth was 25%.
- Operating Margin at 22%.
- Earnings Per Share at Rs 5.0.

Business Performance and Outlook



Biopharmaceuticals

The Biopharma business posted a 26% YoY increase in revenues in the fourth quarter of this fiscal on the back of strong growth in the sales of immunosuppressants, statins and the branded formulations segment.

Statins, Insulins and Immunosuppressants –

The robust Statins portfolio witnessed a changing product mix in this past financial year. Products that gained share in the portfolio include Atorvastatin and Rosuvastatin.

Insulin sales have been growing steadily in the ROW markets. The alliance with Pfizer is expected to add to sales from the current fiscal.

Biocon's immunosuppressants portfolio grew 35% YoY. The company proposes to enter some of the ROW markets with its formulations in the immunosuppressants and anti-diabetic categories in the current financial year.

“We have, last fiscal, successfully leveraged our unique portfolio of differentiated products to strike key global strategic partnerships and deliver robust growth through product sales and licensing. Our immediate focus is to shepherd these products through the complex development path to global approval and scale up our operations in India and abroad. We believe that our risk balanced approach to innovation and growth will help us create sustainable competitive advantages for us and our partners”, said Dr. Arun Chandavarkar, Chief Operating Officer, Biocon Limited.

Domestic Branded Formulations – The six verticals in branded formulations, namely, Diabetology, Oncotherapeutics, Nephrology, Cardiology, Dermatology and Comprehensive Care, have posted a combined YoY growth of 36% for FY11.

- ❖ **Diabetology** – This division recorded the highest growth in the last 3 years. There was significant revival in the insulins franchise both in the human insulins, Insugen and Basalog. Basalog more than doubled its turnover over the last financial year. The launch of Insugen 100, the global standard, has been widely accepted by the key opinion leaders. Some of the major initiatives and programs in this division this past year have been the “Winning with Diabetes” Helpline which has registered more than 15,000 patients, the Basalog Breeze 2 program, the Self Monitoring of Blood Glucose on Radio and the World Diabetes Day initiative.
- ❖ **Comprehensive care** - The Comprehensive Care division was launched in August 2010 with a vision of providing quality & affordable therapy in the critical care segment. Since inception, the division has met with immense success and wide acceptance of its products among the medical fraternity. Amidst intense competition, our flagship brands have witnessed steep growth with brands like Celrim, Celrim TZ, Biopiper and Imicelum.
- ❖ **Nephrology** - The fourth quarter of FY11 saw this division hold its forte in key territories and was driven by growth in its transplant brands – Tacrograf and Renodapt. Erypro Prefil contributed strongly to the sales of the Erypro group. Advacan, the first global generic brand of Everolimus launched by this division continues to perform very well with steady patient enrolments across many transplant centers. Opportunities for growth of brands like Tacrograf, Cyclophil ME, and



Renodapt beyond Organ Transplantation in Rheumatology (Lupus) and Hematology (Aplastic Anemia) are taking shape with enrolments kicking in.

- ❖ **Oncology** - The oncology division posted a strong 41% YoY growth this year with in-licensed brand Abraxane posting a strong YoY growth. Evertor, the first global generic of everolimus, has been witnessing strong ramp since its launch in January 2011. This growth is expected to accelerate as its market is set to widen with an imminent FDA approval for the treatment of pancreatic neuroendocrine tumors. The brand is poised for exponential growth in the coming years, aided by the plethora of research being done with the molecule in segments such as breast, lung and Hepatocellular carcinoma.
- ❖ **Cardiology** – This segment grew 20% in this quarter over the same quarter last year and saw momentum from new launches like brand TIROZEST (Tirofiban).

“Biocon’s pipeline of innovative and biosimilar molecules as well as marketing partnerships will be the driving force to expand in India and other markets in 2011 and beyond”, said Rakesh Bamzai, President, Marketing, Biocon Limited.

Axicorp

Along with its full year earnings release, Biocon Limited also announced today that it will divest its stake in its German subsidiary, AxiCorp GmbH, to the existing group of promoter shareholders.

AxiCorp was the licensee for Biocon’s biosimilar Insulin and Glargine in Germany and had the sole responsibility for commercializing these products. As a consequence of this divestment, these rights revert to Biocon.

Biocon had entered into a global alliance with Pfizer in October 2010 for commercializing biosimilar Insulin and Insulin analogs. This divestment is in line with the objectives of the global alliance wherein the synergies derived from global development and investments can be leveraged for the German market as well. This decision has no impact on Biocon’s on-going development of biosimilar Insulin and analogs in Europe and elsewhere in collaboration with Pfizer.

Axicorp intends to focus keenly on growing the present businesses and, during a transition period, will continue to provide services to Biocon related to the clinical development of Insulin and Glargine in Europe. Axicorp’s management has done an admirable job in sustaining profitability under difficult external circumstances triggered by the German healthcare reforms and Biocon wishes AxiCorp’s management and employees the very best in their future endeavors.

Biocon and Axicorp believe that this decision is in the best interests of the shareholders of both companies.



Research Services

Syngene – Syngene has posted another strong year’s financial performance, delivering top line growth of 21% and an EBITDA growth of 14%. These results are all the more encouraging when set against the background of macro market pressure as global R&D spends are being reduced and consolidation of market players continues. Key drivers of this growth have been Syngene’s highly competitive platform in discovery chemistry, where we have strong customer retention and accelerating new customer traction and the growth of Syngene’s long term discovery and development collaboration with Bristol Myers Squibb where Syngene is now providing over 400 scientists to BMS in a dedicated facility.

Supporting these pillars is Syngene’s pioneering platform in Biologics, supporting discovery and development in the fast growing monoclonal antibody and protein therapeutics arena; this platform is now fully operational and will provide a new engine of growth in the coming years.

Said Peter Bains, Director, Syngene International Limited, ‘I am very pleased to report another robust year of growth and financial delivery for Syngene and I am particularly pleased that much growth is coming from programs where our clients are utilizing several of Syngene’s discovery and development platforms together, in discreet integrated programs and where Syngene is able to make higher value contributions to our clients work.’

Clinigene - Clinigene is continuing to evolve and adapt its capability platforms and service offerings against a background of continued macro market pressure as global R&D spends are being reduced, consolidation of market players continues and the shift to globally capable preferred partnerships accelerates. In addition to our standard service platforms, we have identified several more specialized areas, for example patient based early studies, complex BA/BE studies and bio-analytical services where customers are now seeking CRO support and where Clinigene offers strong capabilities as well as early mover advantages. These new specialty services, which have relatively high entry barriers, will allow us to drive new and differential revenue opportunities. Studies conducted by Clinigene were successfully audited by the USFDA and EMA without Form 483 or critical findings.

Said Abhijit Barve, Chief Operating Officer, Clinigene International Limited, ‘We have achieved two key milestones this quarter, namely, successful audits by the USFDA and EMA. These milestones are reflective of our robust processes and would allow us to aggressively compete for business globally.’

Research Pipeline

T1h –The Phase III Psoriasis recruitment was completed in Q4 and the interim data analysis is expected to happen in June 2011.

BVX20 - An application submitted to the DCGI for Phase 1 is in the process of approval and the Phase 1 clinical trial is expected to be initiated in the Q1FY12.

About Biocon

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



discovery, development and commercialization of novel therapeutics. With successful initiatives in clinical development, bio-processing and global marketing, Biocon delivers products and solutions to partners and customers in approximately 75 countries across the globe. Many of these products have USFDA and EMA acceptance. Biocon's robust product offering includes the world's first Pichia-based recombinant human insulin, INSUGEN® and India's first indigenously produced monoclonal antibody BIOMAb-EGFR^(TM).

For more information, visit www.biocon.com

Disclaimer

Certain statements in this release concerning our future growth prospects are forward-looking statements, which are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in such forward-looking statements. Important factors that could cause actual results to differ materially from our expectations include, amongst others general economic and business conditions in India, our ability to successfully implement our strategy, our research and development efforts, our growth and expansion plans and technological changes, changes in the value of the Rupee and other currency changes, changes in the Indian and international interest rates, change in laws and regulations that apply to the Indian and global biotechnology and pharmaceuticals industries, increasing competition in and the conditions of the Indian biotechnology and pharmaceuticals industries, changes in political conditions in India and changes in the foreign exchange control regulations in India. Neither our company, our directors, nor any of our affiliates, have any obligation to update or otherwise revise any statements reflecting circumstances arising after this date or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

Earnings Call

The company will conduct an hour long call at 3:00 pm IST on April 28, 2011 where the senior management will discuss the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below five to ten minutes ahead of the scheduled start time. The dial-in numbers for the call are 1800 425 4061 / 1800 425 4250 / 1800 22 4061 / 1800 425 1300 (India Toll Free numbers are accessible through all mobiles and landline services). Other toll numbers are listed in the conference call invite which is posted on the company website www.biocon.com. The operator will provide instructions on asking questions before the start of the call. A replay of this call will also be available from 28 April 2011 – 5 May 2011 on the same dial-in numbers provided above. The transcript of the conference call will be posted on the company website.

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

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

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