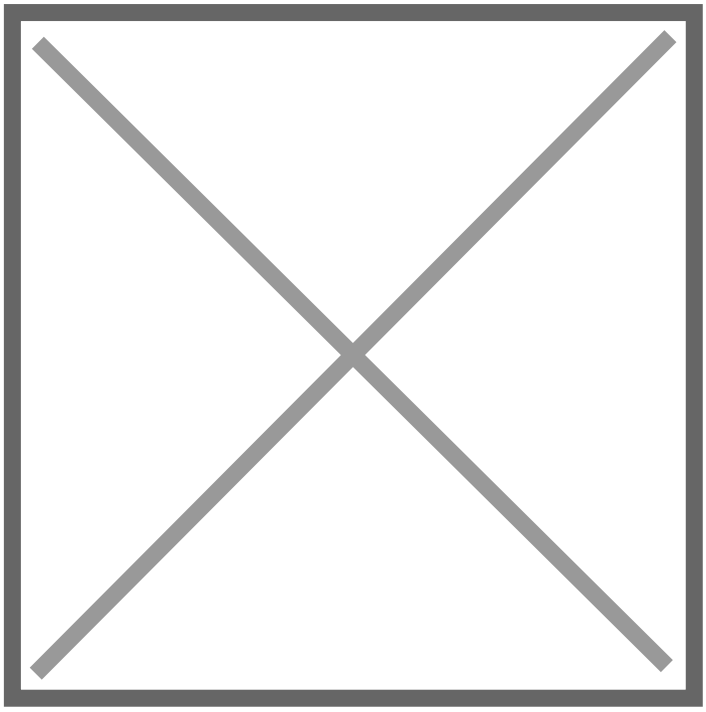
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1. Biocon

15 June 2005 | News

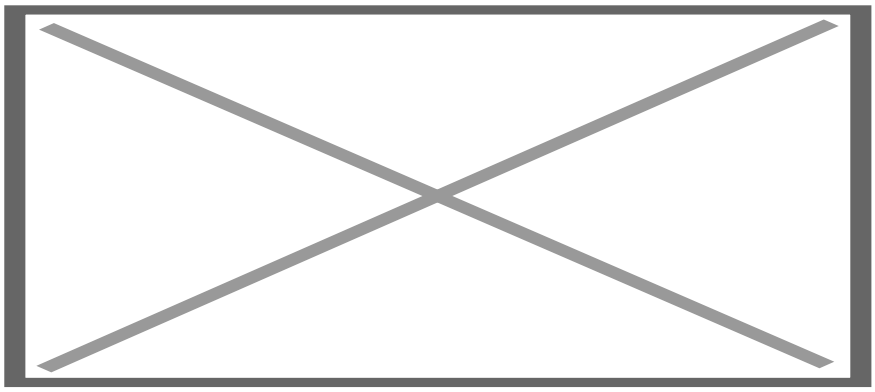


CEO: Kiran Mazumdar-Shaw

Unshakeable Leader

Biocon has been on a high growth path during the fiscal 2004-05

Biocon's business in biopharmaceuticals and enzymes recorded positive growth. The revenues from its biopharmaceuticals business, which includes statins and immunosuppressants shot up by 28 percent to Rs 557 crore from Rs 435 crore. Maintaining a stronghold on its oldest business of enzymes, the company's total enzyme business grew from Rs 66.50 crore to Rs 89.68 crore, registering a 35 percent growth.



During the year Biocon launched Insugen, recombinant human insulin, in the domestic market. This marked Biocon's foray into the protein therapeutics segment. Insugen accounted for a sale of Rs 10.13 crore since its introduction in mid November last year and has reportedly been received well in the country.

Biocon posted a total biotech turnover of Rs 646.36 crore during 2004-05, up from 502 crore during the previous year, registering nearly 29 percent growth in its biotech business. The total turnover of the company also showed a similar growth (29.5 percent) clocking a total turnover of Rs 662.16 crore in FY 05, up from Rs 511.17 crore the previous year.

The company continues to aggressively invest in discovery led R&D, which it believes is essential for building long term sustainability especially in light of the new WTO-TRIPS era. During the year, Biocon entered into a joint research program with US-based biotech company, Nobex Corporation to develop oral insulin. Both the partner companies have announced a joint R&D program for oral insulin based on Nobex's proprietary conjugated peptide delivery platform. They expect to file an INDA with USFDA by the end of 2005.

In addition, Biocon entered into a strategic partnership with Rochester-based biotechnology company Vaccinex Inc. for antibodies. The partnership will enable the companies to develop a pipeline of novel human therapeutic monoclonal

antibodies. And given Biocon's strategic foray into immuno-therapy, Vaccinex's human antibody platform provides a strong IP protection for its discovery programs.

The 4-arm phase II human clinical trial for its drug TheraCIM (h-R3), a humanised monoclonal antibody, also commenced during the year. The antibody is being evaluated for its efficacy on head and neck cancers. This drug is being developed by Biocon Biopharmaceuticals, Biocon's joint venture with the Cuban Institute CIMAB. This initiative marks a substantial advancement in Biocon's recombinant bio-therapeutic portfolio.

These collaborative in-licensed R&D programs are being seen as rapidly developing into very large global opportunities over the next 3-4 years.

During the next fiscal Biocon is hopeful of achieving healthy sales growth, despite the pricing pressure on its statins business. "We are planning to maintain current levels of operating margins although the profit for the year ahead may not grow as fast as its sales. This is expected partly due to an increased depreciation charge on its new facilities, which would cater to large US market opportunities for Simvastatin and Pravastatin emerging in 2006. But more importantly, Biocon plans to significantly increase its R& D to support a discovery led research strategy", said Kiran Mazumdar-Shah, CEO, Biocon. During 2004-05 the company's total investment increased to Rs 103.24 crore from Rs 64.44 crore the previous year, registering a mammoth 60 percent jump, reiterating its focus on proprietary R&D. It has filed for 98 patents, including 75 international patents, of which 3 (one Indian and two international) have been granted.

Commenting on the future plans of the company, Kiran Mazumdar-Shah, CEO, Biocon, said, "The company's outlook for FY06 is very positive and it expects statins, immuno-suppressants, insulin and branded formulations to deliver significant growth".Â