



BIOCON TO FOCUS ON BIOPHARMACEUTICALS, DIVESTING ENZYMES FOR USD 115 MILLION TO NOVOZYMES

- *Agreement to divest Enzymes business for USD 115 million to NOVOZYMES*
- *Biocon business portfolio focused on bio-pharmaceuticals*

Bangalore, July 18, 2007:

Biocon announced today a definitive agreement to divest its Enzymes business vertical to Novozymes A/S for USD 115 million. This will enable Biocon to strategically focus on its core bio-pharmaceuticals business. The enzyme business includes a broad range of industrial enzymes, food additives and process aids. This transaction, subject to shareholder and regulatory approvals, is expected to be completed by the end of the 3rd quarter of CY 2007.

Upon the completion of this divestment, Biocon will concentrate its activities on its bio-pharma business verticals that include APIs, biologicals and proprietary molecules both commercialized and under development.

Announcing the new development, Ms. Kiran Mazumdar-Shaw, CMD, Biocon Limited said: "Over the past decade we have clearly recognized the high growth trajectory of our bio-pharma business verticals and have progressively invested to build proprietary know-how and global scale. We believe that this is the right time to divest our enzymes business and focus on unleashing the full potential of our Bio-pharma Businesses.

Novozymes as the recognized world leader in enzymes will be in a strong position to leverage our existing enzymes portfolio built over a span of nearly 3 decades. "

Steen Riisgaard, CEO of Novozymes said "The acquisition of Biocon's enzyme business provides an important step for Novozymes in strengthening our position in the Indian market, which we believe has an attractive growth potential. The activities of Biocon have an excellent strategic fit to our existing enzyme business. We see several interesting and synergistic market opportunities making this a very interesting Acquisition".

Biocon's enzyme business will be integrated into Novozymes South Asia Pvt. Ltd., a fully owned affiliate of Novozymes A/S. Production and formulation will continue at the Biocon site under lease and service agreements with Novozymes.

Biocon's Board of Directors unanimously recommended the sale, subject to certain limited conditions normal in a transaction of this nature including the approval of Biocon's shareholders.

The agreement has been signed on July 18, 2007 and will seek shareholders approval by postal ballot to be initiated shortly. The two companies expect the

business transfer agreements to be approved by appropriate authorities and the transaction is expected to be closed before the end of Q3 CY 2007.

Allegro Capital Advisors acted as Biocon's investment bankers to the transaction.

About Novozymes

Novozymes is the world leader in bioinnovation. Together with customers across a broad array of industries we create tomorrow's industrial biosolutions, improving our customers' business and the use of our planet's resources. With over 700 products used in 130 countries, Novozymes' bioinnovations improve industrial performance and safeguard the world's resources by offering superior and sustainable solutions for tomorrow's ever-changing marketplace. Read more at www.novozymes.com

About Biocon

Established in 1978, Biocon Limited is one of India's premier biotechnology companies. Biocon and its two subsidiary companies, Syngene International Ltd and Clinigene International Ltd form a fully integrated biotechnology enterprise, specializing in biopharmaceuticals, custom research, clinical research and enzymes. With successful initiatives in clinical development, bio-processing and global marketing, Biocon delivers products and solutions to partners and customers across the globe. Many of these products have USFDA and EMEA acceptance. Biocon launched the world's first recombinant human insulin, INSUGEN® in November 2004 using Pichia expression and India's first indigenously produced monoclonal antibody BIOMAb-EGFR™.