



PRESS RELEASE

Saturday, 11th February 2017, Mumbai

GlaxoSmithKline Pharmaceuticals Limited Q3 Net Sales declines by 6% with an underlying volume growth of +8%

GlaxoSmithKline Pharmaceuticals Limited today declared its financial results for the quarter ended 31st December 2016. Sales for the quarter ended 31st December 2016 came in at Rs.689 crores, recording a decline of 6% as compared to the same prior year period. Profit Before Tax (PBT) at Rs. 78 crores and Profit After Tax (PAT) at Rs 53 crores both declined by 37% and 33% respectively, against the same prior year period.

Commenting on the results, **A. Vaidheesh, Managing Director, GlaxoSmithKline Pharmaceuticals Limited** said,

“The performance of the quarter has been impacted by number of factors. The mandatory price reductions experienced in the earlier quarters of the year have adversely impacted growth by 5% in the current quarter. The estimated impact of demonetisation adversely impacted performance by a further 5% from our pharmaceutical product portfolio, which is predominantly within acute care, as well as from our consumer brands. The quarter was also impacted by imported supply constraints.

The launch of the Priorix-Tetra® vaccine in the prior quarter is delivering growth in line with expectations. The overall vaccine portfolio growth of this quarter is adversely impacted by 3% from a higher prior year base arisen from the restoration of supply constraints.

During the quarter, the Company successfully launched EnteroPlus™, a probiotic food supplement. The Company has also since restored the manufacturing of a key brand, Neosporin®, an antibiotic used to treat minor wounds.

The company's cost base reduced by 2% as compared to the same prior year quarter despite inflationary impacts and disposed of surplus assets with an exceptional income of 17.9 Cr in the quarter.

Our outlook for the future remains positive.”

About GlaxoSmithKline Pharmaceuticals Limited

GlaxoSmithKline Pharmaceuticals Limited is a subsidiary of GlaxoSmithKline plc, one of the world's leading research-based pharmaceutical and healthcare companies, committed to improving the quality of human life by enabling people to do more, feel better and live longer. For more information, visit www.gsk-india.com

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