

## GlaxoSmithKline Pharmaceuticals Limited

Registered Office: Dr. Annie Besant Road, Mumbai - 400 030

### UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH, 2006

	Unaudited		Audited
	3 months ended 31.03.2006	3 months ended 31.03.2005	Year ended 31.12.2005
	(Rs. lakhs)		
Sales	45694	29611	157589
Less: Excise Duty on Sales	<u>3078</u>	<u>1987</u>	<u>9059</u>
Net Sales	42616	27624	148530
Other Income	1435	808	4219
Interest Income (net)	788	548	2345
Total Income	44839	28980	155094
Materials Consumed			
(Increase) / decrease in stock-in-trade	1972	(2630)	54
Consumption of raw and packing materials and purchase of finished goods	<u>15795</u>	<u>14083</u>	<u>62592</u>
Total Materials Consumed	17767	11453	62646
Excise Duty on Samples and (Increase) / Decrease in Stock-in-Trade	74	170	1492
Staff Cost	3714	3560	15548
Other Expenditure	7198	5560	27085
Recovery of Expenses	(248)	(231)	(1041)
Total Expenditure	28505	20512	105730
Depreciation	377	373	1573
<b>Profit before Tax and Exceptional Items</b>	<b>15957</b>	<b>8095</b>	<b>47791</b>
Provision for Taxation - Current tax (including fringe benefit tax)	5673	2540	15528
- Deferred tax	(59)	80	1635
<b>Net Profit after Tax before Exceptional Items</b>	<b>10343</b>	<b>5475</b>	<b>30628</b>
Exceptional Items (net of tax)	(220)	(784)	19580
Net Profit	10123	4691	50208
Paid-up Equity Share Capital (Face value per share Rs. 10)	8470	8732	8470
Reserves excluding Revaluation Reserves			86390
Earnings per Share before Exceptional Items (Rs.)	12.2	6.3	35.7
Earnings per Share / Diluted Earnings per Share (Rs.)	12.0	5.4	58.5
Aggregate of Non-promoter Shareholding :			
Number of Shares	41785529	44405058	41785529
% of Shareholding	49.3%	50.9%	49.3%

1. The Company registered a sales growth of 54% during the quarter ended 31st March 2006. This performance must be viewed in the context of sales being depressed during the corresponding quarter last year due to de-stocking by the trade in anticipation of the introduction of VAT.
2. Profit before Tax and Exceptional Items grew by 97% during the quarter, due to a marked improvement in the product mix of the priority range and tight management of expenses.
3. Exceptional Items for the quarter ended 31st March, 2006 are in respect of provision for pricing of a formulation.
4. The Board of Directors, at its meeting held on 28th April, 2006, approved the proposal for sale of the Animal Health business as a going concern to a leading European Company for a total consideration of Rs. 207.1 crores, subject to receipt of requisite approvals. Animal Health business forms part of the Company's 'Other Businesses' segment.
5. There were no Investor complaints pending as at the beginning of the quarter. The Company has received 8 complaints from the investors during the quarter and all of them have since been resolved, leaving no investor complaints unresolved at the end of the quarter.
6. The above Results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on 28th April, 2006. The statutory auditors have carried out a limited review of the results for the three months ended 31st March, 2006. The figures for 2005 have been regrouped wherever necessary to facilitate comparison.

By Order of the Board

28th April, 2006

S. Kalyanasundaram  
Managing Director