GlaxoSmithKline Pharmaceuticals Limited

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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2006

			_		(Rs. lakhs)	
Unaudited					Audited	
9 months	3 months	3 months		Year	Year	
ended	ended	ended		ended	ended	
30.09.2006	31.12.2006	31.12.2005		31.12.2006	31.12.2005	
132868	34889	34305	Sales	167757	157589	
<u>9603</u>	<u>2862</u>	<u>1963</u>	Less: Excise Duty on Sales	<u>12465</u>	<u>9059</u>	
123265	32027	32342	Net Sales	155292	148530	
4171	1987	1355	Other Income	6158	4219	
2419	1007	730	Interest Income (net)	3426	2345	
129855	35021	34427	Total Income	164876	155094	
			Materials Consumed			
968	(2221)	(1471)	(Increase) / decrease in stock-in-trade	(1253)	54	
			Consumption of raw and packing materials and			
<u>49372</u>	<u>14333</u>	<u>14844</u>	purchase of finished goods	<u>63705</u>	<u>62592</u>	
50340	12112	13373	Total Materials Consumed	62452	62646	
612	838		Excise Duty on Samples and (Increase) / Decrease in Stock-in-Trade	1450	1492	
11841	3526	4035	Staff Cost	15367	15548	
21751	7677	7997	Other Expenditure	29428	27085	
(735)	(266)	(269)	Recovery of Expenses	(1001)	(1041)	
83809	23887	25704	Total Expenditure	107696	105730	
1174	411	441	Depreciation	1585	1573	
44872	10723	8282	Profit before Tax and Exceptional Items	55595	47791	
15409	3481	2696	Provision for Taxation - Current tax (including fringe benefits tax)	18890	15528	
107	426	462	- Deferred tax	533	1635	
29356	6816	5124	Net Profit after Tax before Exceptional Items	36172	30628	
18416	(37)	(886)	Exceptional Items (net of tax)	18379	19580	
47772	6779	4238	Net Profit	54551	50208	
8470	8470	8470	Paid-up Equity Share Capital (Face value per share Rs. 10)	8470	8470	
			Reserves excluding Revaluation Reserves	111001	86390	
34.7	8.0	6.0	Earnings per Share before Exceptional Items (Rs.)	42.7	35.7	
56.4	8.0		Earnings per Share / Diluted Earnings per Share (Rs.)	64.4	58.5	
41785529	41785529	41785529	Aggregate of Non-promoter Shareholding : Number of Shares	41785529	41785529	
41785529 49.3%	41785529 49.3%			41785529 49.3%	41785529 49.3%	
49.3%	49.3%	49.3%	% of Shareholding	49.3%	49.3%	

1. Net Sales grew by 4.6% and Profit before Tax and Exceptional Items grew by 16.3% during the year ended 31st December, 2006. However, after excluding the financials of the Animal Health business which was divested (refer Note 2 below) during the year, the growth in Net Sales of the continuing businesses (mainly Pharmaceuticals) was 9.3% and in Profit before Tax and Exceptional Items was 20.6%.

- 2. 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 Virbac Animal Health India Private Limited for a total consideration of Rs. 207.10 crores. Shareholders of the Company approved the proposal by postal ballot on 26th June, 2006. The sale has been completed effective from the close of business hours of 31st July 2006 at a profit of Rs. 187.03 crores. Accordingly, figures for the current year are to that extent not comparable with those of the previous year. Animal Health business forms part of the Company's 'Other Businesses' segment.
- 3. Exceptional Items for the year ended 31st December, 2006 are mainly in respect of profit on sale of the Animal Health business and expenses connected therewith.
- 4. There were no Investor complaints pending as at the beginning of the quarter. The Company has received 5 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.
- 5. The Board of Directors recommends a Dividend of Rs. 17 per equity share (Previous year Rs. 14 per equity share) and a special additional Dividend of Rs. 14 per equity share (Previous year Rs. 14 per equity share).
- 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 16th February, 2007. The figures for 2005 have been regrouped wherever necessary to facilitate comparison.

By Order of the Board