

**GlaxoSmithKline Pharmaceuticals Limited**

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

**UNAUDITED FINANCIAL RESULTS  
FOR THE HALF YEAR ENDED 30TH JUNE, 2005**

Unaudited			Unaudited		Audited
3 months ended	3 months ended		6 months ended	6 months ended	Year ended
30.06.2005	30.06.2004		30.06.2005	30.06.2004	31.12.2004
49358	38912	Sales	78969	77846	147959
<u>2860</u>	<u>2878</u>	Less: Excise Duty on Sales	<u>4847</u>	<u>5874</u>	<u>10370</u>
46498	36034	Net Sales	74122	71972	137589
884	805	Other Income	1707	1238	2421
512	424	Interest Income (net)	1060	1227	2668
47894	37263	Total Income	76889	74437	142678
		Materials Consumed			
4270	(2353)	(Increase) / decrease in stock-in-trade	1640	1201	(318)
		Consumption of raw and packing materials and purchase of finished goods	<u>30399</u>	<u>30923</u>	<u>59404</u>
<u>16289</u>	<u>17771</u>	Total Materials Consumed	<u>32039</u>	<u>32124</u>	<u>59086</u>
20559	15418	Excise Duty on Samples and (Increase) / Decrease in Stock-in-Trade	178	122	1241
8	503	Staff Cost	7652	7563	14408
4092	4029	Other Expenditure	11881	12053	25071
6367	5924	Recovery of Expenses	(452)	(361)	(699)
(255)	(196)	Total Expenditure	51298	51501	99107
30771	25678	Depreciation	750	816	1747
377	408	<b>Profit before Tax and Exceptional Items</b>	<b>24841</b>	<b>22120</b>	<b>41824</b>
<b>16746</b>	<b>11177</b>	Provision for Taxation - Current tax (including fringe benefit tax)	8025	7590	13964
5485	3695	- Deferred tax	803	226	1255
723	165	<b>Net Profit after Tax before Exceptional Items</b>	<b>16013</b>	<b>14304</b>	<b>26605</b>
<b>10538</b>	<b>7317</b>	Exceptional Items (net of tax)	(976)	(608)	6704
(192)	(19)	Net Profit	15037	13696	33309
10346	7298	Paid-up Equity Share Capital (Face value per share Rs. 10)	8470	8732	8732
8470	8732	Reserves excluding Revaluation Reserves			83694
12.2	8.4	Earnings per Share before Exceptional Items (Rs.)	18.4	16.4	30.5
12.0	8.4	Earnings per Share / Diluted Earnings per Share (Rs.)	17.3	15.7	38.1
		Aggregate of Non-promoter Shareholding :			
41785529	44405058	Number of Shares	41785529	44405058	44405058
49.3%	51.2%	% of Shareholding	49.3%	51.2%	51.2%

- The Company registered a strong sales growth of 29% during the quarter ended 30th June, 2005 offsetting the sales decline of 23% arising from reduction in stock levels by the trade due to VAT uncertainties.
- Exceptional Items for the six months ended 30th June, 2005 aggregating to Rs. 986 lakhs (net of tax Rs. 976 lakhs) are mainly in respect of a claim pertaining to formulations pricing and costs associated with buy back of shares. The figure for the six months ended 30th June, 2004 aggregating to Rs. 959 lakhs (net of tax Rs. 608 lakhs) relates mainly to costs of separation and retirement benefits of the management staff at the Bangalore factory.
- Pursuant to the buy back announcement made by the Company on 30th April, 2005, the Company has bought back from the open market through stock exchanges and extinguished 2619529 shares during the quarter ended 30th June, 2005. Consequent to the buy back, the paid-up equity share capital as on 30th June, 2005 is Rs. 8470.30 lakhs and promoter shareholding is 50.7%.
- Under Articles of Agreement dated 13th July, 2005, the Company has agreed to sell two properties located at Mulund, Mumbai, for a total consideration of Rs. 221 crores. The Company has received advance payment of the entire amount. The sale will be completed on receipt of necessary approvals.
- Earnings per share has been calculated based on weighted average number of equity shares during the quarter/half year after adjusting the number of shares bought back and extinguished.
- There were no Investor complaints pending as at the beginning of the quarter. The Company has received 40 complaints mainly in respect of non-receipt of annual report and dividend from the investors during the quarter and all of them have since been resolved.
- The above Results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on 26th July, 2005. The statutory auditors have carried out a limited review of the results for the three months and six months ended 30th June, 2005. The figures for the three months and six months ended 30th June, 2004 include the figures of erstwhile Burroughs Wellcome (India) Limited and have been regrouped wherever necessary to facilitate comparison.

By Order of the Board

S. Kalyanasundaram  
Managing Director

26th July, 2005