

GlaxoSmithKline Pharmaceuticals Limited

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

**UNAUDITED FINANCIAL RESULTS
FOR THE HALF YEAR ENDED 30TH JUNE, 2006**

Unaudited			Unaudited		(Rs. lakhs)	Audited
3 months ended	3 months ended		6 months ended	6 months ended		Year ended
30.06.2006	30.06.2005		30.06.2006	30.06.2005		31.12.2005
43895	49358	Sales	89589	78969		157589
3161	2860	Less: Excise Duty on Sales	6239	4847		9059
40734	46498	Net Sales	83350	74122		148530
1126	836	Other Income	2561	1644		4219
705	512	Interest Income (net)	1493	1060		2345
42565	47846	Total Income	87404	76826		155094
		Materials Consumed				
(421)	4270	(Increase) / decrease in stock-in-trade	1551	1640		54
		Consumption of raw and packing materials and purchase of finished goods				
17090	16241	Total Materials Consumed	32885	30324		62592
16669	20511	Excise Duty on Samples and (Increase) / Decrease in Stock-in-Trade	34436	31964		62646
326	8	Staff Cost	400	178		1492
4289	4085	Other Expenditure	8003	7645		15548
7181	6424	Recovery of Expenses	14379	11984		27085
(249)	(305)	Total Expenditure	(497)	(536)		(1041)
28216	30723	Depreciation	56721	51235		105730
390	377	Profit before Tax and Exceptional Items	767	750		1573
13959	16746	Provision for Taxation - Current tax (including fringe benefit tax)	29916	24841		47791
4751	5485	- Deferred tax	10424	8025		15528
102	723	Net Profit after Tax before Exceptional Items	43	803		1635
9106	10538	Exceptional Items (net of tax)	19449	16013		30628
-	(192)	Net Profit	(220)	(976)		19580
9106	10346	Paid-up Equity Share Capital (Face value per share Rs. 10)	19229	15037		50208
8470	8470	Reserves excluding Revaluation Reserves	8470	8470		8470
		Earnings per Share before Exceptional Items (Rs.)				86390
10.8	12.2	Earnings per Share / Diluted Earnings per Share (Rs.)	23.0	18.4		35.7
10.8	12.0	Aggregate of Non-promoter Shareholding :	22.7	17.3		58.5
		Number of Shares				
41785529	41785529	% of Shareholding	41785529	41785529		41785529
49.3%	49.3%		49.3%	49.3%		49.3%

- The Company registered a sales growth of 13% during the half year ended 30th June 2006. Sales during the first quarter of 2005 were significantly impacted due to VAT implementation uncertainties. Resolution of these issues led to exceptionally strong sales in the second quarter of 2005.
- Profit before Tax and Exceptional Items grew by 20% for the first half of 2006, with continued emphasis on product mix improvement and control over expenses.
- Exceptional Items for the six months ended 30th June, 2006 are in respect of provision for pricing of a formulation.
- 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. 207.1 crores. Shareholders of the Company have approved the proposal by postal ballot on 26th June, 2006. The sale is in the process of being completed. Animal Health business forms part of the Company's 'Other Businesses' segment.
- There were no Investor complaints pending as at the beginning of the quarter. The Company has received 31 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.
- 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, 2006. The statutory auditors have carried out a limited review of the results for the three months and six months ended 30th June, 2006. The figures for 2005 have been regrouped wherever necessary to facilitate comparison.

By Order of the Board

S. Kalyanasundaram
Managing Director

26th July, 2006