



# PRESS RELEASE

Thursday, 28<sup>th</sup> July 2016, Mumbai

## GlaxoSmithKline Pharmaceuticals Limited delivers Q1 performance of 8% Sales growth

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**GlaxoSmithKline Pharmaceuticals Limited** today declared its financial results for the quarter ended 30<sup>th</sup> June 2016. Net sales for the quarter ended 30<sup>th</sup> June 2016 came in at Rs. 685 crores, recording a growth of 8% as compared to the same prior year period. The sales growth was adversely impacted by the Drug Pricing Control Order (DPCO) revisions in the quarter. Consequently, Profit Before Tax (PBT) at Rs. 111 crores and Profit After Tax (PAT) at Rs 72 crores decline by 23% against the same prior year period.

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

“The government mandated DPCO price revisions in the quarter have had an adverse impact on our sales and profit growth rate for the quarter. Our double digit growth profile, experienced over the past two quarters, has been reduced to 8% growth for this current quarter and the main drive for the profit decline.

The company is reviewing the commercial opportunity arising from the price revision and continues to be well placed to respond to both the competitive pressures and challenging pricing dynamics of the market.

Investments at our existing site at Nashik as well as our proposed state-of-the art manufacturing site at Vemgal, Bengaluru, remain on track to deliver high quality products to meet the future demands of our India patients. Furthermore, the company has enhanced its customer facing technology platform during the quarter to ensure the high quality interactions between the company and its customers remains optimal.

Our PAT decline of 23 % is primarily due to the mandated DPCO price revision and partially impacted by non-recurring costs, CSR phasing as well as a reduction in lower Other Income as the business enhances its capital investment programme to meet the future demand of the market.”

### **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](http://www.gsk-india.com)

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