



PRESS RELEASE

Monday, 22nd October 2018, Mumbai

GlaxoSmithKline Pharmaceuticals delivers strong H1 performance; H1 Revenue up 8% and PAT higher by 21%

GlaxoSmithKline Pharmaceuticals Limited today declared its financial results for the quarter ended 30th September 2018. Revenue for the quarter ended 30th September 2018 came in at Rs. 816 crores, recording a decline of 2% as compared to the same prior year period. Profit Before Tax (PBT) was at Rs. 156 crores and Profit After Tax (PAT) at Rs. 101 crores.

The growth of the standalone quarter is not directly comparable to the prior year quarter due to the base effect of GST. Due to GST, pharmaceutical trade channels de-stocked in Q1 of last year, impacting the overall performance of the industry and re-stocked again in Q2.

Revenue for the half year ended 30th September 2018, came in at Rs. 1,552 crores, growing 8% as compared to the same prior year period. Profit Before Tax (PBT) at Rs. 295 crores and Profit After Tax (PAT) at Rs. 189 crores are higher by 24% and 21% respectively, against the same prior year period.

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

“Our financial performance highlights an underlying double digit quarterly Sales growth, underpinned by a strong volume delivery.

Our new commercial operating model to invest resources in key products and patients/consumers, is in full momentum. I believe that our new structure will help us successfully fulfill our ambition of accelerated, sustainable profitable growth over the longer term.

While we will continue to manufacture and sell over 70 brands, we are now focusing our efforts on 20 key brands to drive growth in identified therapy areas where there is significant unmet patient need. We remain committed to Indian patient needs and are increasing our field force by a third, in our targeted segments.

Continued optimisation of costs contributed to an improved EBITDA margin of 20.5% in the quarter. Bottom-line growth remains strong for the quarter and half year.

Exceptional items for the current quarter includes a charge in establishment costs because of restructuring both in commercial and at our Nashik manufacturing site, to align with our new operating model and focused therapy investment.”

The Board of Directors of GSK Pharma had announced a bonus issue of shares in the ratio of one share for every one share held (1:1) on 24 July this year. The entire process of issue of bonus shares, including shareholders’ approval was completed, and the bonus shares have been traded on stock exchanges since 21 September 2018.

We are glad to inform you we are on project timeline with our manufacturing facility in Vemgal, Karnataka. The site has recently passed an inspection and received its test license. We have started manufacturing validation batches, taking us a step closer to commercial production.”



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

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