

**GlaxoSmithKline Pharmaceuticals Limited**

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

**UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 30TH SEPTEMBER, 2006**

Unaudited			Unaudited		(Rs. lakhs)	Audited
3 months ended	3 months ended		9 months ended	9 months ended		Year ended
30.09.2006	30.09.2005		30.09.2006	30.09.2005		31.12.2005
43279	44315	Sales	132868	123284		157589
<u>3364</u>	<u>2249</u>	Less: Excise Duty on Sales	<u>9603</u>	<u>7096</u>		<u>9059</u>
39915	42066	Net Sales	123265	116188		148530
1610	1220	Other Income	4171	2864		4219
926	555	Interest Income (net)	2419	1615		2345
42451	43841	Total Income	129855	120667		155094
		Materials Consumed				
(583)	(115)	(Increase) / decrease in stock-in-trade	968	1525		54
		Consumption of raw and packing materials and purchase of finished goods				
<u>16487</u>	<u>17424</u>	Total Materials Consumed	<u>49372</u>	<u>47748</u>		<u>62592</u>
15904	17309	Excise Duty on Samples and (Increase) / Decrease in Stock-in-Trade	50340	49273		62646
212	746	Staff Cost	612	924		1492
3838	3868	Other Expenditure	11841	11513		15548
7372	7104	Recovery of Expenses	21751	19088		27085
(238)	(236)	Total Expenditure	(735)	(772)		(1041)
27088	28791	Depreciation	83809	80026		105730
407	382	<b>Profit before Tax and Exceptional Items</b>	1174	1132		1573
<b>14956</b>	<b>14668</b>	Provision for Taxation - Current tax (including fringe benefits tax)	<b>44872</b>	<b>39509</b>		<b>47791</b>
4985	4807	- Deferred tax	15409	12832		15528
64	370	<b>Net Profit after Tax before Exceptional Items</b>	107	1173		1635
<b>9907</b>	<b>9491</b>	Exceptional Items (net of tax)	<b>29356</b>	<b>25504</b>		<b>30628</b>
18636	21442	Net Profit	18416	20466		19580
28543	30933	Paid-up Equity Share Capital (Face value per share Rs. 10)	47772	45970		50208
8470	8470	Reserves excluding Revaluation Reserves	8470	8470		8470
		Earnings per Share before Exceptional Items (Rs.)				86390
11.7	11.2	Earnings per Share / Diluted Earnings per Share (Rs.)	34.7	29.6		35.7
33.7	36.5	Aggregate of Non-promoter Shareholding :	56.4	53.3		58.5
		Number of Shares				
41785529	41785529	% of Shareholding	41785529	41785529		41785529
49.3%	49.3%		49.3%	49.3%		49.3%

1. Pharmaceuticals sales grew by 9% during the nine months ended 30th September, 2006. However, the overall sales growth was 6% due to the divestment of the Animal Health business (Refer note 3 below).
2. Profit before Tax and Exceptional Items grew by 14% during the nine months ended 30th September, 2006. For comparison purposes, if the profits from the Animal Health business are excluded in 2005 and 2006, the adjusted profit growth from the continuing businesses is 16%.
3. 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. Accordingly, figures for the prior period are to that extent not comparable. Animal Health business forms part of the Company's 'Other Businesses' segment.
4. Exceptional Items for the nine months ended 30th September, 2006 are in respect of profit on sale of the Animal Health business and expenses connected therewith, and provision for pricing of a formulation.
5. 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.
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 30th October, 2006. The statutory auditors have carried out a limited review of the results for the three months ended 30th September, 2006. The figures for 2005 have been regrouped wherever necessary to facilitate comparison.

By Order of the Board

S. Kalyanasundaram  
Managing Director

30th October, 2006