

PRESS RELEASE

Piramal Healthcare reports Q1FY2009 results; Consolidated Revenues up for the Quarter by 17% to Rs. 7.1 billion, Operating Profit up by 42% to Rs. 1.2 billion, Net Profit up by 57% to Rs. 681 million

Mumbai, 24 July 2008: Piramal Healthcare Limited (PHL, earlier Nicholas Piramal India Limited) (NSE: PIRHEALTH, BSE: 500302) today reported first quarter (Q1) results for FY2009.

Total Operating Income on consolidated basis for the quarter ended 30 June 2008 was up by 16.5% to Rs. 7.1 billion over Q1FY08. Operating Profit increased by 42.2% to Rs. 1.2 billion, Operating Profit Margin for the quarter was up from 13.8% in Q1FY08 to 16.9% in Q1FY09. Net Profit for the quarter was up by 56.9% to Rs. 681 million. Earnings Per Share (EPS) for the quarter was up by 58.9% to Rs. 3.3 as compared to Rs. 2.1 for Q1FY08.

The above results have been considered after providing for Rs.208.2 million towards mark-to-market unrealized loss on outstanding foreign currency borrowing, and realized forex loss of Rs. 21.4 million. Excluding the provision for this unrealized loss, the Company has recorded significant growth in profitability, registering an Operating Profit Margin of 19.8% for the quarter as compared to 13.8% for Q1FY08.

During the quarter, the Healthcare Solutions (Domestic Formulations) division reported strong growth of 20.4%, with Revenues of Rs.3.5 billion. PHL grew particularly well in the Cardio-Vascular, Dermatology, Anti-infectives and Respiratory therapy segments.

The Company's Pharma Solutions (Custom Manufacturing) division grew by 14.2% to Rs.2.3 billion during Q1FY2009. Pharma Solutions Revenues from facilities in India grew during Q1FY2009 by 115% to Rs. 588.9 million, compared to Rs. 274.0 million in Q1FY2009.

PHL also continues to expand its footprint in the Diagnostic Services business - Piramal Diagnostic Services (earlier known as Wellspring). Revenues from this business were up by 60.8% to Rs. 404.9 million as compared to Rs. 251.9 million for Q1FY2008. During the quarter, Piramal Diagnostic Services introduced Asia's first high definition PET/CT Scanner to diagnose disease more accurately at an early stage.

About the Piramal Group

Spanning a broad spectrum of industries and formats, the Piramal Group is committed to achieving excellence and leadership by adhering to ethically sound, innovative and value-driven practices in its diverse, yet focused, business ventures and initiatives. The Group's turnover exceeded US \$ 900 million in FY 2008.

About Piramal Healthcare Ltd.

Piramal Healthcare Ltd., a Piramal Group company, is one of India's largest pharmaceutical companies, with a growth track record of above 30% CAGR since 1988. Piramal Healthcare had consolidated revenues of US\$ 718 million in FY2008. The Company is currently ranked 4th in the Indian market with a diverse product portfolio spanning nine therapeutic areas. The Company is also one of the largest custom manufacturing companies with a global footprint of assets across North America, Europe and Asia. Piramal Healthcare is listed in India on the National Stock Exchange (Ticker: PIRHEALTH) and the Bombay Stock Exchange (Ticker: 500302).

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