

**PRESS RELEASE**

**Piramal Healthcare reports Q2 FY2009 results; Consolidated Revenues for the quarter up by 17% to Rs. 8.9 billion, Operating Profit (excluding FOREX impact) up by 41% to Rs.1.8 billion, Net Profit (before FOREX impact and exceptional items) up by 40% to Rs. 1.2 billion**

**Mumbai, 22 October 2008:** Piramal Healthcare Limited (PHL, earlier Nicholas Piramal India Limited) (NSE: PIRHEALTH, BSE: 500302) today reported second quarter (Q2) results for FY2009.

Total Operating Income on consolidated basis for the quarter ended 30 September 2008 was up by 16.8% to Rs. 8.9 billion over Q2FY08. Without considering foreign exchange related impact, the Operating Profit increased by 41.1% to Rs. 1.8 billion, Operating Profit Margin for the quarter was higher at 20.5% as compared to 17.0% in Q2FY08 and Net Profit was up by 39.9% to Rs. 1.2 billion as compared to Rs. 840.8 million in Q2 FY08. Earnings Per Share (EPS) excluding exceptional items and foreign exchange related impact was up by 40.8% to Rs. 5.6 as compared to Rs. 4.0 for Q2FY08.

The Company has provided for Rs. 408.1 million towards loss on net foreign currency outstanding. As a result, the Operating Profit increased by 7.0% to Rs. 1.4 billion and Operating Profit Margin for the quarter was lower at 16.0% as compared to 17.5% for Q2FY08. Accordingly, Net Profit for the quarter was lower at Rs.733.9 million as compared to Rs.847.9 million and EPS for the quarter was lower at Rs. 3.5 as compared to Rs. 4.0 for Q2FY08.

During the quarter, Healthcare Solutions (Domestic Formulations) division reported strong growth of 26.8%, with sales of Rs.4.5 billion. Piramal Healthcare grew particularly well in the Cardio-vascular, CNS, Gastro-Intestinal and Ophthalmology therapy segments.

The Company's Pharma Solutions (Custom Manufacturing) division grew by 8.5% to Rs.2.8 billion during Q2FY09. Pharma Solutions Revenues from facilities in India grew by 31.5% to Rs. 912.3 million, compared to Rs. 694.0 million in Q2FY08.

Piramal Healthcare also continues to expand its footprint in the Diagnostic Services business - namely, Piramal Diagnostic Services Private Limited (earlier known as Wellspring). Revenues from this business were up by 45.5% during the quarter to Rs. 453.6 million as compared to Rs. 311.7 million in Q2FY08.

### Half-Yearly Performance:

Total Operating Income on consolidated basis for the half-year ended 30 September 2008 was up by 17.1% to Rs. 16.0 billion over H1FY08. Without considering foreign exchange related impact, the Operating Profit increased by 55.8% to Rs. 3.2 billion, Operating Profit Margin for the half-year was higher at 20.4% as compared to 15.3% in H1FY08 and Net Profit was up by 70.1% to Rs. 2.1 billion as compared to Rs. 1.2 billion in H1FY08. Earnings Per Share (EPS) excluding exceptional items and foreign exchange related impact was up by 71.7% to Rs. 10.1 as compared to Rs. 5.9 for H1FY08.

The Company has provided for Rs. 638.6 million towards loss on net foreign currency outstanding. As a result, the Operating Profit increased by 7.0% to Rs. 1.4 billion and Operating Profit Margin for the half-year was higher at 16.5% as compared to 15.9% for H1FY08. Accordingly, Net Profit for the half-year was up by 10% at Rs.1.4 billion as compared to Rs.1.3 billion and EPS for the half-year was up by 11% at Rs. 6.8 as compared to Rs. 6.1 for H1FY08.

During the half-year, Healthcare Solutions (Domestic Formulations) division reported strong growth of 23.9%, with sales of Rs.8.0 billion. Piramal Healthcare grew particularly well in the Cardio-vascular, CNS, Gastro-Intestinal and Ophthalmology therapy segments.

The Company's Pharma Solutions (Custom Manufacturing) division grew by 11.0% to Rs.5.0 billion during H1FY09. Pharma Solutions Revenues from facilities in India grew by 55.1% to Rs. 1.5 billion, compared to Rs. 968.1 million in H1FY08.

Piramal Healthcare also continues to expand its footprint in the Diagnostic Services business - namely, Piramal Diagnostic Services Private Limited (earlier known as Wellspring). Revenues from this business were up by 52.3% during the half-year to Rs. 858.5 million as compared to Rs. 563.6 million in H1FY08.

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## **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 \$ 1 billion 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 4<sup>th</sup> 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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