

PIRAMAL HEALTHCARE LIMITED

(Formerly Known As Nicholas Piramal India Limited)

Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013

CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2008

(Rs. In Lakhs)

Particulars	3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous accounting year ended
	31/12/2008	31/12/2007	31/12/2008	31/12/2007	31/03/2008
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Net Sales / Income from Operation	82,833	72,007	241,689	207,545	284,828
Other Operating Income	426	481	1,330	1,383	1,920
Total Income from Operations	83,259	72,488	243,019	208,928	286,748
Expenditure					
(Increase) / Decrease in stock in trade and work-in-progress	(3,316)	250	(8,666)	(1,113)	850
Consumption of Raw Materials	26,595	21,040	70,134	60,046	82,140
Purchase of Traded Goods	9,627	7,403	30,066	20,955	26,306
Employees Cost	11,719	11,032	38,098	35,264	47,093
R&D Expenses	2,001	4,285	6,470	12,103	8,055
Depreciation	2,947	2,692	8,526	7,814	9,473
Foreign Exchange (Gain) / Loss (Net)	3,515	(745)	9,901	(1,569)	(536)
Other Expenditure (Net)	20,655	17,105	58,415	49,428	68,671
Total Expenditure	73,743	63,062	212,944	182,928	242,052
Profit from Operations before Other Income, Interest & Exceptional Items	9,516	9,426	30,075	26,000	44,696
Other Income	1	402	17	604	607
Profit before Interest & Exceptional Items	9,517	9,828	30,092	26,604	45,303
Interest (Net)	2,611	1,215	5,517	3,439	4,631
Profit after Interest but before Exceptional Items	6,906	8,613	24,575	23,165	40,672
Exceptional Items	-	560	1,361	863	3,393
Profit from Ordinary Activities before Tax	6,906	8,053	23,214	22,302	37,279
Tax Expense	718	789	2,724	2,217	3,766
Net Profit after Tax from Ordinary Activities before Minority Interest	6,188	7,264	20,490	20,085	33,513
Minority Interest (Loss) / Profit	201	(12)	355	(11)	135
Net Profit after Tax from Ordinary Activities after Minority Interest	5,987	7,276	20,135	20,096	33,378
Extraordinary Items (net of tax expense)	-	-	-	-	-
Net Profit for the period	5,987	7,276	20,135	20,096	33,378
Paid-up Equity Share Capital (Face Value Rs.2/- each)	4,180	4,180	4,180	4,180	4,180
Earnings Per Share					
a. Consolidated EPS - Basic/diluted before extraordinary items for the period(Rs.)	2.9	3.5	9.6	9.5	15.9
b. Consolidated EPS - Basic/diluted after extraordinary items for the period(Rs.)	2.9	3.5	9.6	9.5	15.9
c. Consolidated EPS - Basic/diluted (Rs.) before exceptional items and foreign exchange (gain) / loss (net of tax)	4.4	3.4	14.5	9.2	17.1

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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2008

(Rs. in Lakhs)

Particulars	3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous accounting year ended
	31/12/2008	31/12/2007	31/12/2008	31/12/2007	31/03/2008
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Audited)
Net Sales / Income from Operations	58,046	47,850	169,775	138,922	191,213
Other Operating Income	401	497	1,274	1,280	1,563
Total Income from Operations	58,447	48,347	171,049	140,202	192,776
Expenditure					
(Increase) / Decrease in stock in trade and work-in-progress	(3,783)	(487)	(8,122)	(2,439)	239
Consumption of Raw Materials	18,369	13,901	47,530	41,354	55,176
Purchase of Traded Goods	8,975	6,464	28,242	18,261	23,052
Employees Cost	6,163	5,419	19,394	17,183	23,599
R&D Expenses	988	2,538	3,103	7,752	2,759
Depreciation	2,067	1,997	6,080	5,898	7,048
Foreign Exchange (Gain)/Loss (Net)	5,490	(274)	11,926	(1,103)	(226)
Other Expenditure (Net)	14,768	10,791	42,861	32,018	46,928
Total Expenditure	53,037	40,349	151,014	118,924	158,575
Profit from Operations before Other Income, Interest & Exceptional Items	5,410	7,998	20,035	21,278	34,201
Other Income	392	597	402	804	805
Profit before Interest & Exceptional Items	5,802	8,595	20,437	22,082	35,006
Interest (Net)	1,425	463	2,514	1,259	1,730
Profit after Interest but before Exceptional Items	4,377	8,132	17,923	20,823	33,276
Exceptional Items	-	-	-	-	-
Profit from Ordinary Activities before tax	4,377	8,132	17,923	20,823	33,276
Tax Expense	510	750	2,018	1,904	3,128
Net Profit from Ordinary Activities after Tax	3,867	7,382	15,905	18,919	30,148
Extraordinary Items (net of tax expense)	-	-	-	-	-
Net Profit for the Period	3,867	7,382	15,905	18,919	30,148
Paid-up Equity Share Capital (Face Value Rs.2/- each)	4,180	4,180	4,180	4,180	4,180
Reserves (Excluding Revaluation Reserves)					97,467
Earnings Per Share (EPS)					
a) Basic and diluted EPS before extraordinary items for the period (Rs.)	1.9	3.5	7.6	9.0	14.3
b) Basic and diluted EPS after extraordinary items for the period (Rs.)	1.9	3.5	7.6	9.0	14.3
c) Basic and diluted EPS before foreign exchange (gain)/loss for the period (Rs.)	4.2	3.4	12.7	8.5	14.2
Public Shareholding					
- Number of shares	105416131	104770836	105416131	104770836	104894130
- Percentage of shareholding	50.44%	50.13%	50.44%	50.13%	50.19%

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

	(Rs. in Lakhs)				
	Quarter Ended		Nine Months Ended		Year Ended
	31/12/2008 (Unaudited)	31/12/2007 (Unaudited)	31/12/2008 (Unaudited)	31/12/2007 (Unaudited)	31/03/2008 (Audited)
1. Segment Revenue					
(Net sales / Services)					
a. Pharmaceuticals	79,050	69,423	230,299	200,216	274,921
b. Others	4,253	3,089	12,838	8,784	11,940
Total	83,303	72,512	243,137	209,000	286,861
Less: Inter Segment revenue	44	24	118	72	113
Net sales / Services	83,259	72,488	243,019	208,928	286,748
2. Segment Results					
(Profit before Tax and Interest),					
a. Pharmaceuticals	9,392	9,151	27,481	24,735	40,539
b. Others	125	117	1,250	1,006	1,371
Total	9,517	9,268	28,731	25,741	41,910
Less:					
Interest (Net)	2,611	1,215	5,517	3,439	4,631
Total Profit Before Tax	6,906	8,053	23,214	22,302	37,279
3. Capital Employed					
(Segment Assets - Segment Liabilities)					
a. Pharmaceuticals	111,215	114,161	111,215	114,161	97,776
b. Others	18,342	14,831	18,342	14,831	11,483
Total Capital Employed in the Company	129,557	128,992	129,557	128,992	109,259

Notes:

1. The standalone results for the quarter ended and nine months ended December 31, 2008 which were reviewed by the Audit Committee were approved by the Board of Directors at its meeting held on January 22, 2009. The standalone results have been subjected to limited review.
2. The sales growth on standalone basis during the quarter ended and nine months ended December 31, 2008 is 20.9% and 22.0% respectively.
3. The foreign exchange (gain) / loss on a standalone basis includes unrealized loss of Rs.1,043 Lakhs and Rs.6,037 Lakhs for the quarter and nine months ended December 31, 2008 respectively.

4. The standalone operating profit before interest, depreciation and tax (excluding foreign exchange (gain) / loss) is:

	Quarter ended December 31, 2008	Quarter ended December 31, 2007	Nine months ended December 31, 2008	Nine months ended December 31, 2007
1. OPBIDT (excluding Foreign Exchange (gain) / loss) (Rs. In Lakhs)	12,967	9,721	38,041	26,073
2. OPBIDT (excluding Foreign Exchange (gain) / loss) % to Total Income	22.2	20.1	22.2	18.6

5. The standalone Earnings Per Share (EPS) before foreign exchange (gain)/ loss for the current quarter ended December 31, 2008 grew by 23.5% from Rs.3.4 to Rs.4.2 and for nine months ended December 31, 2008 grew by 49.4% from Rs.8.5 to Rs.12.7.
6. The only individually reportable business segment is pharmaceutical business.
7. The Company follows depreciation accounting policy to amortise brands acquired from third parties over their estimated economic life not exceeding ten years. However in respect of certain brands acquired subsequent to March 31, 2008 the Company has with effect from April 01, 2008 changed its accounting policy to amortise the brands over their estimated economic life not exceeding fifteen years since the Company is of the view that the estimated economic life of these brands is minimum fifteen years. Had the Company not changed the above policy, on a standalone basis, the amortisation for the quarter ended and nine months ended December 31, 2008 would have been higher by Rs.107 Lakhs and Rs.301 Lakhs respectively and consequently the net profit for the quarter ended and nine months ended December 31, 2008 would have been lower by Rs.96 Lakhs and Rs.271 Lakhs respectively.
8. During the quarter ended December 31, 2008, the Company signed a definitive merger agreement to acquire Minrad International, Inc. subject to the shareholder vote from Minrad shareholders. The Company incorporated a wholly owned subsidiary (WOS) Piramal Healthcare, Inc. (PHI) for this acquisition by subscribing to 100 equity shares of USD 0.01 each. However no acquisition has been made to date.
9. The figures for the quarter ended and nine months ended December 31, 2008 are not strictly comparable with the figures of corresponding previous quarter and nine months as the current quarter figures and nine months figures:
- Includes operations of Nicholas Piramal Consumer Products Private Limited (NPCPPL) and NPIL Healthcare Private Limited (NHPL) since merged under a Scheme with the Company w.e.f. April 1, 2007 being the appointed date as approved by the Hon'ble High Court of Mumbai on January 25, 2008.
 - Excludes operations of NCE Research Unit of the Company since demerged to Piramal Life Sciences Limited (PLSL) under a Scheme w.e.f. April 1, 2007 being the appointed date as approved by the Hon'ble High Court of Mumbai on January 11, 2008. The total expenditure for PLSL of Rs.2,279 Lakhs and Rs.6,589 Lakhs is included in the corresponding previous quarter and nine months respectively.

The effect of the above schemes of merger & demerger has been given in the last quarter of previous year.

10. The figures for the quarter ended and nine months December 31, 2007 and year ended March 31, 2008 have been regrouped, wherever necessary.
11. Status of shareholder complaints received during the quarter ended December 31, 2008:

Complaints as at October 01, 2008	-
Complaints received during the quarter ended December 31, 2008	3
Complaints disposed off during the quarter ended December 31, 2008	3
Complaints pending as on December 31, 2008	-

Additional Notes on Consolidated Results:

12. The unaudited financial results for the quarter ended and nine months ended December 31, 2008 have been reviewed by the Audit Committee and approved by the Board at its meeting held on January 22, 2009.
13. Important Financial Indicators:
- a) The sales growth during the current quarter and nine months ended December 31, 2008 is 14.9% and 16.3% respectively.
- b) The operating profit before interest, depreciation and tax for the current quarter and nine months ended December 31, 2008 is:

	Quarter ended December 31, 2008	Quarter ended December 31, 2007	Nine Months ended December 31, 2008	Nine Months ended December 31, 2007
1. OPBIDT (excluding Foreign Exchange (gain) / loss) (Rs. In Lakhs)	15,978	11,373	48,502	32,245
2. OPBIDT (excluding Foreign Exchange (gain) / loss) (%)	19.2	15.7	20.0	15.4

14. The Earnings Per Share (EPS) before exceptional items and foreign exchange (gain) / loss for the current quarter and nine months ended December 31, 2008 grew by 29.4% from Rs.3.4 to Rs.4.4 and 57.6% from Rs.9.2 to Rs.14.5
15. Had the Company not changed the depreciation accounting policy for brands acquired subsequent to March 31, 2008 referred to in Note 7 above, amortisation for the quarter ended and nine months ended December 31, 2008 would have been higher by Rs.123 Lakhs and Rs.332 Lakhs respectively and consequently the net profit for the quarter ended and nine months ended December 31, 2008 would have been lower by Rs.112 Lakhs and Rs.302 Lakhs respectively.

16. The figures for the quarter ended and nine months ended December 31, 2007 and year ended March 31, 2008 have been regrouped, wherever necessary.

For PIRAMAL HEALTHCARE LIMITED

January 22, 2009
Mumbai



Ajay G. Piramal
Chairman