

Unaudited Financial Results (Provisional) for the Quarter & nine months ended 31st December, 2005

| (Rs. in Lac) | | | | | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Particulars | For the quarter ended | | For nine months ended | | Year ended |
| | 31.12.2005 (Unaudited) | 31.12.2004 (Unaudited) | 31.12.2005 (Unaudited) | 31.12.2004 (Unaudited) | 31.03.2005 (Audited) |
| Turnover | 11,307 | 6,856 | 41,050 | 24,833 | 33,576 |
| Less : Excise Duty | 304 | 237 | 927 | 760 | 1,022 |
| Income from Operations | 11,003 | 6,619 | 40,123 | 24,073 | 32,554 |
| Other Income | 156 | 1 | 328 | 463 | 545 |
| Total Income | 11,159 | 6,620 | 40,451 | 24,536 | 33,099 |
| (Increase) / Decrease in Stocks | (1,790) | (590) | 2,818 | (2,831) | (3,541) |
| Consumption of Materials & Bought Outs | 7,399 | 3,436 | 17,497 | 14,087 | 19,183 |
| Manufacturing Expenses | 476 | 387 | 1,361 | 1,323 | 1,737 |
| Personnel Expenses | 1,106 | 823 | 2,589 | 2,208 | 3,074 |
| Others | 1,877 | 1,497 | 6,191 | 4,029 | 5,577 |
| Total Expenditure | 9,068 | 5,553 | 30,456 | 18,816 | 26,030 |
| Interest | 233 | 193 | 813 | 819 | 996 |
| Gross Profit after Interest but before Depreciation & Tax | 1,858 | 874 | 9,182 | 4,901 | 6,073 |
| Depreciation | 465 | 473 | 1,286 | 1,244 | 1,625 |
| Operating Profit before Tax & Extra-ordinary Items | 1,393 | 401 | 7,896 | 3,657 | 4,448 |
| Extra-ordinary/Prior Period Items | - | 69 | 10 | 216 | 155 |
| Profit before Tax | 1,393 | 332 | 7,886 | 3,441 | 4,293 |
| Provision for taxation | 248 | (44) | 1,983 | 736 | 684 |
| Fringe Benefits Tax | 50 | - | 120 | - | - |
| Deferred Tax Liabilities/(Assets) | 576 | 90 | 837 | 435 | 603 |
| Net Profit | 519 | 286 | 4,946 | 2,270 | 3,006 |
| Paid-up Share Capital | | | | | |
| Equity (Face Value Re. 1/- per share) | 571 | 571 | 571 | 571 | 571 |
| Preference (Face Value Rs. 10/- per share) | 9,043 | 9,277 | 9,043 | 9,277 | 9,043 |
| Reserves & Surplus | - | - | - | - | 11,924 |
| E.P.S. (Rs.) (Basic & Diluted) - before extra ordinary item | 0.71 | 0.27 | 8.08 | 3.31 | 4.59 |
| E.P.S. (Rs.) (Basic & Diluted) - after extra ordinary item | 0.71 | 0.22 | 8.06 | 3.02 | 4.40 |
| Aggregate of Non-Promoters' Shareholding | | | | | |
| Number of Shares | 13,584,000 | 12,910,000 | 13,584,000 | 12,910,000 | 12,910,000 |
| Percentage of holding | 23.74 | 22.62 | 23.74 | 22.62 | 22.62 |

Unaudited Segment wise Revenue, Results and Capital employed

| (Rs. in Lac) | | | | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Particulars | For the quarter ended | | For nine months ended | | Year ended |
| | 31.12.2005 (Unaudited) | 31.12.2004 (Unaudited) | 31.12.2005 (Unaudited) | 31.12.2004 (Unaudited) | 31.03.2005 (Audited) |
| Segment Revenue | | | | | |
| A. Vaccines | 7,836 | 3,547 | 29,839 | 15,378 | 21,991 |
| B. Formulations | 3,148 | 2,956 | 10,211 | 8,995 | 10,850 |
| C. Research & Development | 110 | 35 | 129 | 57 | 74 |
| Gross Sales / Income from Operations | 11,094 | 6,538 | 40,179 | 24,430 | 32,915 |

| | | | | | |
|---|----------------|---------------|----------------|---------------|---------------|
| Less : Inter Segment Revenue | - | - | - | - | - |
| Net Sales / Income from Operations | 11,094 | 6,538 | 40,179 | 24,430 | 32,915 |
| Segment Results | | | | | |
| A. Vaccines | 3,477 | 1,278 | 12,192 | 5,784 | 7,977 |
| B. Formulations | 353 | 314 | 1,855 | 1,152 | 1,466 |
| C. Research & Development | (565) | (344) | (1,830) | (882) | (1,345) |
| Total | 3,265 | 1,248 | 12,217 | 6,054 | 8,098 |
| Less : Interest & Financial Charges | 315 | 193 | 895 | 819 | 996 |
| Unallocated Overheads net of unallocated Income | (1,557) | 654 | 3,426 | 1,578 | 2,654 |
| Extra-ordinary Item-Loss due to fire & flood | - | 69 | 10 | 216 | 155 |
| Total Profit Before Tax | 1,393 | 332 | 7,886 | 3,441 | 4,293 |
| Capital Employed | | | | | |
| A. Vaccines | 9,950 | 23,064 | 9,950 | 23,064 | 23,891 |
| B. Formulations | 10,110 | 7,889 | 10,110 | 7,889 | 8,687 |
| C. Research & Development | 5,738 | 2,752 | 5,738 | 2,752 | 2,911 |
| Capital employed in Segments | 25,798 | 33,705 | 25,798 | 33,705 | 35,489 |
| Add : Unallocable Assets Less Liabilities | 381 | (11,553) | 381 | (11,553) | (14,095) |
| Total Capital Employed | 26,179 | 22,152 | 26,179 | 22,152 | 21,394 |

Notes :

1. The above financial results are subject to limited review by the statutory auditors of the Company.
2. The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.
3. Status of Investors' complaints [in nos.] during the quarter, pursuant to clause 41 of listing agreement: Opening [2]; Received [6]; Disposed [6]; Closing [2].
4. The above financial results were reviewed by the Audit Committee of the Board and taken on record by the Board of Directors at their meetings held on 16th January, 2006 and 17th January, 2006 respectively.

New Delhi
January 17, 2006

For and on behalf of the Board

Soshil Kumar Jain
Chairman

Panacea Biotec Ltd.

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