

**Panacea Biotec reports financial results
for the First Quarter ended 30 June, 2009**

New Delhi, July 30, 2009: Panacea Biotec today announced its unaudited financial results for the quarter ended June 30, 2009. The Company's Board met here on Thursday, July 30, 2009 to consider and approve its unaudited financial results for the Quarter. The results were also reviewed by the Company's Audit committee in their meeting held on Wednesday, July 29, 2009 and subjected to limited review by the Company's statutory auditors.

Quarter Ended June 30, 2009: The Company's net turnover stands at Rs.1,772.12 million during the Quarter Ended June 30, 2009 as compared to Rs.2,244.82 million for the corresponding period of previous financial year. The Formulations segment registered turnover of Rs.562.4 million as compared to Rs.660.8 million during the corresponding quarter of previous financial year. The vaccine segment registered turnover of Rs.1,204.40 million as against Rs.1,580.10 million during corresponding quarter of previous financial year. The Company reported its EBITDA at Rs.474.17 million as compared to Rs.800.16 million during the corresponding quarter of previous financial year.

Dr. Rajesh Jain, Joint Managing Director said, "Vaccine business for us continues to be a major contributor to revenues and shall reinstate the growth momentum for overall profits for the year. In line with the industry, domestic pharma has maintained a growth of 9% this quarter. For the coming quarters, we are confident of supplying the existing ready inventory of 103 million doses of MOPV 3 that is currently being held due to programmatic changes in Global Polio Eradication Initiative (GPEI)."

Highlighting the prospects for next quarter, he said, "Vaccine business globally is driven by institutional sales, and therefore, overview of the business in three year frame, provides the right picture in terms of sustainability, although, yearly performance is also a good indicator. Delivery schedules change very often at the country and programme level which is beyond our control. Such changes can impact quarterly performance without affecting yearly and long term performance and become insignificant when seen in one and three year time space. Based on current estimates the company will improve its revenues to a large extent by liquidating the MOPV 3 stock in Q2 and Q3, FY09-10 (which was deferred from Q1); catering the new order of our pentavalent EasyFive vaccine; meeting the additional demand of tOPV."

According to Dr. Rajesh Jain, "On full year basis, vaccine sales turnover will show significant growth, both in terms of quantity and value in USD as compared to previous financial year. We are confident of registering a greater than industry growth rates for our domestic formulation business."

About Panacea Biotec

Panacea Biotec is one of India's leading research-based health management companies with established research, manufacturing and marketing capabilities. Panacea Biotec is the 2nd largest vaccine producer in India. Panacea Biotec has been ranked as the 3rd largest biotechnology company (ABLE Survey- June 2009) and is also amongst the top 50 pharmaceutical companies in India. The product portfolio of the Company includes highly innovative prescription products in important therapeutic areas such as pain management, diabetes management, renal-disease management, anti-osteoporosis, anti-tubercular, gastro-intestinal care products and vaccines. The company has collaborations and tie-ups with leading national and international research organizations and corporations. The company's state of the art manufacturing facilities for vaccines and pharmaceutical formulations comply with the US-FDA, UK-MHRA, SA-MCC and WHO-cGMP standards. Panacea Biotec has five dedicated research and development centers. The company has around 3200 employees including over 300 scientists. The company also has 24 product patents, valid in more than 60 countries worldwide.

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