

Press Release
New Delhi
January 29, 2010

For immediate release

**Panacea Biotec reports impressive financial results
for the Quarter & Nine Months ended December 31, 2009**

New Delhi, January 29, 2010: Panacea Biotec today announced its unaudited financial results for the quarter and nine months ended December 31, 2009. The Company's Board met here on Friday, January 29, 2010 to consider and approve its unaudited financial results for the quarter and nine months ended December 31, 2009. The results were also reviewed by the Company's Audit committee in their meeting held on Thursday, January 28, 2010 and subjected to limited review by the Company's statutory auditors.

Quarter ended December 31, 2009: The Company's net turnover grew by 31% stands at Rs.2,308 million during the quarter ended December 31, 2009 as compared to Rs.1,756 million for the corresponding period of previous financial year. The domestic pharmaceutical formulations segment grew by 24%. The Company registered formulations segment net turnover of Rs.640 million as compared to Rs.543 million during the corresponding quarter of previous financial year registering a growth of 18%. The vaccines segment grew by 38% and registered a net turnover of Rs.1,668 million as against Rs.1,213 million during corresponding quarter of previous financial year. The Company reported substantial growth in its PBT at Rs.167 million as compared to loss before tax of Rs.206 million during the corresponding quarter of previous financial year.

Nine months ended December 31, 2009: The Company's net turnover grew by 5% stands at Rs.5,753 million as compared to Rs.5,491 million for the corresponding period of previous financial year. The domestic pharmaceutical formulations segment grew by 18%. The formulations segment registered net turnover of Rs.1,826 million as compared to Rs.1,772 million during the corresponding period of previous financial year. The vaccine segment grew by 6% and registered net turnover of Rs.3,927 million as against Rs.3,719 million during corresponding period of previous financial year. The Company reported substantial growth in its PBT at Rs.409 million as compared to loss before tax of Rs.62 million during the corresponding period of previous financial year.

Dr. Rajesh Jain, Joint Managing Director said, "Panacea Biotec's performance this quarter is in line with our forecasts and indicative of encouraging trends for coming quarter.

Panacea Biotec is one of the three Indian companies closely working with Indian Council of Medical Research and DCGI to develop an indigenous vaccine against H1N1 (Pandyflu™). Talking on the development of Pandyflu™, Dr. Rajesh Jain said, "Development of swine flu vaccine - Pandyflu™ is one of the most prestigious milestones for the company. I am glad that in response to the pandemic our team is gearing up to deliver the vaccine by April this year."

Panacea Biotec Ltd.

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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, gastrointestinal 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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