

For Immediate Release

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Panacea Biotec Q 3 Net Profit zooms by 81%

Panacea Biotec, India's frontline research-driven health management company has today reported a remarkable performance with 81% rise in net profit in its unaudited financial results for the third quarter ended 31st December, 2005. Continuing its excellent show, Panacea Biotec has grown over its last year's corresponding period by a remarkable margin, posting turnover of Rs.113.07 Crore and net profit of Rs.5.19 Crore.

Turnover during the quarter have soared by 65% at Rs. 113.07 Crore as compared to previous year's third quarter turnover of Rs.68.56 Crore. Operating profit during the Q3CY is higher by 247% at Rs.13.93 Crore as compared to Rs.4.01 Crore in the corresponding quarter in the previous year. Net profit after providing for appropriations & tax, is sharply higher at Rs.5.19 Crore as compared to Rs.2.86 Crore in the corresponding quarter in the previous year.

Profit before tax & exceptional items for nine months of the current year, has risen to a record high of Rs.78.96 Crore as compared to Rs.36.57 Crore during the corresponding period in the previous year recording a jump of 116%. For the Nine Months ended 31st Dec. 2005, turnover is at Rs.410.50 Crore and net profit is at Rs.49.46 Crore as against Rs.248.33 Crore and Rs.22.70 Crore, respectively, during the corresponding period in the previous year thus recording a growth of 65% and 118%, respectively. The nine month period EPS (before Extra-ordinary item) stood at Rs.8.08 per share.

Mr. Rajesh Jain, Jt. Managing Director stated, "This is yet another great quarter from Panacea Biotec. These results are attributable to our investments in sales & marketing combined with execution excellence. R&D continues to be an important focus and we have consistently increased our spending on R&D. Even last quarter, we have significantly increased R&D spend, and we should be able to see more benefits coming out of increased spend in the next few years.

We give our scientists an environment and an opportunity whereby their capability is used effectively for producing significantly value added innovative products & technologies, and we are able to do that with relatively smaller investments compared to other companies, Mr. Jain added.

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