

Unaudited Financial Results (Provisional) for the Quarter & Nine Months ended 31st December, 2004

(Rs. in Lac)					
Particulars	For the quarter ended		For the Nine Months ended		Year ended
	31-12-2004 (Unaudited)	31-12-2003 (Unaudited)	31-12-2004 (Unaudited)	31-12-2003 (Unaudited)	31-03-2004 (Audited)
Sales	6,846	10,661	24,801	17,277	27,150
Less : Excise Duty	237	330	760	883	1,052
Income from Operations	6,609	10,331	24,041	16,394	26,098
Other Income	11	58	495	234	256
Total Income	6,620	10,389	24,536	16,628	26,354
(Increase) / Decrease in Stocks	(590)	(1,301)	(2,831)	(3,087)	(2,412)
Consumption of Materials & Bought Outs	3,436	5,440	14,087	9,548	15,205
Manufacturing Expenses	387	608	1,323	1,323	1,499
Personnel Expenses	823	636	2,208	1,990	2,501
Others	1,497	1,300	4,029	3,663	5,307
Total Expenditure	5,553	6,683	18,816	13,437	22,100
Financial Expenses	193	96	819	331	894
Gross Profit after Interest but before Depreciation & Tax	874	3,610	4,901	2,860	3,360
Depreciation	473	257	1,244	701	1,187
Operating Profit before Tax & Extra-ordinary Items	401	3,353	3,657	2,159	2,173
Extra-ordinary Item - Loss due to flood/fire	69	-	216	-	-
Profit before Tax	332	3,353	3,441	2,159	2,173
Provision for taxation	(44)	580	736	580	387
Deferred Tax Liabilities/ (Assets)	90	4	435	(22)	142
Net Profit / (Loss)	286	2,769	2,270	1,601	1,644
Paid-up Share Capital					
- Equity (Face Value Re. 1/- per share)	571	571	571	571	571
- Preference (Face Value Rs. 10/-per share)	9,277	535	9,277	535	9,578
Reserves & Surplus	-	-	-	-	10,390
E.P.S. (Rs.) (Basic & Diluted)	0.27	4.82	3.31	2.71	2.72
Aggregate of Non-Promoters' Shareholding					
- Number of shares	12,910,000	12,905,000	12,910,000	12,905,000	12,905,000

- Percentage of holding	22.62	22.61	22.62	22.61	22.61
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Unaudited Segment wise Revenue, Results and Capital employed (Rs. in Lacs)

Particulars	For the Quarter ended		For Nine Months ended		Year ended
	31.12.2004 (Unaudited)	31.12.2003 (Unaudited)	31.12.2004 (Unaudited)	31.12.2003 (Unaudited)	31.03.2004 (Audited)
Segment Revenue					
A. Vaccines	3,547	7,346	15,378	7,506	14,952
B. Formulations	2,956	3,034	8,995	9,029	11,287
C. Research & Development	35	6	57	70	64
Gross Sales / Income from Operations	6,538	10,386	24,430	16,605	26,303
Less : Inter Segment Revenue	-	-	-	-	-
Net Sales / Income from Operations	6,538	10,386	24,430	16,605	26,303
Segment Results					
A. Vaccines	1,278	3,731	5,784	3,331	4,937
B. Formulations	314	441	1,152	1,167	1,154
C. Research & Development	(344)	(279)	(882)	(771)	(1,135)
Total	1,248	3,893	6,054	3,727	4,956
Less: Interest & Financial Charges	193	96	819	331	894
-Unallocated Overheads net of unallocated Income	654	444	1,578	1,237	1,889
-Extraordinary Item-Loss due to flood/fire	69	-	216	-	-
Total Profit Before Tax	332	3,353	3,441	2,159	2,173
Capital Employed					
A. Vaccines	23,064	20,638	23,064	20,638	26,675
B. Formulations	7,889	7,671	7,889	7,671	6,278
C. Research & Development	2,752	1,619	2,752	1,619	1,860
Capital employed in Segments	33,705	29,928	33,705	29,928	34,813
Add : Unallocable Assets Less Liabilities (including investments)	(11,553)	(17,739)	(11,553)	(17,739)	(14,273)
Total Capital Employed	22,152	12,189	22,152	12,189	20,540

Notes :

- The above financial results are subject to limited review by the statutory auditors of the Company.
- During the quarter, the Company has launched **Lower** Tablets for intensive Cholesterol management and **Takeaway** Injection for short term management of high fever & acute pain.
- The Company has set-up a strategic Joint Venture with UK based **Chiron Vaccines**, the **world's fifth largest group** in vaccine business and invested an amount of Rs.2.29 Crore in the Share Capital of new joint venture company, viz. **Chiron Panacea Vaccines Pvt. Ltd.**, during the quarter. The JV Company is focusing on providing new generation combination vaccines and other breakthrough vaccines in India.
- During the quarter, the Company has received insurance claim of Rs.3.03 Crore against loss of stock & interim relief of Rs.85 Lac against loss of other assets damaged on account of flood in Lalru, Punjab during August, 2004.
- The Board has decided to pay dividend @ 12% (pro-rata) for the financial year 2004-05 as

interim dividend on 12% Redeemable Cumulative Preference Shares (Series II), which will be paid simultaneously with the redemption of Shares due for redemption on 19th February, 2005.

6. The previous period's figures have been regrouped/ rearranged/ reclassified wherever necessary.
7. Status of Investors' complaints [in nos.] during the quarter, pursuant to clause 41 of listing agreement: Opening [0]; Received [8]; Disposed [8]; Closing [0].
8. The above financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors in their meetings held on 28th January, 2005 and 29th January, 2005, respectively.

New Delhi
January 29, 2005

For and on behalf of the Board

Soshil Kumar Jain
Chairman

Panacea Biotec Ltd.

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