

Press Release

Piramal Healthcare announces Q4 & full year FY2012 result; Board of Directors has recommended a dividend of ₹ 17.5 per equity share (875%) for FY2012, increased dividend reflects confidence in inherent profitability of the Company

Total operating income was ₹ 688 crores, Operating Profit was ₹ 150 crores

Mumbai, 03 May 2012: Piramal Healthcare Limited ("PHL", NSE: PIRHEALTH, BSE: 500302) today announced Q4 and annual results for FY2012.

For the year ended 31st March 2012, the Board of Directors has recommended a dividend of ₹ 17.5 per share (i.e. 875%) of face value of ₹ 2. Increased dividend reaffirms the Board of Directors' confidence in our capital allocation strategy for unutilized funds, while also reflecting strong belief in future prospects of Piramal Healthcare's existing businesses. Total dividend outgo (including dividend distribution tax) will be ₹ 351.0 crores.

Total operating income for the quarter was ₹ 688.1 crores compared to ₹ 689.3 crores in Q4 FY2011. Income from Investments for the quarter was lower at ₹ 39.1 crores as compared to ₹ 130.1 crores in Q4FY2011 due to the investment of ₹ 5,862 crores to acquire ~11% equity stake in Vodafone India Limited. Hence Operating Profit (OPBITDA) for the quarter was lower at ₹ 150.0 crores compared to Operating profit of ₹ 263.0 crores in Q4FY2011. The Operating profit margin for the quarter was lower at 21.8% as compared to 38.2% in Q4FY2011. The interest expense for the quarter includes one-time expense of ₹ 111.7 crores finance charges towards discounting of receivables. Hence Net loss for the quarter was ₹ 37.3 crores as compared to Net profit of ₹ 202.3 crores in Q4FY2011.

For Q4FY2012, Pharma Solutions (CRAMS) business registered growth of 12.2% with sales of ₹ 391.9 crores as compared to ₹ 349.3 crores in Q4FY2011. The revenues from Indian facilities grew - by 13.8% to ₹ 217.0 crores. The growth been driven by increase in sales from API business. Sales from facilities outside India grew by 10.2% to ₹ 174.9 crores.

Piramal Critical Care sales grew by 13.7% to ₹ 131.9 crores against ₹ 116.0 crores in Q4 FY2011. Sales from OTC & Ophthalmology business was ₹ 50.1 crores as compared to ₹ 67.6 crores in Q4FY2011.

Income from Financial Services business which includes PHL Finance Ltd. and IndiaReit Fund was ₹ 26.7 crores for the quarter.

Investment in Vodafone India Limited

During the quarter, Piramal acquired further ~5.5% of the issued equity share capital of Vodafone India Limited ("VIL") from ETHL Communications Holdings Limited for a cash consideration of ₹ 3,006 crores taking the total shareholding of Piramal in VIL to ~11%.

FY2012 performance:

For continuing businesses, total operating income for FY2012 was up by 17.1% to ₹ 2,352.3 crores. The Operating Profit for the year grew by 24.4% to ₹ 471.3 crores against ₹ 378.7 crores in FY2011. The Operating profit margin was higher at 20.0% against 18.9% during FY2011. Net Profit for the year was ₹ 115.3 crores and EPS was ₹ 6.6 per share.

Pharma Solutions sales grew by 32.7% to ₹ 1,354.5 crores against ₹ 1,020.6 crores in FY2011. The revenues from Indian facilities recorded strong growth of 52.7% to ₹ 800.8 crores over FY2011 and the revenues from overseas facilities was ₹ 553.7 crores; up by 11.6%. Critical Care business recorded sales of ₹ 412.6 crores registering growth of 6.4%. OTC & Ophthalmology business grew by 12.3% to ₹ 220.0 crores.

During the year, Piramal formed a Non Banking Finance Company engaged in lending to real estate and other sectors – PHL Finance Pvt. Ltd. and acquired Indiareit Fund Advisors & Indiareit Investment Management. Indiareit Fund Advisors Pvt. Ltd. is advisor to the Indiareit Fund which is a domestic real estate Private Equity fund and Indiareit Investment Management Company is manager to Offshore Real Estate Private Equity funds investing in India. PHL Finance Pvt. Ltd. and Indiareit Fund Advisors Pvt. Ltd. together constitute Financial services business for Piramal. The total revenue from this business was ₹ 53.4 crores for the year.

For further information on the financials, please visit our website: www.piramalhealthcare.com

Note to the Editors:

About the Piramal Group

The Piramal Group, led by Ajay G. Piramal is one of India's foremost business conglomerates. Driven by the core values of Knowledge Action Care, the Piramal Group has interests in a myriad of industries that encompass healthcare, drug discovery & research, diagnostics, glass, real estate and financial services. The Piramal Group steadfastly pursues inclusive growth while adhering to ethical and value driven practices. The Group's turnover exceeded \$ 900 million in FY2011.

About Piramal Healthcare Ltd.

Piramal Healthcare is one of India's largest healthcare companies, with a growth track record of above 25% CAGR since 1988. Piramal Healthcare had consolidated revenues of \$ 450 million in FY2012. With assets across North America, Europe and Asia, Piramal Healthcare is also one of the largest custom manufacturing companies across the world. It has significant presence in the global critical space with sales of anesthesia products to over 100 countries. Recently, Piramal Healthcare has sold its domestic formulation business to Abbott for a consideration of US \$ 3.8 billion.

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