



## GSK India Announces Buyback

**Mumbai, March 15, 2005:** At a meeting of the Board of Directors of GlaxoSmithKline Pharmaceuticals Limited this morning the Board has considered and approved Buyback of its equity shares from the existing shareholders through the Stock Exchange route, at a price not exceeding Rs. 800/-per share within the limit of Rs. 230.65 crores being 25% of the total Paid-up Equity Share Capital and Free Reserves of the Company.

Commenting on this development, Mr. S. Kalyanasundaram, Managing Director of GlaxoSmithKline Pharmaceuticals Limited said, "The operating performance of the Company has significantly improved since 2001. The enhanced performance, together with income from the sale of properties, has resulted in substantial cash generation and a favourable liquidity position as on date". Mr. Sundaram further added, "A Buyback of shares will enhance earnings and improve shareholder value."

Since GSK plc ("the Promoters") will not participate in the Buyback, pursuant to the Buyback of the shares and depending on the response to the Buyback offer, the percentage holding of the Promoters in the Company would increase beyond the current holding of 49.15%. GlaxoSmithKline Pharmaceuticals Limited will now proceed with obtaining shareholders' consent for the proposed Buyback of shares by postal ballot.