



UNICHEM
LABORATORIES LIMITED

Investor Update

Mumbai, January 21, 2013

UNICHEM LABORATORIES LIMITED

Quarter 3, 2012-13 – Financial Performance

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AWACS Ranking



Investor Update

Financial Highlights:

Quarter 3, 2012-13:

REVENUE

- The company's standalone revenue from operations stood at Rs. 232.58 crs for the quarter ended December 31, 2012 against Rs.222.63 crs recorded during the corresponding quarter of the previous year reflecting 4.5% growth.
- Domestic Branded Formulations grew by 9 % compared to the corresponding quarter of the previous year.
- The International Formulation Business grew by 19.5% compared to the corresponding quarter of the previous year.
- Domestic API business declined by 27.1% during this quarter compared to the corresponding quarter of the previous year. The International API business declined by 37.6% during this quarter compared to corresponding quarter of the previous year.

EBITDA

- The company's EBITDA margins for the quarter ended December 31, 2012 stood at 17.3% compared to 16.5% in the corresponding quarter of the previous year.

PBT & PAT

- Profit before tax for the quarter ended December 31, 2012 stood at Rs. 35.9 crs (*corresponding quarter previous year: Rs.31.7 crs*) and consequently the net profit for the quarter stood at Rs. 30.3 crs (*corresponding quarter previous year: Rs. 24.5 crs*).
- The EPS-Diluted for the current quarter stood at Rs.3.35 (*corresponding quarter previous year: Rs.2.70*).



Investor Update

Year-To-Date - December 31, 2012:

REVENUE

- The company's standalone revenue from operations stood at Rs. 761.7 crs for the nine months ended December 31, 2012 against Rs. 610.2 crs recorded during the corresponding nine months of the previous year reflecting 24.8% growth.
- Domestic Branded Formulations grew by 16.8% compared to the corresponding nine months of the previous year.
- The International Formulation Business grew by 70% compared to the corresponding nine months of the previous year.
- Domestic API business grew by 7.4% and International API business grew by 7.9% for nine months ended December 31, 2012 compared to the corresponding nine months of the previous year.

EBITDA

- The company's EBITDA margins for the nine months ended December 31, 2012 stood at 18.8% compared to 15.4% in the corresponding nine months of the previous year.

PBT & PAT

- Profit before tax for the nine months ended December 31, 2012 stood at Rs.127.7 crs (*corresponding nine months of the previous year: Rs.79.2 crs*) and consequently the net profit for the nine months stood at Rs. 98.6 crs (*corresponding nine months of the previous year: Rs.59.2 crs*).
- The EPS-Diluted for the nine months ended December 31, 2012 stood at Rs. 10. 86 (*corresponding six months of the previous year: Rs. 6.53*).



Investor Update

Standalone Financials

UNICHEM LABORATORIES LTD						
Analysis of Quarterly & Nine months unaudited Financial Results for the period ended 31st Dec, 2012						
Particulars	For three months ended Dec 31, 2012	For three months ended Dec 31, 2011	% Growth	For nine months ended Dec 31, 2012	For nine months ended Dec 31, 2011	% Growth
Sales Income from Operations:						
Domestic Operations						
Formulations	15,253.64	13,993.51	9.0%	49,313.14	42,205.93	16.8%
API	415.61	569.87	-27.1%	1,629.67	1,517.52	7.4%
International Operations						
Formulations	5,904.88	4,941.34	19.5%	18,277.49	10,753.31	70.0%
API	1,542.20	2,472.93	-37.6%	6,342.55	5,877.72	7.9%
Other Operating Income	141.58	284.99	-50.3%	605.84	666.89	-9.2%
Total Income	23,257.91	22,262.64	4.5%	76,168.69	61,021.37	24.8%
Expenditure:						
Material Consumption	8,338.38	8,280.81	0.7%	28,310.49	22,389.64	26.4%
% Sales Income	35.9%	37.2%		37.2%	36.7%	
Staff Cost	3,672.47	3,016.89	21.7%	10,644.67	9,020.63	18.0%
Other Expenditure	7,211.84	7,286.79	-1.0%	22,894.97	20,201.46	13.3%
EBITDA	4,035.22	3,678.15	9.7%	14,318.56	9,409.64	52.2%
% Total Income	17.3%	16.5%		18.8%	15.4%	
Interest	54.35	140.07	-61.2%	206.50	274.44	-24.8%
Depreciation	854.02	672.40	27.0%	2,502.50	2,037.14	22.8%
Total Expenditure	20,131.06	19,396.96	3.8%	64,559.13	53,923.31	19.7%
% Total Income	86.6%	87.1%		84.8%	88.4%	
Operating Income	3,126.85	2,865.68	9.1%	11,609.56	7,098.06	63.6%
% Total Income	13.4%	12.9%		15.2%	11.6%	
Other Income	464.85	308.97	50.5%	1,158.65	824.59	40.5%
Exceptional Items (Gain/-Loss)						
Profit before Tax	3,591.70	3,174.65	13.1%	12,768.21	7,922.65	61.2%
% Total Income	15.4%	14.3%		16.8%	13.0%	
Prior period expenses / (income)	-	-		-	-	
Income Tax	557.00	728.00	-23.5%	2,912.00	2,000.00	45.6%
Excess / (short) provision for tax of earlier year	-	-		-	-	
Net Profit	3,034.70	2,446.65	24.0%	9,856.21	5,922.65	66.4%
% Total Income	13.0%	11.0%		12.9%	9.7%	
Earning Per Share- Basic	3.36	2.71		10.90	6.56	
Earning Per Share- Diluted	3.35	2.70		10.86	6.53	



Investor Update

Ratios				
	Quarter ended Dec 31, 2012	Quarter ended Dec 31, 2011	Year ended Mar 31, 2012	Year ended Mar 31, 2011
Debt / Equity Ratio:	0.03	0.06	0.06	0.04
Net worth (Rs. Crs)	8,296.55	7,381.24	7,615.88	6,780.23
Total Debt (Rs. Crs)	270.11	443.95	483.61	304.47
Book Value (Rs./Share)	91.73	81.73	84.32	75.14
Net Sales / Net fixed assets ratio	0.42	0.45	1.54	1.76
Current assets ratios:	2.04	2.27	2.32	1.63
Net Current assets (Rs. Crs)	4,116.50	3,965.40	4,122.44	3,634.30
Current Liabilities (Rs. Crs)	2,015.70	1,749.00	1,780.18	2,234.40
ROCE % (PBDIT BASIS)	21.20	20.20	17.80	23.70
RONW %	14.80	13.40	11.50	16.00

Niche Generics Limited, the 100% UK Subsidiary recorded sales of **GBP 6.66 Million** (*corresponding nine months of the previous year: GBP 7.35 Million*) and Net Loss of **GBP 0.49 Million** (*corresponding nine months of the previous year: GBP 0.44 Million*) for the nine months ended December 31, 2012.

Unichem Pharmaceuticals USA Inc., the 100% US Subsidiary recorded sales of **USD 6.13 Million** (*corresponding nine months of the previous year: USD 3.34 Million*) and Net Loss of **USD 0.41 Million** (*corresponding nine months of the previous year: USD 0.65 Million*) for the nine months ended December 31, 2012.

Unichem Pharmaceuticals Do Brasil Ltda, the 100% Brazilian Subsidiary recorded sales of **Brazilian Reals 1.29 Million** (*corresponding nine months of the previous year: Brazilian Reals 'Nil' Million*) and Net Loss of **Brazilian Reals of 2.27 Million** (*corresponding nine months of the previous year: Brazilian Reals 1.69 Million*) for the nine months ended December 31, 2012.



Investor Update

India Formulation Business

Key Highlights

AWACS

Domestic Formulation market on MAT Nov, 2012 is estimated at Rs. 69,296 crs by AWACS, reflecting a growth of 15.4 % over MAT Nov, 2011.

Further, for the quarter ended November, 2012 {Sept to Nov} the Domestic Formulation Market stood at Rs. 18,853 crs reflecting a growth of 11.7 % over quarter ended November, 2011.

Unichem Laboratories revenue on MAT November, 2012 is estimated at Rs. 704 crs and growing at 7.3 % with a market share of 1.02 % (*in covered market 2.23 %*). For the quarter ended November, 2012 {Sept to Nov} revenue is estimated at Rs. 184 crores reflecting a growth of 8.8 % over quarter ended November, 2011. For the period April 2012 to November 2012 the revenue is estimated at Rs. 480 crores reflecting a growth of 8.2% over the corresponding period of the previous year.

The division-wise break-up is as follows:

	MAT Nov.'12		Sept - Nov.'12		Apr. - Nov.'12	
	Value (Rs.Crs)	% Growth	Value (Rs.Crs)	% Growth	Value (Rs.Crs)	% Growth
Total Domestic Market	69296	15.4	18853	11.7	47949	14.3
Total Unichem Laboratories	704	7.3	184	8.8	480	8.2
Unisearch CV - Cardiovascular division	228	8.1	58	13.9	155	10.0
UVA division	148	18.8	41	20.0	105	23.7
Unisearch CD - Cardiovascular Diabetology division	100	4.0	25	0.1	67	3.6
Neu-Foreva - Neuro-Psychiatry division	53	(3.1)	14	(0.4)	35	(2.8)
Unikare division	57	0.9	15	(2.3)	38	(0.9)
Unisearch Integra - Nephrology division	54	7.2	13	0.1	36	2.3
Pharma division	50	16.1	15	24.0	35	18.7
Unifem - Gynaecology division	3	437.5	1	118.4	2	296.2
Total Unichem Formulations Business	692	8.7	181	10.2	473	9.9
Others	12	(42.7)	3	(53.3)	7	(49.7)
Source : AWACS MAT Nov.2012						



Investor Update

Brand Position

Four Unichem brands feature among the top 300 Indian pharmaceutical brands.

1. Losar-H – Rs. 76 crs. (Rank 94th)
2. Losar Rs. 66 crs. (Rank 113th)
3. Ampoxin Rs. 58 crs. (Rank 145th)
4. Unienzyme Rs. 41 crs. (Rank 254th)

Unichem Laboratories Represented / Covered Market

Therapy Market Segment	Representative Mkt.		Unichem Laboratories		
	Size (Rs.Crs.)	%Growth	Size (Rs.Crs.)	%Share	%Growth
Cardiac Care	5324	18.4	328	6.2	7.3
Anti-infectives	8816	14.7	110	1.2	6.6
Neuro-Psychiatry	2234	14.0	88	3.9	(0.3)
Gastroenterologicals	3571	16.5	76	2.1	32.0
Anti-Diabetic	2131	23.9	24	1.1	4.6
Respiratory	1141	14.9	22	1.9	8.4
Musculoskeletal	2620	11.7	22	0.8	(4.0)
Nutraceuticals	2950	12.2	16	0.5	(6.9)
Dermatologicals	1184	18.9	13	1.1	(16.3)
Haematinics	1032	9.8	1	0.1	(29.9)
others	1114	13.5	4	0.3	312.0
TOTAL	32116	15.5	704	2.2	7.3
Source : AWACS MAT Nov.2012					



Investor Update

Brand Group Scenario

	MAT Nov.'12	% Growth	Apr.-Nov.'12	% Mkt. Share	% Growth	% Contribution to Revenue
Total Rvenue	704	7.3	480	1.0	8.2	100.0
Losar Group	162	5.3	110	31.1	8.1	23.0
Ampoxin Group	59	1.1	41	30.8	5.8	8.6
Unienzyme Group	41	44.5	30	14.0	53.9	6.2
Telsar Group	40	25.7	27	4.7	24.3	5.6
Trika Group	35	1.1	24	22.7	0.1	4.9
Olsar Group	27	20.9	18	7.1	12.6	3.7
Vizylac	22	30.4	16	13.1	30.0	3.2
Metride Group	18	12.2	12	1.5	8.3	2.5
TG-Tor Group	17	(14.3)	11	1.6	(12.4)	2.2
Lincox	15	22.3	11	11.9	23.8	2.3
Source : AWACS MAT Nov.2012						

About Unichem Laboratories Limited.

Unichem Laboratories Limited is an international, integrated, specialty pharmaceutical company. It manufactures and markets a large basket of pharmaceutical formulations as branded generics as well as generics in India and several other markets across the world. In India, the company is a leader in niche therapy areas of cardiology, neurology, orthopedics and anti-infectives. The company has strong skills in product development, process chemistry and manufacturing of complex API as well as dosage forms. More information about the company can be found at www.unichemlabs.com.

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This press release includes forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such factors include, but are not limited to, changes in local and global economic conditions, our ability to successfully implement our strategy, the market acceptance of and demand for our products, our growth and expansion, technological change and our exposure to market risks. By their nature, these expectations and projections are only estimates and could be materially different from actual results in the future.