



**UNICHEM**  
LABORATORIES LIMITED

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*Investor Update*

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Mumbai, August 13, 2012

**UNICHEM LABORATORIES LIMITED**

**Quarter 1, 2012-13 – Financial Performance**

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**Financial Highlights:**

**Quarter 1, 2012-13:**

**REVENUE**

- The company's standalone revenue from operations stood at Rs. 264.86 crs for the quarter ended June, 2012 against Rs. 188.75 crs recorded during the corresponding quarter of the previous year reflecting 40.3 % growth. On sequential quarter revenue grew by 37.3 %.
- Domestic Branded Formulations grew by 21.0 % compared to the corresponding quarter of the previous year, while on sequential quarter it grew by 51.4 %.
- The International Formulation Business grew by 162.4 % compared to the corresponding quarter of the previous year, while on sequential quarter it grew by 20.7 %.
- Domestic API business grew by 74.2 % during this quarter compared to the corresponding quarter of the previous year, while on sequential quarter it grew by 33.3 %. The International API business grew by 19.5 % during this quarter compared to corresponding quarter of the previous year, while on sequential quarter it grew by 13.3%.

**EBIDTA**

- The company's EBIDTA margins for the quarter ended June 30, 2012 stood at 18.0 % compared 14.3 % in the corresponding quarter of the previous year. On sequential quarter EBITDA margins improved by 0.9 %.

**PBT & PAT**

- Profit before tax for the quarter ended June 30, 2012 stood at Rs. 45.52 crs (*corresponding quarter previous year: Rs.21.52 crs*) and consequently the net profit for the quarter stood at Rs. 33.14 crs (*corresponding quarter previous year: Rs. 15.62 crs*). On sequential quarter Profit before tax grew by 76.0 % and Net profit by 42.6 %.
- The EPS-Diluted for the current quarter stood at Rs.3.65 (*corresponding quarter previous year: Rs. 2.56*).

**DIVIDEND**

- The board has recommended dividend of Rs 3 per equity share of Rs 2 for the year ended March 31, 2012.



*Investor Update*

**Standalone Financials**

| UNICHEM LABORATORIES LTD   |                                      |                                     |               |
|--|--------------------------------------|-------------------------------------|---------------|
| Analysis of Quarterly Unaudited Financial Results for the three months ended 30th June, 2012 |                                      |                                     |               |
| Particulars  | For three months ended June 30, 2012 | For three months ended Jun 30, 2011 | % Growth      |
| <b>Sales Income from Operations:</b>   |                                      |                                     |               |
| Domestic Operations  |                                      |                                     |               |
| Formulations   | 16,848.80                            | 13,924.56                           | 21.0%         |
| API  | 762.55                               | 437.74                              | 74.2%         |
| International Operations   |                                      |                                     |               |
| Formulations   | 6,562.00                             | 2,501.09                            | 162.4%        |
| API  | 2,156.59                             | 1,804.46                            | 19.5%         |
| Other Operating Income   | 156.16                               | 207.00                              | -24.6%        |
| Contract Manufacturing   |                                      |                                     |               |
| <b>Total Income</b>  | <b>26,486.10</b>                     | <b>18,874.85</b>                    | <b>40.3%</b>  |
| <b>Expenditure:</b>  |                                      |                                     |               |
| Material Consumption   | 10,285.66                            | 6,974.37                            | 47.5%         |
| <b>% Sales Income</b>  | <b>38.8%</b>                         | <b>37.0%</b>                        |               |
| Staff Cost   | 3,378.59                             | 2,974.68                            | 13.6%         |
| Other Expenditure  | 8,041.58                             | 6,234.94                            | 29.0%         |
| <b>EBIDTA</b>  | <b>4,780.27</b>                      | <b>2,690.86</b>                     | <b>77.6%</b>  |
| <b>% Total Income</b>  | <b>18.0%</b>                         | <b>14.3%</b>                        |               |
| Interest   | 85.76                                | 47.78                               | 79.5%         |
| Depreciation   | 827.61                               | 674.03                              | 22.8%         |
| <b>Total Expenditure</b>   | <b>22,619.20</b>                     | <b>16,905.80</b>                    | <b>33.8%</b>  |
| <b>% Total Income</b>  | <b>85.4%</b>                         | <b>89.6%</b>                        |               |
| <b>Operating Income</b>  | <b>3,866.90</b>                      | <b>1,969.05</b>                     | <b>96.4%</b>  |
| <b>% Total Income</b>  | <b>14.6%</b>                         | <b>10.4%</b>                        |               |
| Other Income   | 685.32                               | 182.74                              | 275.0%        |
| Exceptional Items (Gain/-Loss)   | -                                    | -                                   |               |
| <b>Profit before Tax</b>   | <b>4,552.22</b>                      | <b>2,151.79</b>                     | <b>111.6%</b> |
| <b>% Total Income</b>  | <b>17.2%</b>                         | <b>11.4%</b>                        |               |
| Prior period expenses / (income)   | -                                    | -                                   |               |
| Income Tax   | 1,238.00                             | 590.00                              | 109.8%        |
| Excess / (short) provision for tax of earlier year   | -                                    | -                                   |               |
| <b>Net Profit</b>  | <b>3,314.22</b>                      | <b>1,561.79</b>                     | <b>112.2%</b> |
| <b>% Total Income</b>  | <b>12.5%</b>                         | <b>8.3%</b>                         |               |
| Earning Per Share- Basic   | 3.67                                 | 1.73                                |               |
| Earning Per Share- Diluted   | 3.65                                 | 1.72                                |               |



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Niche Generics Limited, the 100% UK Subsidiary recorded sales of **GBP 2.31 Million** (*corresponding quarter previous year: GBP 2.62 Million*) and Net Loss of **GBP 0.05 Million** (*corresponding quarter previous year: GBP 0.11 Million*) for the quarter ended June 30, 2012.

Unichem Pharmaceuticals USA Inc., the 100% US Subsidiary recorded sales of **USD 1.98 Million** (*corresponding quarter previous year: USD 0.7 Million*) and Net Loss of **USD 0.15 Million** (*corresponding quarter previous year: USD 0.35 Million*) for the quarter ended June 30, 2012.

Unichem Pharmaceuticals Do Brasil Ltda, the 100% Brazilian Subsidiary recorded sales of **Brazilian Reals 0.35 Million** (*corresponding quarter previous year: Brazilian Reals 'NIL' Million*) and Net Loss of **Brazilian Reals of 0.61 Million** (*corresponding quarter previous year: Brazilian Reals 0.58 Million*) for the quarter ended June 30, 2012.



*Investor Update*

**Standalone Financials:**

| <b>UNICHEM LABORATORIES LTD</b>  |   |  |                 |
|--|---|--|-----------------|
| <i>Analysis of Sequential Quarters Unaudited Financial Results for Quarter ended 30th June, 2012</i> |   |  |                 |
| <b>STAND ALONE FINANCIALS</b>  |   |  |                 |
| <b>Particulars</b>   | <b>For three months ended June 30, 2012</b> | <b>For three months ended Mar 31, 2012</b> | <b>% Growth</b> |
| <b>Sales Income from Operations:</b>   |   |  |                 |
| <i>Domestic Operations</i>   |   |  |                 |
| Formulations   | 16,848.80                                   | 11,125.95                                  | 51.4%           |
| API  | 762.55                                      | 572.10                                     | 33.3%           |
| <i>International Operations</i>  |   |  |                 |
| Formulations   | 6,562.00                                    | 5,435.09                                   | 20.7%           |
| API  | 2,156.59                                    | 1,903.34                                   | 13.3%           |
| Other Operating Income   | 156.16                                      | 260.88                                     | -40.1%          |
| <b>Total Income</b>  | <b>26,486.10</b>                            | <b>19,297.36</b>                           | <b>37.3%</b>    |
| <b>Expenditure:</b>  |   |  |                 |
| Material Consumption   | 10,285.66                                   | 7,127.11                                   | 44.3%           |
| <b>% Sales Income</b>  | <b>38.8%</b>                                | <b>36.9%</b>                               |                 |
| Staff Cost   | 3,378.59                                    | 2,871.41                                   | 17.7%           |
| Other Expenditure  | 8,041.58                                    | 6,006.52                                   | 33.9%           |
| <b>EBIDTA</b>  | <b>4,780.27</b>                             | <b>3,292.32</b>                            | <b>45.2%</b>    |
| <b>% Total Income</b>  | <b>18.0%</b>                                | <b>17.1%</b>                               |                 |
| Interest   | 85.76                                       | 75.41                                      | 13.7%           |
| Depreciation   | 827.61                                      | 791.67                                     | 4.5%            |
| <b>Total Expenditure</b>   | <b>22,619.20</b>                            | <b>16,872.12</b>                           | <b>34.1%</b>    |
| <b>% Total Income</b>  | <b>85.4%</b>                                | <b>87.4%</b>                               |                 |
| Operating Income   | 3,866.90                                    | 2,425.24                                   | 59.4%           |
| <b>% Total Income</b>  | <b>14.6%</b>                                | <b>12.6%</b>                               |                 |
| Other Income   | 685.32                                      | 161.90                                     | 323.3%          |
| Exceptional Items (Gain/-Loss)   | -   | -  |                 |
| Profit before Tax  | 4,552.22                                    | 2,587.14                                   | 76.0%           |
| <b>% Total Income</b>  | <b>17.2%</b>                                | <b>13.4%</b>                               |                 |
| Prior period expenses / (income)   | -   | 1.40                                       |                 |
| Income Tax   | 1,238.00                                    | 265.97                                     | 365.5%          |
| Excess / (short) provision for tax of earlier year   | -   | 3.78                                       |                 |
| <b>Net Profit</b>  | <b>3,314.22</b>                             | <b>2,323.55</b>                            | <b>42.6%</b>    |
| <b>% Total Income</b>  | <b>12.5%</b>                                | <b>12.0%</b>                               |                 |
| <b>Earning Per Share- Basic</b>  | <b>3.67</b>                                 | <b>2.57</b>                                |                 |
| <b>Earning Per Share- Diluted</b>  | <b>3.65</b>                                 | <b>2.56</b>                                |                 |



## *Investor Update*

### India Formulation Business

#### Key Highlights

**We have discontinued our subscription to IMS and effective April, 2011; we are following the secondary sales market data of AWACS, which may be at variance with IMS in terms of overall market size, representative market size and accordingly the market share.**

#### AWACS

Domestic Formulation market on MAT June, 2012 is estimated at Rs. 65,143 crs by AWACS, reflecting a growth of 16.7 % over MAT June, 2011.

Further, for the quarter ended June, 2012 {April to June} the Domestic Formulation Market stood at Rs. 16,709 crs reflecting a growth of 17.1 % over quarter ended June, 2011.

Unichem Laboratories revenue on MAT June, 2012 is estimated at Rs. 679 crs and growing at 3.5 % with a market share of 1.04 % (in covered market 2.23 %). For the quarter ended June, 2012 {April to June} revenue is estimated at Rs. 174 crores reflecting a growth of 7.5 % over quarter ended June, 2011.

The division-wise break-up is as follows:

|   | MAT June'12    |             | April - June'12 |             |
|---|----------------|-------------|-----------------|-------------|
|   | Value (Rs.Crs) | % Growth    | Value (Rs.Crs)  | % Growth    |
| <b>Total Domestic Market</b>                    | <b>65143.2</b> | <b>16.7</b> | <b>16708.6</b>  | <b>17.1</b> |
| <b>Total Unichem Laboratories</b>               | <b>679.2</b>   | <b>3.5</b>  | <b>173.6</b>    | <b>7.5</b>  |
| Unisearch - Cardiovascular Division             | 217.0          | (0.9)       | 56.4            | 1.4         |
| UVA Division                                    | 136.7          | 9.9         | 37.8            | 31.0        |
| Unisearch - Cardiovascular Diabetology Division | 99.3           | 2.3         | 24.9            | 5.4         |
| Unikare Division                                | 57.7           | 3.4         | 14.0            | 2.2         |
| Neu-Foreva - Neuro-Psychiatry Division          | 54.9           | (3.3)       | 13.7            | (1.7)       |
| Unisearch - Integra (Nephrology) Division       | 55.2           | 16.5        | 13.4            | 4.8         |
| Pharma Division                                 | 45.4           | 13.4        | 11.5            | 18.2        |
| Unifem - Gynac Division                         | 3.6            | 1396.5      | 1.9             | 788.6       |
| <b>Total Unichem Formulations Business</b>      | <b>669.8</b>   | <b>4.6</b>  | <b>173.6</b>    | <b>9.6</b>  |
| Others  | 9.5            | (40.7)      | 0.0             | (101.6)     |

#### Brand Position

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

1. Losar-H – Rs. 72 crs. (Rank 87<sup>th</sup>)
2. Losar Rs. 63 crs. (Rank 110<sup>th</sup>)
3. Ampoxin Rs. 57 crs. (Rank 131<sup>st</sup>)
4. Unienzyme Rs. 35 crs. (Rank 288<sup>th</sup>)



## Investor Update

### Unichem Laboratories Represented / Covered Market

| Therapy Market Segment | MAT June'12           |             | MAT June'12          |            |            | April - June'12      |            |            |
|------------------------|-----------------------|-------------|----------------------|------------|------------|----------------------|------------|------------|
|                        | Representative Market |             | Unichem Laboratories |            |            | Unichem Laboratories |            |            |
|                        | Size (Rs. Crs)        | % Growth    | Sales (Rs. Crs)      | % Share    | % Growth   | Sales (Rs. Crs)      | % Share    | % Growth   |
| Cardiac Care           | 4960                  | 20.1        | 315                  | 6.4        | 2.7        | 81                   | 6.1        | 4.5        |
| Anti-infectives        | 8635                  | 12.0        | 107                  | 1.2        | 2.2        | 26                   | 1.2        | 12.8       |
| Neuro-Psychiatry       | 2070                  | 15.7        | 87                   | 4.2        | (4.0)      | 22                   | 4.0        | (5.3)      |
| Gastroenterologicals   | 3112                  | 14.7        | 68                   | 2.2        | 22.7       | 22                   | 2.5        | 43.4       |
| Nutraceuticals         | 3320                  | 18.4        | 18                   | 0.5        | 4.1        | 4                    | 0.5        | 18.6       |
| Musculoskeletal        | 2563                  | 13.0        | 21                   | 0.8        | (14.6)     | 5                    | 0.8        | (10.5)     |
| Anti-Diabetic          | 1972                  | 27.2        | 24                   | 1.2        | 7.5        | 6                    | 1.1        | 2.0        |
| Respiratory            | 1076                  | 13.5        | 22                   | 2.0        | 9.9        | 4                    | 1.9        | 9.2        |
| Dermatologicals        | 1070                  | 18.6        | 14                   | 1.3        | 6.3        | 3                    | 1.1        | (21.6)     |
| Haematinics            | 597                   | 16.6        | 1                    | 0.2        | 23.0       | 0                    | 0.1        | (35.2)     |
| Others                 | 1123                  | 24.9        | 2                    | 0.2        | 193.8      | 1                    | 0.3        | 294.9      |
| <b>Total</b>           | <b>30498</b>          | <b>16.3</b> | <b>679</b>           | <b>2.2</b> | <b>3.5</b> | <b>174</b>           | <b>2.2</b> | <b>7.5</b> |

### Brand Group Scenario

|                      | MAT June'12    |         |            | April - June'12 |         |            |
|----------------------|----------------|---------|------------|-----------------|---------|------------|
|                      | Value (Rs.crs) | % Share | % Growth   | Value (Rs.crs)  | % Share | % Growth   |
| <b>Total Revenue</b> | <b>679.2</b>   |         | <b>3.5</b> | <b>173.6</b>    |         | <b>7.5</b> |
| LOSAR Group          | 154.0          | 30.5    | (3.1)      | 39.7            | 30.6    | 3.6        |
| AMPOXIN Group        | 57.9           | 29.8    | (5.5)      | 13.6            | 31.8    | 3.0        |
| TRIKA Group          | 32.6           | 22.1    | (8.2)      | 8.4             | 22.6    | 0.7        |
| TELSAR Group         | 37.0           | 5.0     | 22.2       | 9.7             | 4.6     | (1.0)      |
| UNIENZYME Group      | 35.2           | 11.2    | 27.6       | 12.2            | 13.1    | 45.8       |
| OLSAR Group          | 25.6           | 8.3     | 35.2       | 6.6             | 7.6     | (3.3)      |
| TG-TOR Group         | 17.5           | 2.0     | (14.7)     | 4.2             | 1.8     | (4.5)      |
| VIZYLAC Group        | 19.6           | 13.8    | 24.9       | 6.0             | 13.9    | 33.4       |
| MTRIDE Group         | 17.5           | 2.3     | 14.3       | 4.4             | 2.1     | (1.0)      |
| SERTA                | 12.8           | 26.7    | (7.4)      | 3.1             | 25.2    | (3.6)      |

### 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](http://www.unichemlabs.com).

#### Contacts:

Mr. M Gundu Rao  
Tel: +912266888380  
Cell: +919820228944  
e-Mail: [gundurao@unichemlabs.com](mailto:gundurao@unichemlabs.com)

Mr. Rakesh Parikh  
Tel: +912266888414  
Cell: +919892925555  
e-Mail: [rparikh@unichemlabs.com](mailto:rparikh@unichemlabs.com)

Mr. K Subharaman  
Tel: +912266888404  
Cell: +919833031121  
e-Mail: [subharamank@unichemlabs.com](mailto:subharamank@unichemlabs.com)

*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.*