



UNICHEM
LABORATORIES LIMITED

Investor Update

BSE: 506690	NSE: UNICHEMLAB	Reuters: UNLB.BO	Bloomberg: UN@IN
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Mumbai, July 29, 2011

UNICHEM LABORATORIES LIMITED

Q1 2011-12 – Financial Performance

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Investor Update

Financial Highlights:

Q1 2011-12:

REVENUE

- The company's standalone revenue from operations stood at Rs. 188.75 crs for the quarter ended June 30, 2011 against Rs. 187.49 crs recorded during the corresponding quarter of the previous year. On sequential quarter ended March 31, 2011 revenue grew by 6%.
- Domestic Branded Formulations grew negatively by 5.4% compared to the corresponding quarter of the previous year, while on sequential quarter it grew by 14 %. The International Formulation Business grew by 21.3% compared to the corresponding quarter of the previous year, while on sequential quarter it grew negatively by 28.3 %. API business grew 52.3% during this quarter compared to the corresponding quarter of the previous year and 33.3% compared to sequential quarter ended March 31, 2011.

EBIDTA

- The company's EBIDTA margins for the quarter ended June 30, 2011 is 14.27 % (corresponding quarter previous year: 25.7%) due to higher operating expenses on Sales & Marketing, R & D, Personnel Cost.

PBT & PAT

- Profit before tax for the quarter ended June 30, 2011 stood at Rs. 21.55 crs (corresponding quarter previous year: Rs. 43.36 crs) and consequently the net profit for the quarter stood at Rs. 15.61 crs (corresponding quarter previous year: Rs. 33.35 crs).
- The EPS-Diluted for the current year stood at Rs.1.72 (corresponding quarter previous year: Rs. 3.68).



Investor Update

Standalone Financials

UNICHEM LABORATORIES LTD

Analysis of Quarterly unaudited Financial results for three months ended 30th Jun, 2011.

Particulars	STAND ALONE FINANCIALS (UNAUDITED)				
	For three months ended Jun 30, 2011	For three months ended Jun 30, 2010	% Grth	For sequential quarter ended Mar 31, 2011	% Grth
Sales Income from Operations:					
<i>Domestic Operations</i>					
Formulations	13,924.56	14,716.23	-5.4%	12,219.22	14.0%
API	437.74	682.95	-35.9%	560.48	-21.9%
<i>International Operations</i>					
Formulations	2,501.09	2,060.86	21.4%	3,487.71	-28.3%
API	1,804.46	1,184.59	52.3%	1,353.25	33.3%
Other Operating Income	207.00	104.85	97.4%	189.40	9.3%
Total Income	18,874.85	18,749.48	0.7%	17,810.06	6.0%
Expenditure:					
Material Consumption	6,974.37	5,985.15	16.5%	6,513.63	7.1%
% Sales Income	37.0%	31.9%		36.6%	
Staff Cost	2,974.68	2,582.76	15.2%	2,430.12	22.4%
Depreciation	674.03	657.84	2.5%	707.09	-4.7%
Other Expenditure	6,231.19	5,357.40	16.3%	6,504.03	-4.2%
Interest	17.18	25.40	-32.4%	-0.86	-2097.7%
Total Expenditure	16,872.45	14,608.55	15.5%	16,154.01	4.4%
% Total Income	89.4%	77.9%		90.7%	
Operating Income	2,002.40	4,140.93	-51.6%	1,656.05	20.9%
% Total Income	10.6%	22.1%		9.3%	
Other Income	152.14	195.77	-22.3%	200.65	-24.2%
Exceptional Items (Gain/-Loss)	0.00	0.00		0.00	
Profit before Tax	2,154.55	4,336.70	-50.3%	1,856.70	16.0%
% Total Income	11.4%	23.1%		10.4%	
Prior period expenses / (income)	0.00	0.00		0.00	
Income Tax (Incl Deferred tax)	593.75	1,002.00	-40.7%	352.00	68.7%
Excess /(short) provision for tax of earlier year	0.00	0.00		20.21	-100.0%
Net Profit	1,560.80	3,334.70	-53.2%	1,484.49	5.1%
% Total Income	8.3%	17.8%		8.3%	
Earning Per Share (Basic) Rs.	1.73	3.70	-53.2%	1.65	4.8%
Earning Per Share (Diluted) Rs.	1.72	3.68	-53.3%	1.64	4.9%



Investor Update

Niche Generics Limited, the 100% UK Subsidiary recorded sales of GBP 2.62 Million for the quarter ended June 30, 2011 compared to GBP 2.24 Million in the corresponding quarter of the previous year. The Net Loss for the quarter ended June 30, 2011 stood at GBP 0.11 Million.

Unichem Pharmaceuticals USA Inc., the 100% US Subsidiary recorded sales of USD 0.7 Million and Net Loss of USD 0.35 Million for the quarter ended June 30, 2011.

Unichem Pharmaceuticals Do Brasil Ltda, the 100% Brazil Subsidiary recorded Nil sales and Net Loss of Brazilian Reals 0.58 Million for the quarter ended June 30, 2011.

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, 2011 is estimated at Rs. 55,986 crs by AIOCD AWACS, reflecting a growth of 14.9 % over MAT June, 2010.

Further, for the quarter ended June 30, 2011 the Domestic Formulation Market stood at Rs. 14,301 crs reflecting a growth of 13.5% over quarter ended June 30, 2010.

Unichem Laboratories revenue is estimated at Rs. 646 crs (*AWACS MAT June, 2011*) and growing at 8.7% with a market share of 1.15 %.



Investor Update

The division-wise break-up is as follows:

	MAT JUN.'11		APR'11- JUN'11	
	VALUE (Rs.Crs)	% GRTH	VALUE (Rs.Crs)	% GRTH
Total Domestic Market	55986	14.9	14301	13.5
Total Unichem Laboratories	646	8.7	162	3.2
Unisearch - Cardiovascular Division	256	13.4	67	7.1
UVA Division	126	2.9	29	(8.8)
Unisearch - Cardiovascular Diabetology Division	78	7.6	20	0.5
Unikare Division	58	20.1	14	13.4
Neu-Foreva - Neuro-Psychiatry Division	55	7.7	14	2.9
Pharma Division	43	(7.8)	10	(5.0)
Unisearch - Integra (Nephrology) Division	23	16.0	6	10.9
Total Unichem Formulations Business	639	8.9	160	2.5
Others	7	(5.1)	2	97.7

Brand Position

Four Unichem brands feature among the top 300 Indian pharmaceutical brands and out of which three brands are in the top 100.

1. Losar-H – Rs. 70 crs. (Rank 69th)
2. Losar – Rs. 63 crs. (Rank 89th)
3. Ampoxin – Rs. 62 crs. (Rank 92nd)

Unichem Laboratories Represented / Covered Market

	VALUE (Rs.Crs)		% GROWTH	
	MAT JUN'11	Apr-June'11	MAT JUN'11	Apr-June'11
TOTAL	26478	7091	13.2	15.2
OTHER ANTI-INFECTIVES	4053	923	8.7	5.2
CARDIAC CARE	4277	1162	18.9	18.6
GASTROENTEROLOGICALS	2977	985	12.7	9.4
NUTRACUTICALS	2584	743	11.1	11.4
RESPIRATORY	1236	269	13.1	8.2
CEPHALOSPORINS	3316	786	15.6	9.7
MUSCULOSKELETALS	2250	592	11.7	9.6
NEURO-PSYCHIATRY	1732	458	15.9	14.8
ANTIDIABETICS	1348	436	7.3	25.0
GYNAECOLOGICALS	786	193	12.4	17.8
DERMATOLOGICALS	861	260	16.5	14.7
ALL OTHERS	226	63	41.2	33.4
HAEMATINICS	830	223	12.4	10.0
OTO/OPHTHALMOLOGICALS	1	0	(8.5)	-
HORMONS	0	0	-	-



Investor Update

Unichem in Represented / Covered sub-segments

	VALUE (Rs.Crs)		% GROWTH	
	MAT JUN'11	Apr-June'11	MAT JUN'11	Apr-June'11
UNICHEM LABS	646	162	8.7	3.2
OTHER ANTI-INFECTIVES	89	19	0.8	(6.7)
CARDIAC CARE	298	77	14.7	7.7
GASTROENTEROLOGICALS	55	15	6.0	(0.1)
NUTRACUTICALS	15	4	(11.0)	(23.6)
RESPIRATORY	20	4	12.4	0.5
CEPHALOSPORINS	17	3	(4.8)	0.5
MUSCULOSKELETALS	24	6	(2.0)	(9.1)
NEURO-PSYCHIATRY	87	23	6.6	4.4
ANTIDIABETICS	23	6	6.6	(0.5)
GYNAECOLOGICALS	1	0	27.3	97.5
DERMATOLOGICALS	13	4	46.4	62.8
ALL OTHERS	5	0	(3.9)	615.5
HAEMATINICS	1	0	12.0	18.3
OTO/OPHTHALMOLOGICALS	0	0	(80.5)	50.0
HORMONS	0	0	25.0	400.0

Total Represented / Covered Market growth and Unichem Growth Progression

	MAT Jun.'11	Jul'10	Aug'10	Sep'10	Oct'10	Nov'10	Dec'10	Jan'11	Feb'11'10	Mar'10	Apr'10	May'10	Jun'11
Represented Market Size (Rs.Crs)	16048	1302	1366	1394	1339	1346	1372	1296	1258	1271	1389	1350	1366
% Value Growth	17.4	17.8	18.8	23.4	13.8	19.5	18.2	17.4	15.7	15.7	16.4	17.2	14.9
Unichem Formulations (Rs.Crs)	646	54	54	54	54	54	54	54	54	54	54	54	54
% Value Growth	8.7	9.8	7.6	4.6	11.0	21.8	18.3	8.5	12.7	14.8	4.1	2.8	5.3



Investor Update

Brand Group Scenario

	MAT JUN'11			APR'11-JUN'11		
	VALUE (Rs. Crs)	% SHARE	% GRTH	VALUE (Rs. Crs)	% SHARE	% GRTH
LOSAR Group	152	31	14.5	39	31	7.8
AMPOXIN Group	63	31	(4.5)	12	28	(20.6)
TRIKA Group	37	24	(0.1)	10	26	(1.4)
TELSAR Group	29	6	30.5	8	5	20.6
UNIENZYME	27	10	12.0	7	10	(0.3)
TG-TOR Group	21	2	(0.5)	5	2	(17.7)
OLSAR Group	18	9	61.2	6	9	64.1
VIZYLAC	16	25	4.8	5	26	0.9
METRIDE Group	15	2	5.4	4	2	(1.8)
SERTA	13	29	4.5	3	30	(0.1)

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.

Contacts:

Mr. M Gundu Rao
Tel: +912266888380
Cell: +919820228944

e-Mail: gundurao@unichemlabs.com

Mr. Rakesh Parikh
Tel: +912266888414
Cell: +919892925555

e-Mail: rparikh@unichemlabs.com

Mr. K Subharaman
Tel: +912266888404
Cell: +919833031121

e-Mail: 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.