



**UNICHEM**  
LABORATORIES LIMITED

## **UNICHEM LABORATORIES LIMITED**

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## **Investor Release**

**Mumbai, Monday July 14, 2014**

**Quarter 1 FY 2014-15 – Financial Performance**

### **Unichem Laboratories Limited Q1 FY 15 Standalone**

**Revenue up by 9.6% to Rs. 291 crs**

**EBITDA at Rs. 43.7 crs**

**PAT at Rs. 30.2 crs**



## Key Highlights of Q1 FY15

- During the quarter Company filed 2 ANDAs
- Cumulative filings of ANDAs stood at 33 of which 17 ANDAs are approved (Including 2 tentative approvals)
- Cumulative filings of DMFs stands at 35
- The USA Subsidiary (Unichem Pharmaceuticals USA Inc), showed a robust top line growth, by growing over 100% on Y-o-Y basis
- The USA Subsidiary (Unichem Pharmaceuticals USA Inc) reported profit for the quarter, on the back of continuing robust sales growth
- During the quarter Domestic portfolio grew at 10.7% as against 8.8% of IPM
  - During the quarter Domestic Acute portfolio showed a robust growth of 24.5% as against 7.7% of IPM
  - During the quarter Domestic Chronic portfolio showed a growth of 2.8% as against 11.5% of IPM

## Other Highlights

- Non NLEM Portfolio showed a healthy growth of 12.2% as against 7.7% of Represented Market (MAT May' 14)
- NLEM portfolio de-grew by -7.9% as against -10.3% of Represented Market (MAT May '14)
- Market share of Serta (Therapy- CNS) increases by ~4.4% from MAT May 13 - MAT May 14
- Market share of Losar (Therapy- CVS) improves by ~3.1% from MAT May13 – MAT May 14
- Market share of Unienzyme (Therapy- Gastrointestinal) increases by ~2.5% from MAT May 13- MAT May 14



## **Financial Highlights: Quarter 1, FY 2015**

### **REVENUE**

- The Company's standalone revenue from operations stood at Rs. 290.99 crs for the quarter ended June 30, 2014 against Rs. 265.57 crs recorded during the corresponding quarter of the previous year, reflecting a growth of 9.6%.
- Revenues from Domestic Formulations stood at Rs. 180.03 crs as against Rs. 175.60 crs in the same period last year.
- Revenues from International Formulation Business came in at Rs. 74.65 crs as compared to Rs. 56.29 crs in the corresponding quarter of the previous year, showing a robust growth of 32.6%.
- Revenues from API business (Excluding captive consumption for formulation business) came in at Rs. 33.82 crs for the quarter ended June 30, 2014 compared to Rs. 30.31 crs recorded during the same quarter of the previous year, reflecting a healthy growth of 11.6%.

### **EBIDTA**

- The Company's EBITDA for the quarter stood at Rs. 43.68 crs

### **PBT & PAT**

- Profit Before Tax for the quarter ended June 30, 2014 stood at Rs. 39.65 crs as compared to Rs. 47.17 crs in same quarter of previous year.
- The Net Profit for the quarter came in at Rs. 30.20 crs as against Rs. 36.1 crs in same quarter of previous year.
- The EPS-Diluted for the current quarter stood at Rs. 3.32 (*corresponding quarter previous year: Rs. 3.98*).



## Standalone Financials

UNICHEM LABORATORIES LTD			
Analysis of Standalone Unaudited results for Quarter ended 30th June, 2014. <span style="float: right;">Figures in INR Lakhs</span>			
Particulars	STANDALONE FINANCIALS		
	Three months ended June 30,	Three months ended Jun 30,	% Growth
<b>Sales Income from Operations:</b>			
Domestic Operations			
Formulations	18003.50	17560.17	2.5%
API	725.97	400.72	81.2%
International Operations			
Formulations	7464.85	5629.39	32.6%
API	2656.01	2630.18	1.0%
Other Operating Income	248.76	337.42	-26.3%
<b>Total Income</b>	<b>29099.09</b>	<b>26557.88</b>	<b>9.6%</b>
<b>Expenditure:</b>			
Material Consumption	11465.52	9595.53	19.5%
<b>% Sales Income</b>	<b>39.4%</b>	<b>36.1%</b>	
Staff Cost	4992.60	4131.81	20.8%
Other Expenditure	8273.05	7744.81	6.8%
<b>EBITDA</b>	<b>4367.92</b>	<b>5085.72</b>	<b>-14.1%</b>
<b>% Total Income</b>	<b>15.0%</b>	<b>19.1%</b>	
Depreciation	847.26	1068.18	-20.7%
Finance Costs	73.33	61.67	18.9%
<b>Total Expenditure</b>	<b>25651.75</b>	<b>22602.00</b>	<b>13.5%</b>
<b>% Total Income</b>	<b>88.2%</b>	<b>85.1%</b>	
<b>Operating Income</b>	<b>3447.34</b>	<b>3955.88</b>	<b>-12.9%</b>
<b>% Total Income</b>	<b>11.8%</b>	<b>14.9%</b>	
Other Income	517.36	760.99	-32.0%
<b>Profit before Tax</b>	<b>3964.70</b>	<b>4716.87</b>	<b>-15.9%</b>
<b>% Total Income</b>	<b>13.6%</b>	<b>17.8%</b>	
Income Tax	945.00	1107.00	-14.6%
<b>Net Profit</b>	<b>3019.70</b>	<b>3609.87</b>	<b>-16.3%</b>
<b>% Total Income</b>	<b>10.4%</b>	<b>13.6%</b>	
<b>Earning Per Share</b>			
Basic	3.33	3.99	
Diluted	3.32	3.98	

Note: On 9th July 2014, the European Commission decided to impose an unjustified fine on Niche /Unichem (jointly and severally) contending that it had acted in breach of EU Antitrust Rules. The European Commission reached this conclusion because its subsidiary, Niche Generics Ltd (Niche), agreed to settle financially crippling patent litigation with Laboratories Servier (Servier) at the beginning of 2005 when Unichem was only a part owner and financial investor then. Unichem vehemently denies any wrongdoing on the part of either itself or Niche. Unichem will appeal the European Commission decision in the appropriate forums after seeking professional advise on receipt of copy of the decision. We have already informed stock exchange on this matter.



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### Subsidiaries:

**Niche Generics Limited**, the 100% UK Subsidiary recorded net sales of **GBP 2.77 Million** for the quarter ended June 30, 2014 (*corresponding period of the previous year: GBP 2.53 Million*) depicting a growth of 9.5% and Net Profit of **GBP 0.10 Million** for quarter ended June 30, 2014 (*corresponding period of the previous year: Net Profit of GBP 0.15 Million*)

**Unichem Pharmaceuticals USA Inc.**, the 100% US Subsidiary clocked net sales of **USD 4.67 Million** for the quarter ended June 30, 2014 (*corresponding period of the previous year: USD 2.23 Million*) showcasing a robust growth of 109.4 %. The subsidiary turns profitable, having reported a **Net Profit of USD 0.02 Million** for quarter ended June 30, 2014 (*corresponding period of the previous year: Net Loss of USD 0.21 Million*)

**Unichem Pharmaceuticals Do Brasil Ltda**, the 100% Brazilian Subsidiary recorded net sales of **Brazilian Real 0.15 Million** for the quarter ended June 30, 2014 (*corresponding period of the previous year: Brazilian Real 0.57 Million*) and Net Loss of **Brazilian Real of 0.69 Million** for the quarter ended June 30, 2014 (*corresponding period of the previous year: Net Loss of Brazilian Real 0.73 Million*)



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## India Formulation Business

### Key Highlights

#### AWACS

Domestic Formulation market on MAT June, 2014 is estimated at Rs. 77,529crs {with bonus units at full value} by AWACS, reflecting a growth of 6.7% over MAT June, 2013.

Further, for the quarter ended June 30, 2014 the Domestic Formulation Market stood at Rs. 20,065 crs reflecting a growth of 8.8 % over quarter ended June 30, 2013.

Unichem Laboratories Limited's revenue is estimated at Rs. 799 crs (AWACS MAT June, 2014) and growing at 8.9% with a market share of over 1% (in covered market over 2%). For the quarter ended June 30, 2014 revenue is estimated at Rs. 202 crs and growing at 10.5%

#### Brand Position

Four Unichem brands feature among the top 300 Indian pharmaceutical brands. (MAT May'14)

1. Losar-H – Rs. 79 crs. (Rank 97<sup>th</sup>)
2. Losar Rs. 68 crs. (Rank 123<sup>rd</sup>)
3. Ampoxin Rs. 60 crs. (Rank 154<sup>th</sup>)
4. Unienzyme Rs. 53 crs. (Rank 191<sup>st</sup>)



## Brand Group Scenario

BRAND	MAT May'14 (Val in Crs)	% Gr	% MS	% Contribution to Revenue
<b>Unichem Laboratories Ltd</b>	<b>793</b>	<b>8.2</b>	<b>1.0</b>	<b>100.0</b>
LOSAR GROUP	169	-2.7	34.5	21.4
AMPOXIN GROUP	65	7.6	45.4	8.3
UNIENZYME	53	23.0	16.8	6.7
TELSAR GROUP	39	6.7	3.7	4.9
OLSAR GROUP	32	16.4	6.4	4.1
TRIKA GROUP	30	-16.3	21.0	3.8
VIZYLAC	25	15.0	14.0	3.2
METRIDE GROUP	23	16.8	1.4	2.8
SERTA	18	37.1	31.1	2.3
LINOX	18	7.0	13.2	2.2

Source: AWACS May'14

## Unichem Laboratories Represented / Covered Market

MAT May'14 Therapy Market Segment	REPRESENTED		UNICHEM LABORATORIES		
	Size (Rs.Crs)	% GR	Size (Rs.Crs)	% SHARE	% GR
Cardiac Care	6073	7.3	361	5.9	3.4
Anti-Infectives	9402	-0.9	134	1.4	18.6
Neuro-Psychiatry	2663	5.5	97	3.6	7.1
Gastroenterologicals	4595	3.1	90	2.0	15.0
Musculosketals	3180	3.7	31	1.0	22.5
Anti Diabetic	2646	13.7	28	1.1	9.9
Respiratory	1298	8.5	20	1.5	-10.0
Nutraceuticals	3577	3.4	16	0.4	7.4
Dermatologicals	1689	11.4	11	0.7	-1.5
Gynaecological	1802	4.2	6	0.3	47.7
Others	787	3.7	0	0.1	322.6
<b>Total</b>	<b>37712</b>	<b>4.2</b>	<b>793</b>	<b>2.1</b>	<b>8.2</b>

Source: AWACS May'14



**Unichem Laboratories Non NLEM & NLEM Represented / Covered Market**

MAT MAY'14	REPRESENTED MARKET				UNICHEM LABORATORIES					
	Non-NLEM		NLEM		Non-NLEM			NLEM		
Therapy Market Segment	Size (Rs.Crs)	% GR	Size (Rs.Crs)	% GR	Size (Rs.Crs)	% SHARE	% GR	Size (Rs.Crs)	% SHARE	% GR
Cardiac Care	4571	14.3	1503	-9.5	270	5.9	7.4	91	6.0	-6.8
Anti-Infectives	6359	3.0	3043	-8.1	123	1.9	17.3	10	0.3	36.0
Neuro-Psychiatry	2500	7.0	163	-13.0	71	2.8	21.5	26	15.9	-19.2
Gastroenterologicals	3932	6.2	663	-12.3	90	2.3	15.2	0	0.0	-16.6
Musculosketals	2913	6.5	267	-19.7	29	1.0	24.0	2	0.6	-0.1
Anti Diabetic	2450	15.2	196	-1.9	28	1.1	10.0	0	0.1	-11.1
Respiratory	1201	12.8	97	-26.0	16	1.3	-5.5	4	4.2	-23.8
Nutraceuticals	3568	3.4	9	-18.9	16	0.4	7.4	-	-	-
Dermatologicals	1551	16.7	138	-26.1	11	0.7	-1.4	-	-	-
Gynaecological	1676	5.4	126	-9.8	6	0.3	47.8	0	0.1	46.7
Others	751	4.9	36	-16.9	0	0.1	885.9	-	-	-
<b>Total</b>	<b>31471</b>	<b>7.7</b>	<b>6241</b>	<b>-10.3</b>	<b>660</b>	<b>2.1</b>	<b>12.2</b>	<b>133</b>	<b>2.1</b>	<b>-7.9</b>

Source: AWACS May'14





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### **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)

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