# To Financial Editors: [For Immediate Release]



## 聯邦制藥國際控股有限公司 The United Laboratories International Holdings Limited

(SEHK: 03933)

#### Demonstrated Excellence in Breaking Records New Era of The United Lab Brands

#### **Financial Highlights**

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	For the six months ended 30 June (HK mil)		
	2010	2009	yoy growth
Turnover	3,079.1	2,076.2	+48.3%
Gross Profit	1,249.3	742.1	+68.3%
EBITDA	820.5	420.0	+95.5%
Profit Attributable to Shareholders	483.9	134.4	+259.9%
Earnings Per Share	39.8	11.2	+255.4%
Interim Dividend	12	-	-

[5 August 2010 - Hong Kong] The United Laboratories International Holdings Limited ("TUL" or the "Group"; Stock code: 03933), one of the leading manufacturers of antibiotics in the PRC, announced today its interim results for the six months ended 30 June 2010.

For the six months ended 30 June 2010, the Group's turnover increased by 48.3% to HK\$3.08 billion (1H2009: HK\$2.08 billion). The Group's profit attributable to shareholders raised by 259.9% to HK\$484 million year-on-year (1H2009: HK\$134). Both are new records. Segmental turnover (including inter-segment sales) of intermediate products, bulk medicine and finished products were increased by 54.8%, 43.3% and 21.5% respectively for the six months ended 30 June 2010, as compared with the same period in preceding year. Segmental profit of intermediate products, bulk medicine and finished products increased by 802.9%, 143.2% and 7.2% respectively. The board decided to start interim dividend payment of HK\$12 cents.

The excellent results were benefited from the strong growth of revenue, as well as the advantages of economic scales and significantly lower cost led by the full operation of the giant plant at Inner Mongolia. The overall gross profit margin increased from 35.7% to 40.6%. The price of the Group's main product 6-APA decreased slightly in the first half but started going up recently. This may further contribute to the improvement of the profit margin. The sales growth of intermediate products was obvious. The overseas market demand for intermediate products and bulk medicine grew significantly by 92% and accounted for 28.9% of total sales. The sales of finished products were driven by the

Group's well-recognized brands and the supports of the government's medical policies. This sector continued to record more than 20% growth. The growth in community and rural markets was over 40%.

Looking forward to the second half of 2010, we feel optimistic. The five principal production plants within the Group are expanding, integrating and supporting each other, so that our cost of production is likely to decline again and the production efficiency will go up accordingly. We will also put our focus on developing competitive products. The Group started promotion of recombinant human insulin finished products in the first half and good marketing results were seen. The Group expects exponential sales growth of insulin products from the coming year will be realized. The insulin products series will become the signature products of the Group.

Chairman Mr. Choy concluded, "We started to step into a harvest period in the first half. The Group has broken all records of results and demonstrated its excellence. Starting up from an industrial company many years ago, we have now developed into a pharmaceutical group selling branded products. We will further strengthen the marketing of our brands and the expansion of our business. The Group aims at capturing every single opportunity aroused from country policies. We strive for the best return for our shareholders through market development and launch of new products as well. The Group believes that analysts and investors will recognize its pursuit of long-term growth with its solid foundations and thus give a better valuation of the Group. We hope that our shareholders will gain returns on both the Group's operating results and share price."

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### **About The United Laboratories International Holdings Limited**

Listed on the Stock Exchange of Hong Kong in June 2007, TUL is one of the leading pharmaceutical companies in China, principally engaged in the manufacturing and selling of medicines, and the bulk and intermediate products used to produce finished goods. As of 30 June 2010, the Group has a total of 174 products qualified to produce in the PRC and/or Hong Kong based on the Drug Registration Approvals in the PRC and Certificates of Drug or Product Registration in Hong Kong. 76 were in production, and 34 were listed in Insurance Catalogue. 12 finished products are in the list of the Nation's Essential Drugs List. The group is currently a component of the Hang Seng Composite Index Series. For more information about TUL, please visit the company's website at www.tul.com.hk.

Issued by Creativeline Communications for and on behalf of C The United Laboratories International Holdings Limited. For further information, please contact:

#### **Creativeline Communications**

Mr. Wayne Chau / Ms. Sylvia Lau Tel: (852) 2730 6212/ 6390 9406

Fax: (852) 27360745

Email: wayne@creativeline.com.hk / sylvia@creativeline.com.hk