

Dong-A Pharmaceutical 1Q 2012 Performance Results

APRIL 2012



A HEALTHIER SOCIETY.

All of us at Dong-A are dedicated to building a healthier society for humanity. This philosophy encompasses the health and well-being of humankind as a whole as well as the environment and the economy. Committed to building a healthier society for all, we collaborate on win-win partnerships firmly grounded on mutual trust.

Forward Looking Statements

The business results for the 1st quarter of 2012, currently under audit review, are presented here for investors' convenience. Hence, please be advised that some of their contents may be altered in the course of audit.

This presentation may contain "forward-looking statement." Forecasts and projections contained in this material are based on current business environments and management strategies, and they may differ from the actual results upon changes and unaccounted variables.

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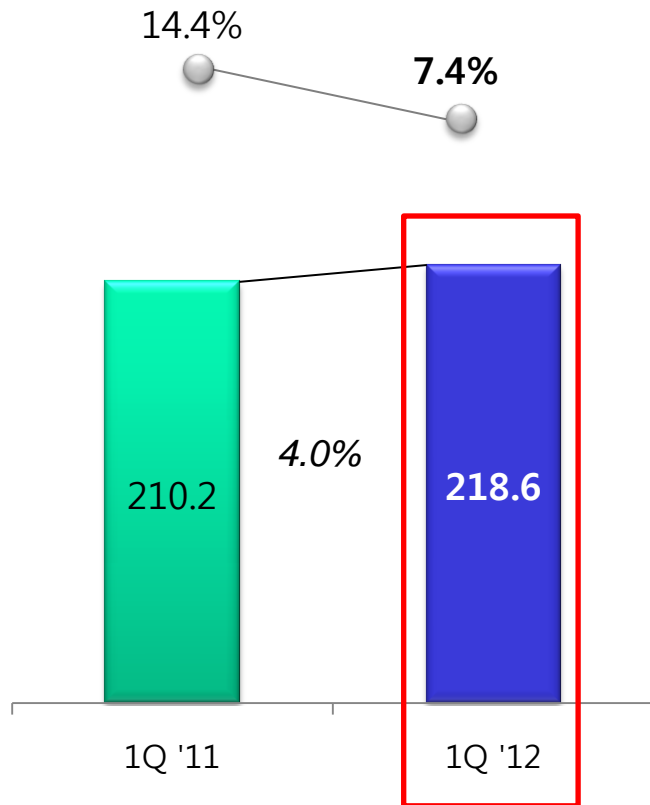
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I. FINANCIAL PERFORMANCE (K-IFRS SEPARATE)

Financial Performance – Sales & OPM

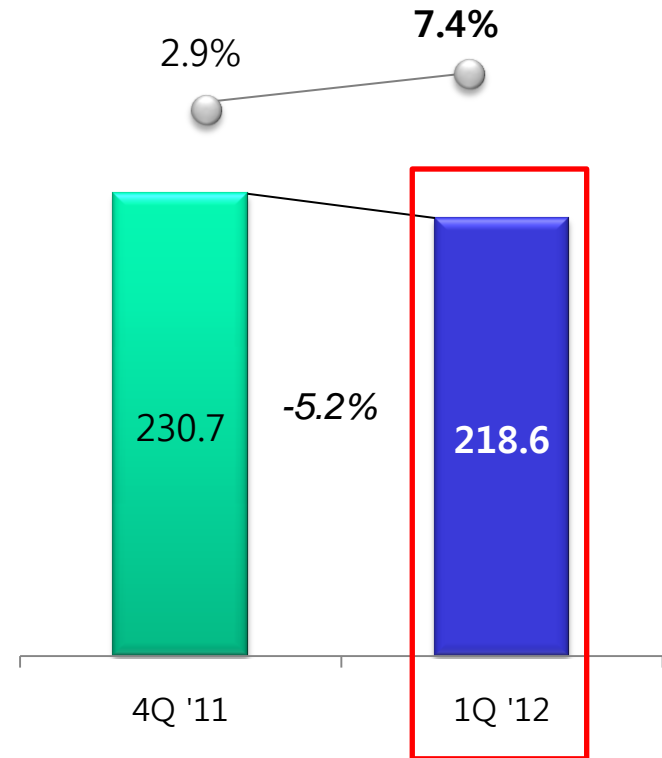
YoY

[KRW bil.]



QoQ

[KRW bil.]



Sales

OPM

Financial Performance – Margin Analysis

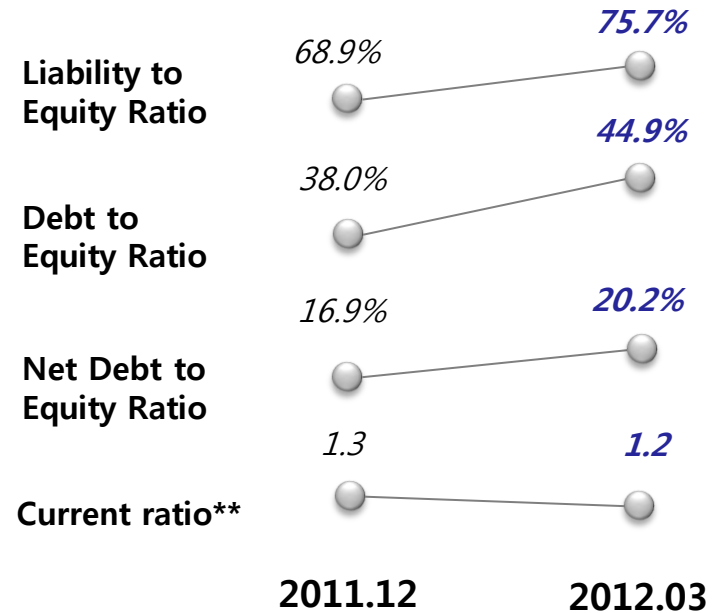
	1Q '11	1Q '12	4Q '11	YoY	QoQ
Cost of Goods Sold Ratio	39.1%	48.9%	49.5%	9.8%p	-0.6%p
Operating Profit Margin	47.5%	44.7%	44.4%	-2.9%p	0.3%p
HR Related Cost per Sales (Salary + Severance + Fringe Benefit)	14.8%	11.9%	10.2%	-2.8%p	1.7%p
R&D Cost per Sales (Reflected in SG&A)	8.4%	11.1%	8.7%	2.7%p	2.4%p
Advertisement Cost per Sales	4.2%	3.5%	6.7%	-0.7%p	-3.2%p
Other Marketing Related Cost per Sales	10.7%	8.0%	7.8%	-2.7%p	0.2%p
Other Income per Sales	1.7%	1.3%	1.0%	-0.4%p	0.3%p
Other Losses per Sales	0.6%	0.4%	4.2%	-0.3%p	-3.8%p
Operating Profit Margin	14.4%	7.4%	2.9%	-7.0%p	4.5%p

2012 1Q Balance Sheet

[KRW bil.]

	'11. 12	'12. 03	YoY
Total Asset	1,236.8	1,268.1	2.5%
Cash	154.6	178.6	15.6%
Payable	143.6	141.7	-1.3%
Inventory	120.4	127.9	6.3%
Total Liability	504.4	546.3	8.3%
Debt	278.0	324.4	16.7%
Total Capital	732.4	721.8	-1.5%

Major Financial Ratios



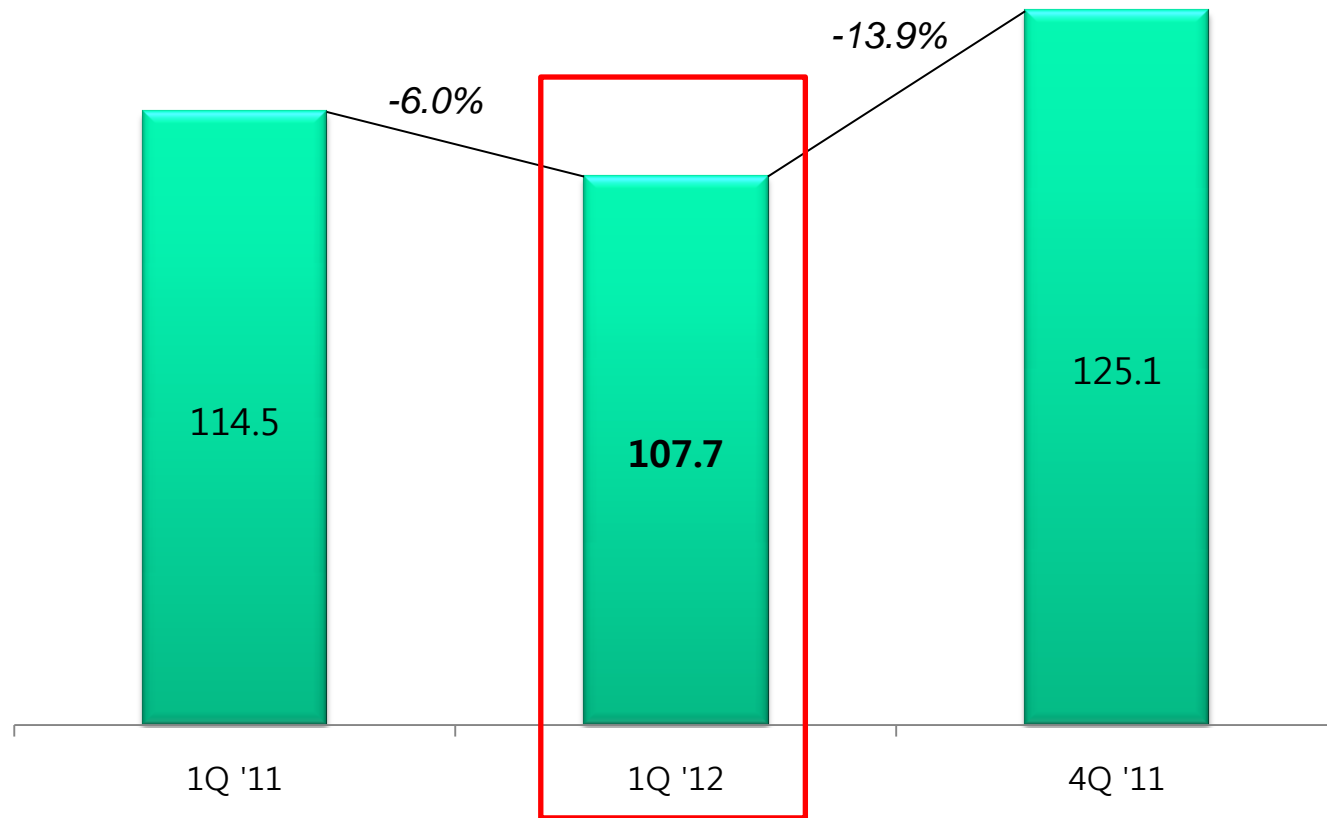
** Current Asset / Current Liability

II. PERFORMANCE BY DIVISION

Performance by Division – ETC (GH/Clinic)

ETC

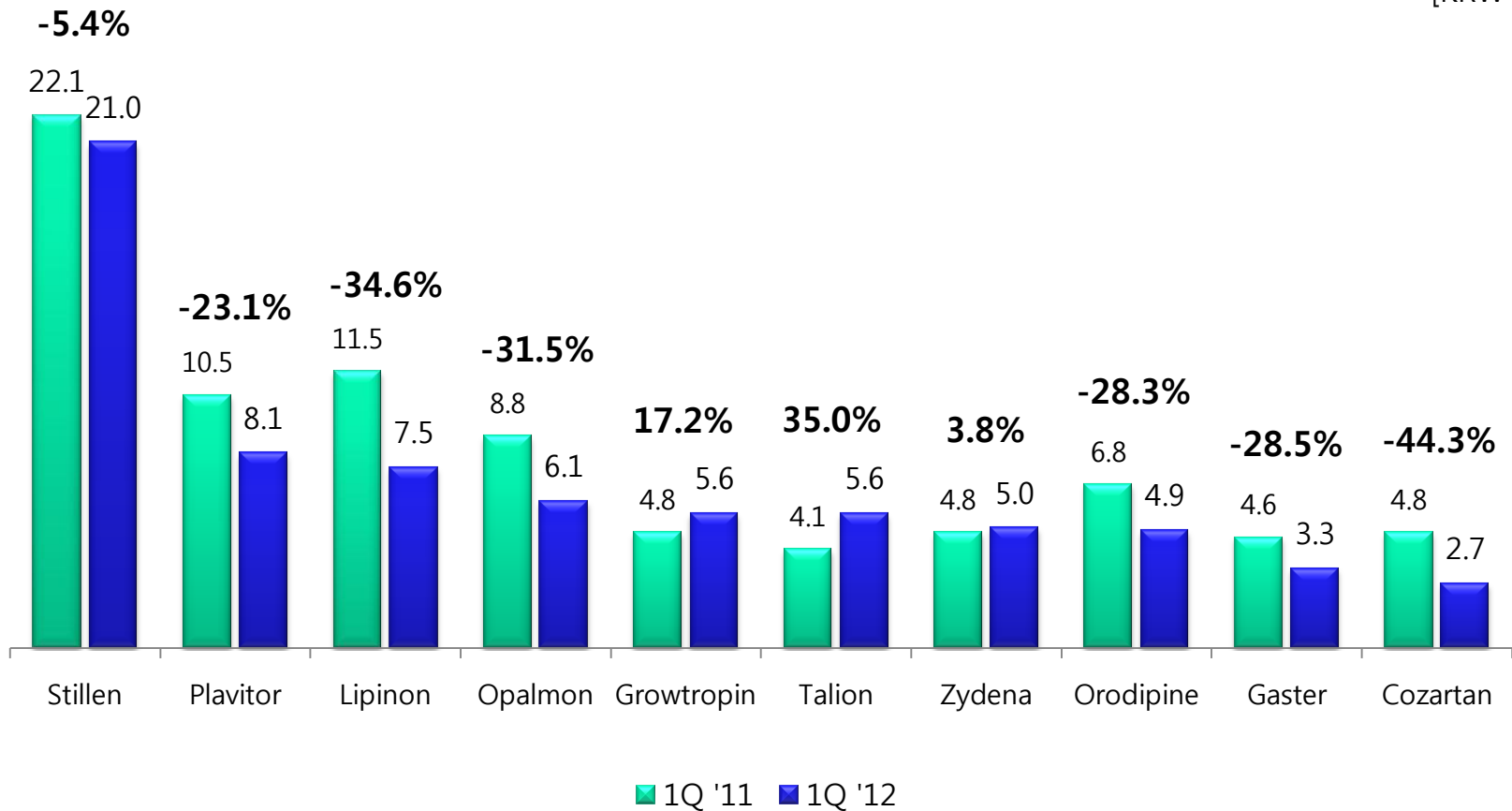
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Performance by Division - Major ETC Products

Major ETC Products Growth

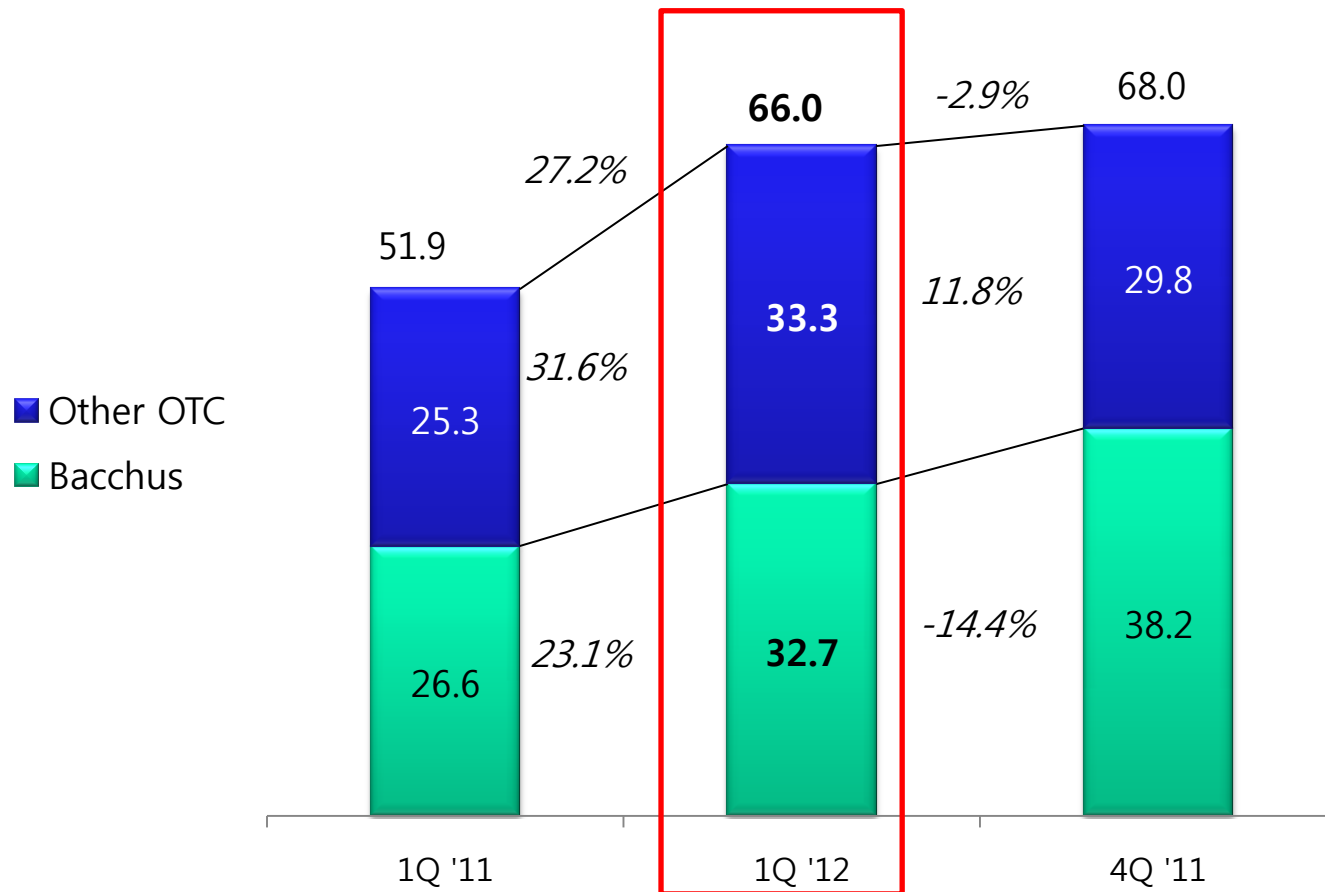
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Performance by Division – OTC (Bacchus/Other)

OTC

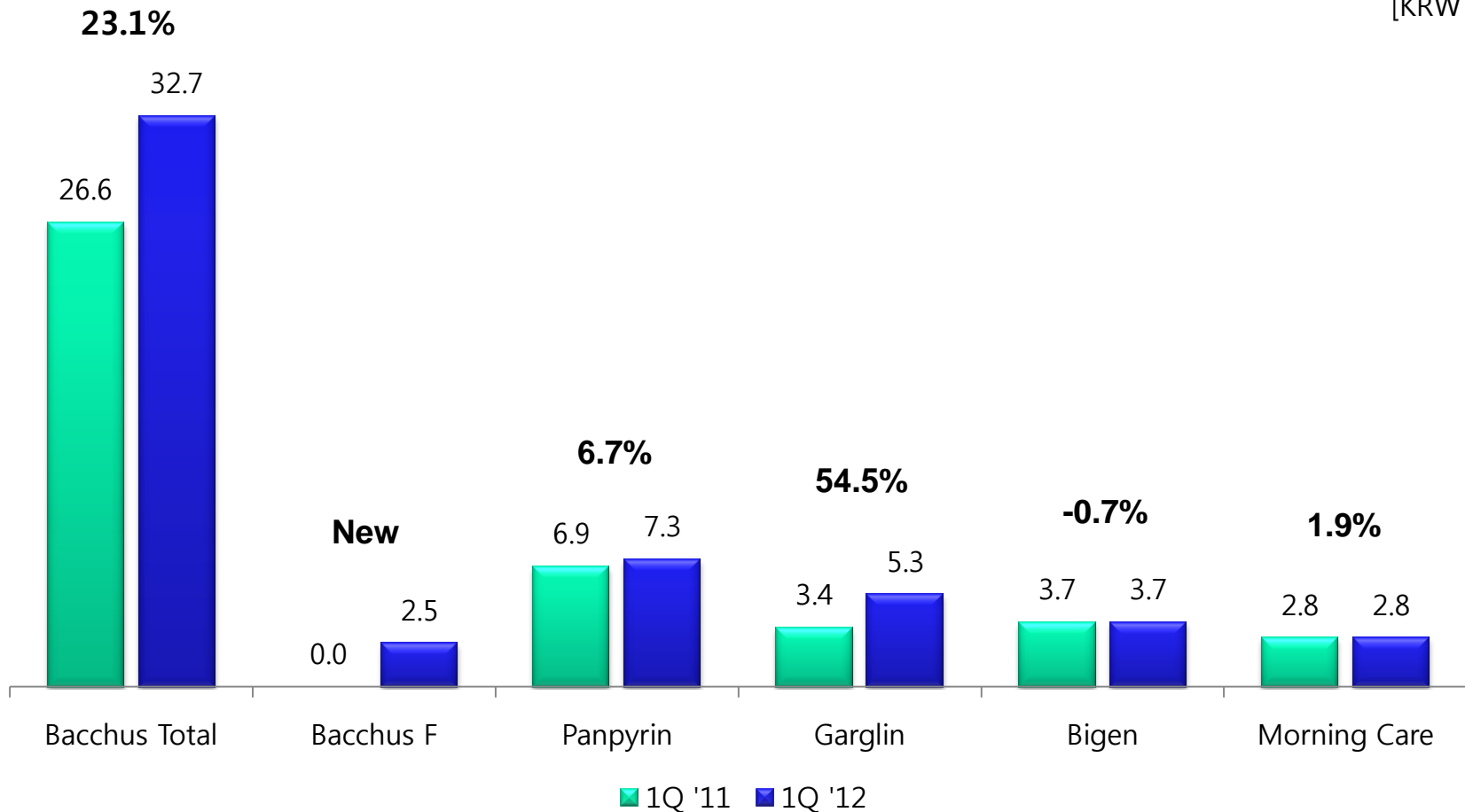
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Performance by Division - Major OTC Products

Major OTC Products Growth

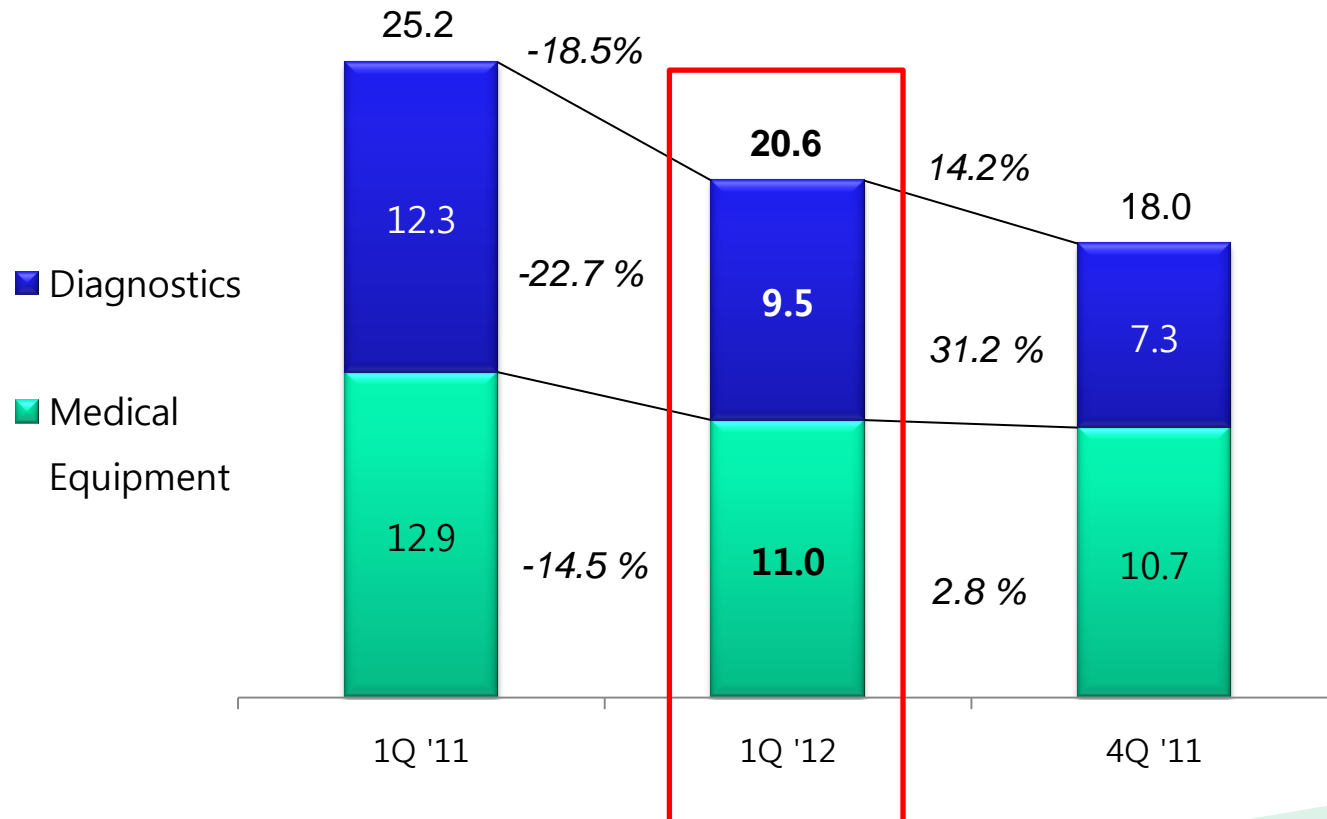
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Performance by Division – Medical

Medical

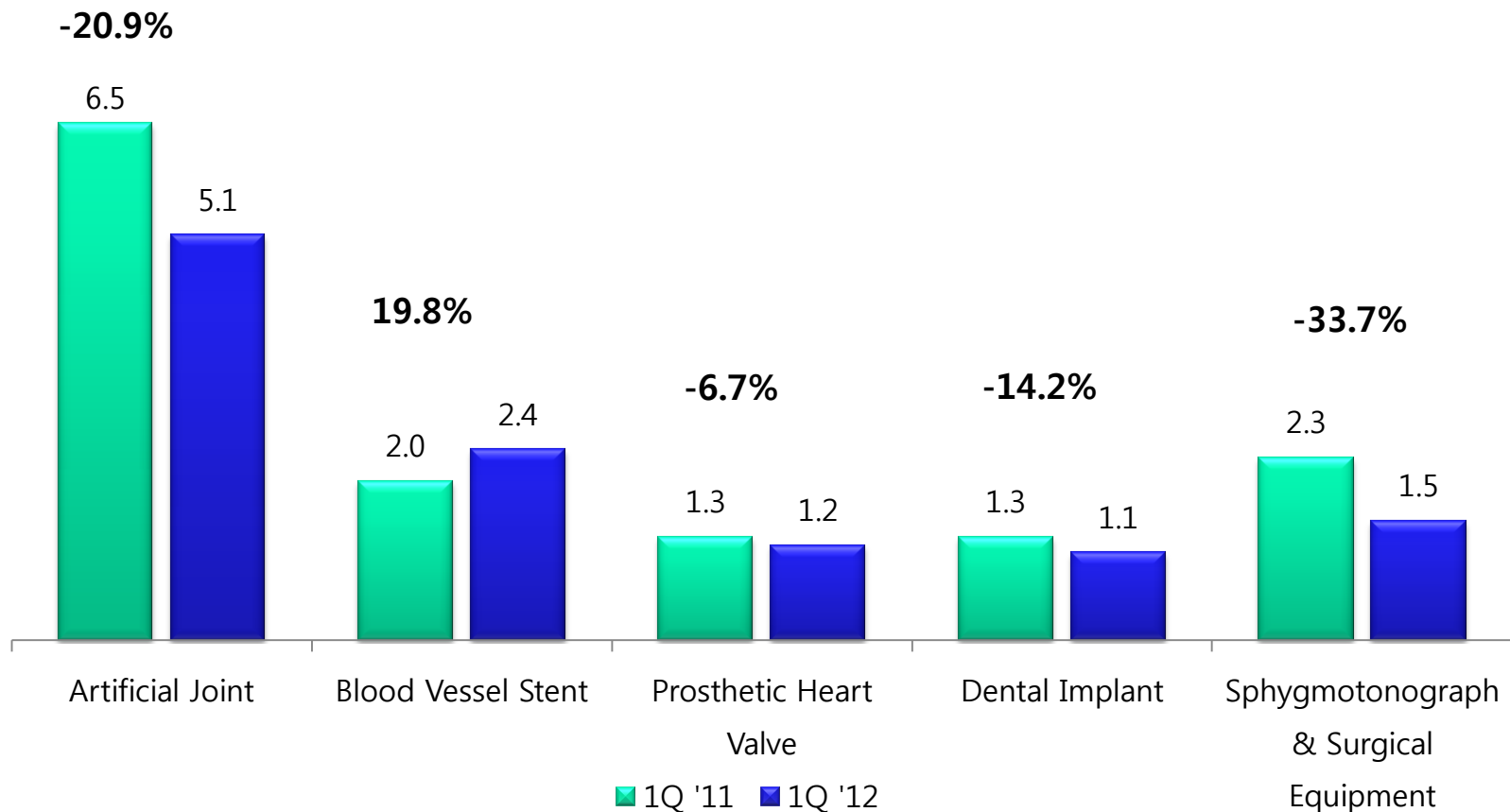
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Performance by Division – Medical Equipment

Major Medical Equipment Products Growth

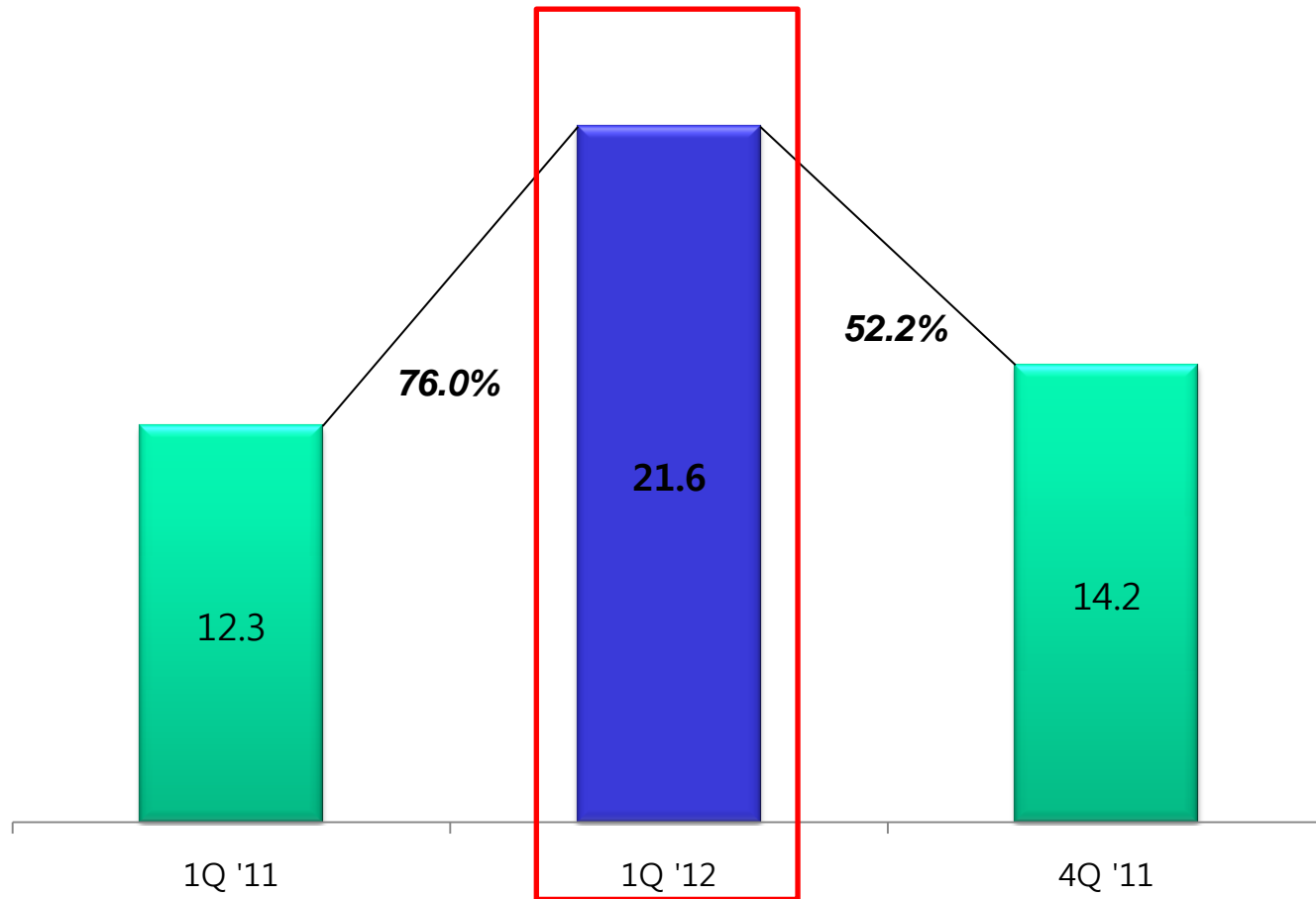
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Performance by Division – Overseas Export

Overseas Export

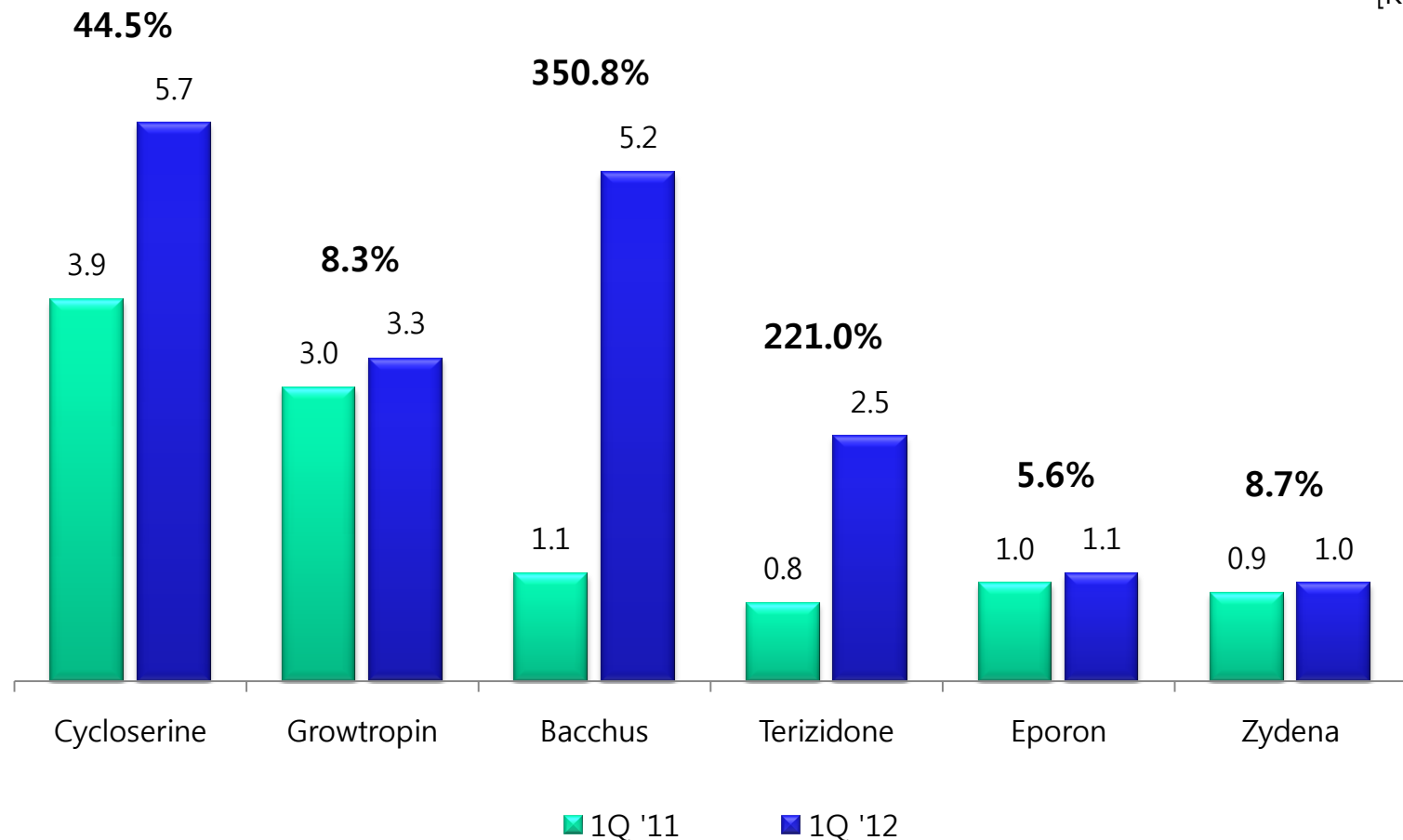
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Performance by Division – Major Export Products

Major Export Products Growth

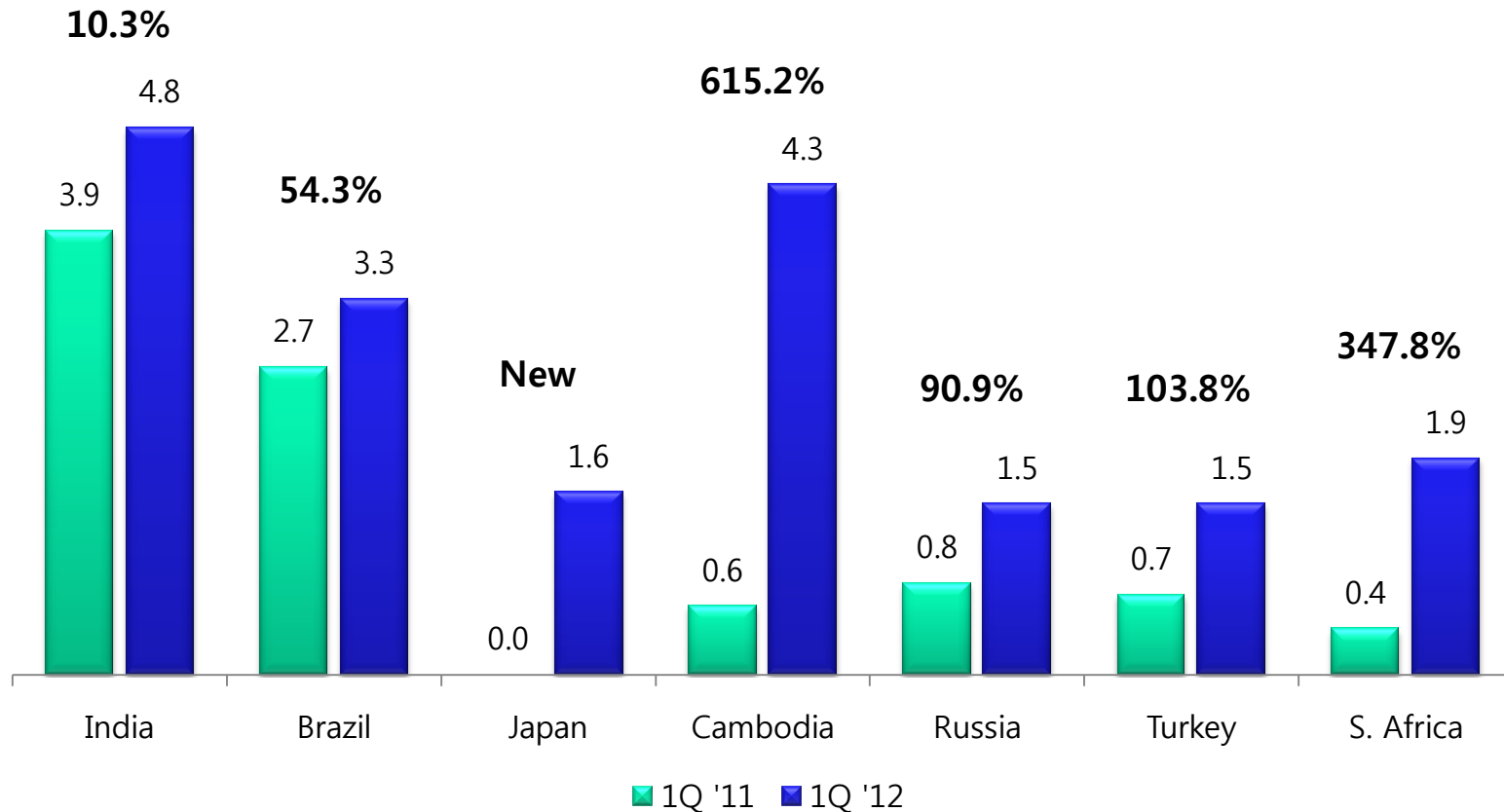
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Performance by Division – Major Export Regions

Major Export Regions Growth

[KRW bil.]



III. R&D UPDATE

R&D Pipeline – NCE (New Chemical Entity)

TYPE	CODE NAME	MAJOR INDICATION	DESCRIPTION	STAGE
NCE	DA – 8159	Erectile Dysfunction	PDE-5 Inhibitor	Phase 3 completed (US) Warner Chilcott
		Benign Prostatic Hyperplasia		Phase 2 planned (US) Warner Chilcott
		Portal Hypertension		Under Phase 2 (EU) Dr. Falk
		Pulmonary Arterial Hypertension		Under Phase 2 (KR)
	DA – 7218	Infection (ABSSSI)	Oxazolidinone Class Antibiotic	Under Phase 3(b) (US) Trius Therapeutics
		Lung Infection		Phase 3 planned (US) Trius Therapeutics
	DA – 1229	Systematic Infection	DPP-4 Inhibitor	Phase 2 planned (US) Trius Therapeutics
		Type 2 Diabetes		Under Phase 2 (KR)
	DA - 6034	Gastritis	Flavone Derivative	Under Phase 3 (KR)
		Dry Eye		Under Phase 2 (KR)
DA - 8031	Premature Ejaculation	PDE-5 Inhibitor	Under Phase 2 (KR)	
DA - 6886	Irritable Bowel Syndrome	5-HT ₄ Agonist Exasperation	Under Phase 1 (KR)	

R&D Pipeline – Phyto & Bio-medicine

TYPE	CODE NAME	MAJOR INDICATION	DESCRIPTION	STAGE
Phyto	DA-9801	Diabetic Neuropathy	Herbal Extracts	Under Phase 2 (KR)
	DA-3801	Infertility (Ovulation Induction)	Recombinant FSH	Under Phase 3 (KR)
	DA-3803	Infertility	Recombinant hCG	Under Phase 3 (KR)
	DA-3030	Diabetic Neuropathy	G-CSF	Phase 3 planned (KR)
	DA-3031	Neutropenia	PEGylated-G-CSF	Under Phase 3 (KR)
	DA-3051	Multiple Sclerosis	Interferon- β	Phase 3 planned (Brazil)
	DA-3002	Idiopathic Short Stature	Human Growth Hormone	Under Phase 3 (KR)
	DA-3091	Type 2 Diabetes	Long-acting Exenatide	Under Phase 1 (KR)
	DA-3607	Brain Tumor	TRAIL	Under Phase 1 (KR)

R&D Pipeline – Other Bio-medicine

R&D on Bio at Beginning Stage

- Biosimilar/better - DA-3811 (Gaucher Disease, Cerezyme Biosimilar)
DA-3808 (Hemophilia A, Advate Biosimilar)
DA-3880 (Anemia of Chronic Renal Failure, Aranesp Biosimilar)
- Antibody - DA-3111 (her2 Positive Breast Cancer, Herceptin Biosimilar)

R&D Roadmap

Bio

2013~2014	2015~2016	2017~
<p>DA-3801 (rhFSH) - Anovulation</p>	<p>DA-3091* (PEGylated Exenatide) - Diabetes</p>	<p>DA-3808 (Factor VIII) - Hemophilia</p>
<p>DA-3803 (rhCG) - Infertility</p>	<p>DA-3051** (Interferon β) - Multiple Sclerosis (Brazil)</p>	<p>DA-3131 (Antibody) - Cancer</p>
<p>DA-3031* (PEG-GCSF) - Neutropenia</p>	<p>DA-3607 (TRAIL) - Brain Tumor</p>	<p>DA -3111 (Herceptin) -Breast Cancer</p>
	<p>DA-3880 (EPO) - Anemia of Chronic Renal Failure</p>	<p>DA-3151 (Antibody) - Cancer</p>

Protein/Antibody

***Biobetter**

****Overseas**

R&D Roadmap

Chemical/Phyto

2013~2014	2015~2016	2017~
	DA-8159** - BPH (US, JP)	
DA-8159** - ED (US)	DA-6034 - Dry Eye	
DA-7218** -MRSA (US)	DA-1229 - Diabetes	DA-8159** - PAH (EU)
DA-6034 - Gastritis	DA-8031 - Premature Ejaculation	
	DA-9801 - Diabetic Neuropathy	

APPENDIX

Condensed Statements of Financial Position (Separate)

[KRW bil.]

	1Q '11	2Q '11	3Q '11	4Q '11	1Q '12
Total Assets	1,137.8	1,150.7	1,195.0	1,236.8	1,268.1
Current Assets	403.4	416.1	458.9	466.2	496.7
Cash	146.8	144.1	188.3	154.6	178.6
Receivables	131.9	140.1	144.8	143.6	141.7
Inventories	118.5	115.6	109.7	120.4	127.9
Fixed Assets	734.4	734.6	736.1	770.6	771.3
Total Liabilities	431.3	422.2	445.0	504.4	546.3
Current Liabilities	254.4	258.2	280.4	365.2	412.5
Fixed liabilities	176.9	164.0	164.6	139.1	133.8
Total Equity	706.5	728.5	750.0	732.4	721.8
Liability to Equity Ratio	61.0%	58.0%	59.3%	68.9%	75.7%
Debt to Equity Ratio	34.7%	33.0%	32.0%	38.0%	44.9%
Net Debt to Equity Ratio	13.9%	13.2%	6.9%	16.9%	20.2%

Condensed Statements of Income (Separate)

[KRW bil.]

	1Q '11	2Q '11	3Q '11	4Q '11	2011	1Q '12
Sales	210.2	224.5	241.9	230.7	907.3	218.6
CoGS	82.3	93.0	113.7	114.2	403.3	106.9
Gross Profit	128.0	131.5	128.2	116.4	504.0	111.7
SG&A	99.9	104.1	98.8	102.4	405.2	97.6
Other Income	3.6	3.4	1.0	2.3	10.2	2.8
Other Loss	1.3	0.9	2.1	9.7	14.0	0.8
Operating Profit	30.3	29.8	28.2	6.6	95.0	16.2
Finance Income	1.9	1.0	2.1	1.6	6.6	8.1
Finance Costs	4.1	4.1	3.4	3.5	15.1	4.5
EBT	28.2	26.7	26.9	4.8	86.5	19.7
Net Profit	20.4	21.0	21.3	-2.0	60.7	16.4

GP Margin	60.9%	58.6%	53.0%	50.5%	55.6%	51.1%
OP Margin	14.4%	13.3%	11.7%	2.9%	10.5%	7.4%
EBT Margin	13.4%	11.9%	11.1%	2.1%	9.5%	9.0%
NP Margin	9.7%	9.4%	8.8%	-0.9%	6.7%	7.5%

Performance by Division

[KRW bil.]

Division	1Q '11	2Q '11	3Q '11	4Q '11	2011	1Q '12
ETC Total	114.5	120.9	135.9	125.1	496.5	107.7
OTC Total	51.9	62.2	70.7	68.0	252.9	66.0
Bacchus	26.6	38.7	46.7	38.2	150.1	32.7
Other OTC	25.3	23.5	24.0	29.8	102.7	33.3
Medical Total	25.2	23.5	17.8	18.0	84.5	20.6
Medical Equipment	12.9	12.3	10.0	10.7	45.9	11.0
Diagnostic	12.3	11.3	7.8	7.3	38.7	9.5
Export	12.3	13.4	13.8	14.2	53.6	21.6

Major Products Sales (ETC)

[KRW bil.]

Products	1Q '11	2Q '11	3Q '11	4Q '11	2011	1Q '12
Stillen	22.1	21.9	21.0	23.2	88.1	21.0
Lipinon	11.5	11.7	11.3	11.5	45.9	7.5
Plavitor	10.5	11.7	10.5	11.4	44.1	8.1
Opalmon	8.8	9.7	9.7	8.7	37.0	6.1
Orodipine	6.8	7.0	6.1	6.3	26.3	4.9
Growtropin	4.8	4.8	6.0	5.4	21.0	5.6
Zydena	4.8	5.0	5.1	5.2	20.2	5.0
Talion	4.1	5.1	5.2	5.5	20.0	5.6
Cozartan	4.8	5.1	4.3	4.4	18.7	2.7
Gaster	4.6	4.6	4.9	4.3	18.3	3.3
Glimel	3.8	3.9	4.1	3.7	15.4	2.6
Nicetile	3.3	3.7	3.6	2.9	13.5	1.9
Onon	2.9	3.1	2.4	3.1	11.5	1.7
Acrofen	2.8	2.9	3.0	2.3	11.0	1.8

Major Products Sales (OTC)

[KRW bil.]

Products	1Q '11	2Q '11	3Q '11	4Q '11	2011	1Q '12
Bacchus	26.6	38.7	46.7	38.2	150.1	32.7
Panpyrin	6.9	4.7	4.5	6.3	22.3	7.3
Bigen	3.7	3.7	4.0	3.5	14.9	3.7
Garglin	3.4	3.2	3.1	3.4	13.1	5.3
Morning Care	2.8	2.7	2.4	3.2	11.1	2.8

Thank you