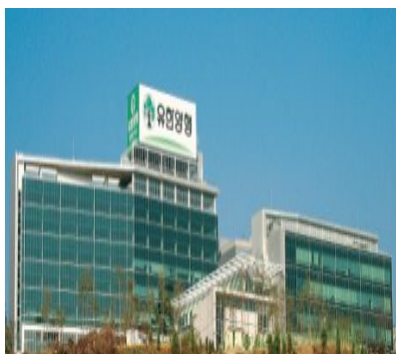




**2013 1Q**

This report is prepared to give investors a better understanding of Yuhan Corporation. Data in this report subject to change.



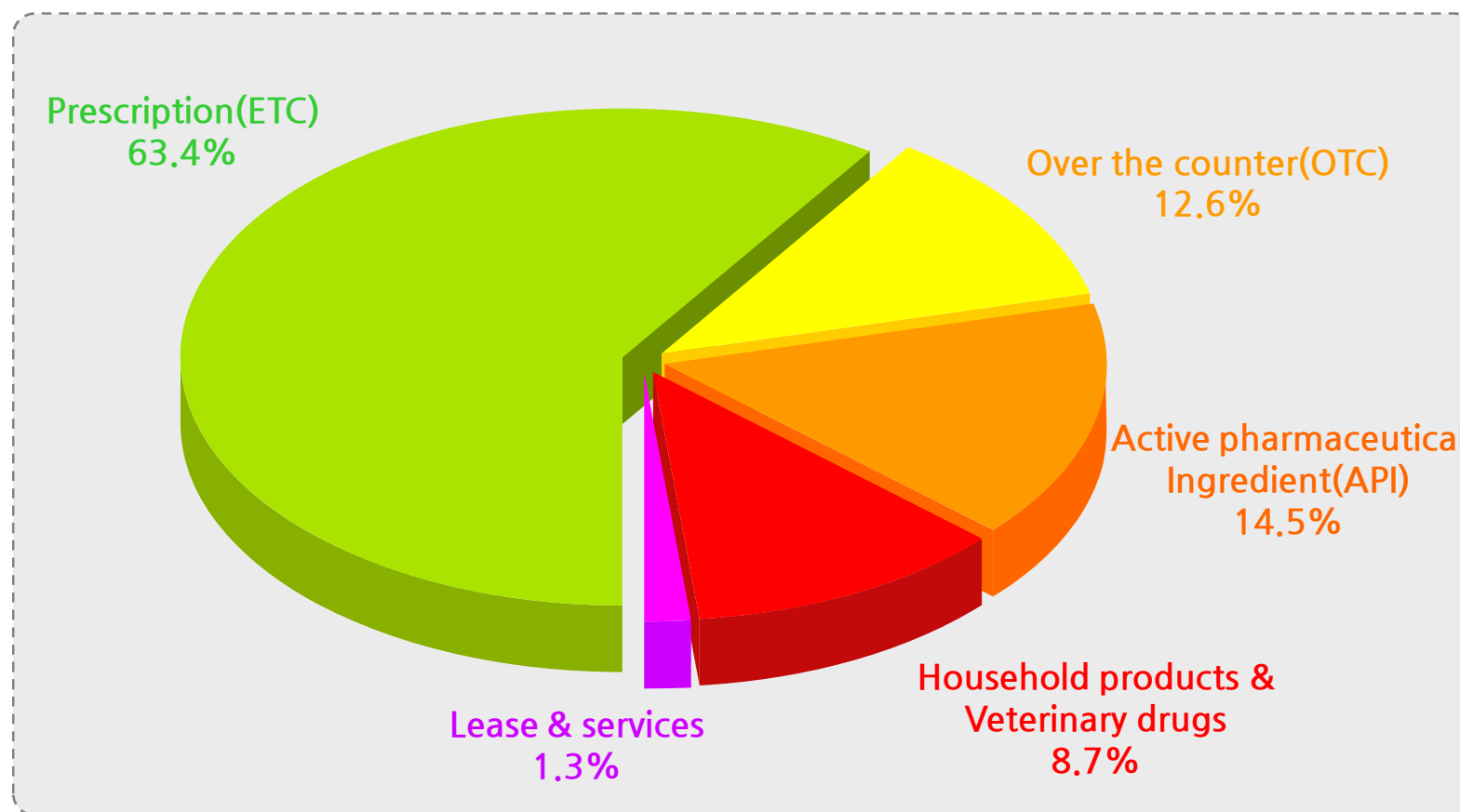
## Global Leading Healthcare Company

Company profile	
Founded	1926. 6. 20
IPO	1962. 11. 1
Founder	Il Han New
Major shareholder	Yuhan Foundation (15.4%)
Number of Employees	1,519 (R&D 300, F/M 700)
Headquarters	49-6 Daebang Dongjak Seoul
Plant	Ochang Chungwon Choongbuk
Research lab	Kiheung Yongin Gyeonggi
Branches	18 branches nationwide
website	<a href="http://www.yuhan.co.kr/Eng-Main.asp">http://www.yuhan.co.kr/Eng-Main.asp</a>

(the end of 2012)		
Major Shareholders	Shares	%
Yuhan Foundation	1,717,623	15.40%
National Pension	1,102,836	9.89%
Yuhan School Foundation	844,663	7.57%
Treasury Stock	833,002	7.47%
Mattews Fund	652,774	5.85%
Mirae Asset	560,586	5.03%
Yonsei University	414,900	3.72%
Other	5,026,162	45.07%
<b>TOTAL</b>	<b>11,152,546</b>	<b>100.00%</b>
Foreign Investors	2,947,164	26.43%



2013 Sales(P) : 920 Wbn



# Sales Overview

(Wmn)

Divisions		2011	2012			2013		
		Amount	Amount	%	Chg(%)	Amount	%	Chg(%)
Pharmaceutical	Over the counter	93,687	98,557	12.9	5.2	111,000	12.1	12.6
	Prescription	401,097	459,727	60.3	14.6	583,700	63.4	27.0
	Total	494,784	558,284	73.2	12.8	694,700	75.5	24.4
Household products & veterinary drugs		71,808	73,165	9.6	1.9	80,000	8.7	9.3
API (Active Pharmaceutical Ingredient)	Abroad	69,158	96,076	12.6	38.9	110,000	12.0	14.5
	Domestic	20,012	23,507	3.1	17.5	23,500	2.6	0.0
	Total	89,170	119,583	15.7	34.1	133,500	14.5	11.6
Other (leases, services)		11,890	11,761	1.5	-1.1	11,800	1.3	0.3
Net sales		667,652	762,793	100.0	14.3	920,000	100.0	20.6
Operating profit		52,567	30,405	4.0	-42.2			
Income Before Taxes		93,054	93,046	12.2	0.0			
Net income		83,103	69,573	9.1	-16.3			

# 2013 Quarterly Results

(Wmn)

Division		'13 1Q	Change	'12 1Q	'13 2Q	Change	'12 2Q	'13 3Q	Change	'12 3Q	'13 4Q	Change	'12 4Q
Pharmaceutical	OTC (Over the counter)	23,278	4.4%	22,304			27,146			24,102			25,005
	ETC (Prescription)	139,163	42.0%	97,978			120,199			116,327			125,223
	Total	162,441	35.1%	120,282			147,345			140,429			150,228
Household product & Veterinary drugs		17,124	-4.1%	17,854			17,843			20,675			16,793
API (Active Pharmaceutical Ingredient)	Abroad	28,862	70.8%	16,903			26,726			31,858			20,589
	Domestic	3,973	-52.8%	8,424			6,502			4,706			3,875
	Total	32,835	29.6%	25,327			33,228			36,564			24,464
Lease/Services		3,154	2.2%	3,085			2,934			3,248			2,494
<b>Sales</b>		<b>215,554</b>	<b>29.4%</b>	<b>166,548</b>			<b>201,350</b>			<b>200,916</b>			<b>193,979</b>
Operating Profit		12,080	19.1%	10,139			9,280			3,117			7,871
Dividend Income		19,410	-4.9%	20,401									18,000
Income before Taxes		35,886	11.2%	32,281			9,160			17,216			34,389
Net Income		28,557	5.8%	27,002			2,564			11,975			28,033

•Dividend Income(Net Income) : '13 1Q (Y-K 18,000 + J-K 1,410) / '12 1Q (Y-K 15,000 + J-K 5,400) ,4Q(Y-K 18,000)



# 2013 Key Product Results

## (1) Pharmaceutical

(Unit: Wbn)

Product	OTC(Over The Counter)		
	2013 1Q	Change	2012 4Q
Beecom C,F	3.2	15.5%	2.8
Mercilon	2.8	30.5%	2.1
Antiphlamine	2.2	4.3%	2.1
Vitamin C	2.1	131.9%	0.9
Cereston G	1.4	65.1%	0.9
Zyrtec	1.0	-38.0%	1.6
Bio-oil	0.9	82.6%	0.5
Hair Dye	0.8	9.6%	0.8
Contac Gold	0.6	-46.3%	1.1
Rapicol	0.4	-19.6%	0.4

Product	ETC(Prescription)		
	2013 1Q	Change	2012 4Q
Twynsta	18.3	22.6%	14.9
Trajenta	11.1	48.4%	7.5
Viread	8.6	125.1%	3.8
Atorva	8.2	9.0%	7.5
Cough Syrup	6.5	21.2%	5.3
Meropen	4.8	17.4%	4.1
Prevenar13	3.6	-33.4%	5.4
Almagel	3.3	14.8%	2.9
Ambisom	2.8	16.8%	2.4
Anplag	2.7	9.9%	2.4

## (2) Household Products

(Unit: Wbn)

Product	2013 1Q	Change	2012 4Q
YuhanRox	10.7	-2.4%	11.0
Arm&hammer	3.2	23.2%	2.6

## (3) API

(Unit: Wbn)

Product	2013 1Q	Change	2012 4Q
FTC(HIV)	0.7	-88.3%	5.9
PMH(antibiotics)	3.0	-18.8%	3.6
COM(HIV)	16.3		

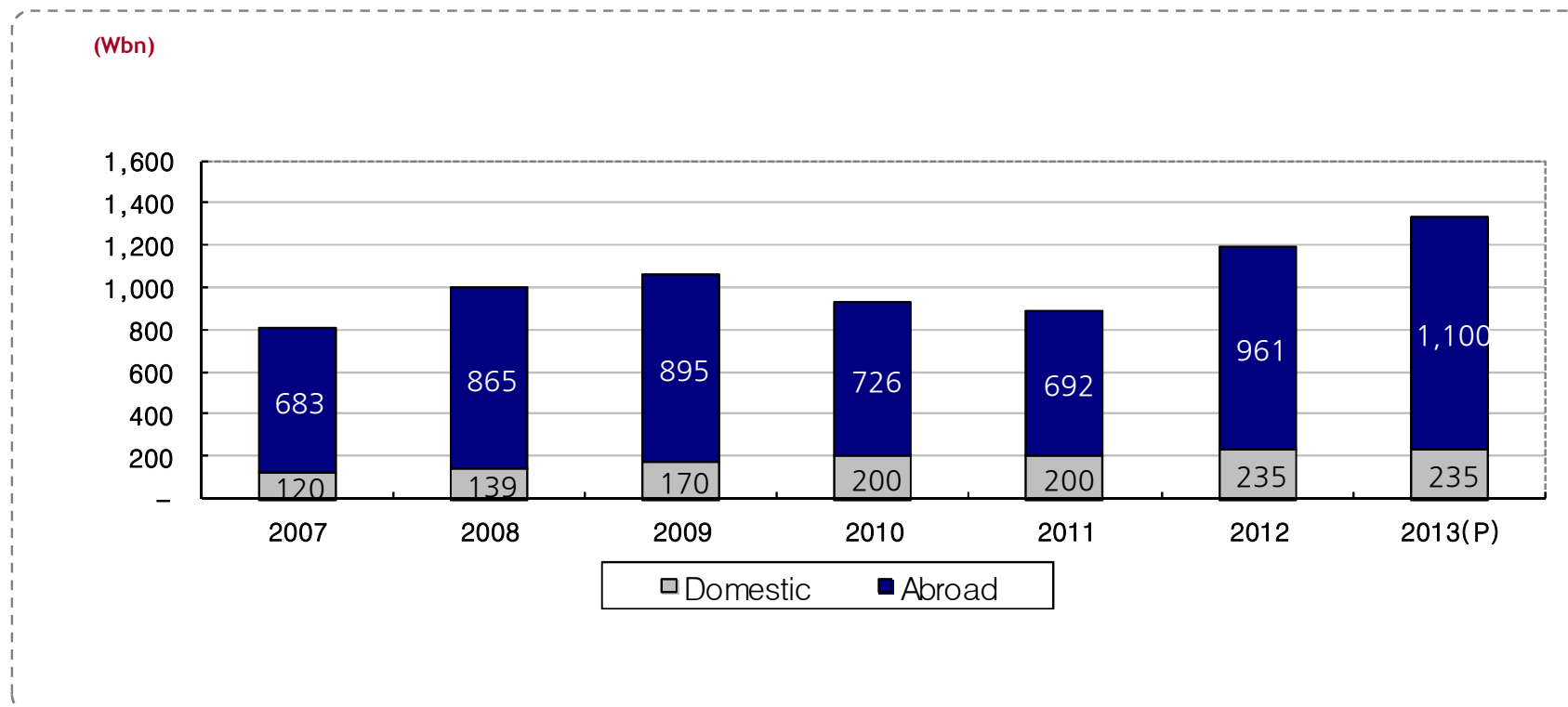


# Recently Licensed Products

(Wbn)

Division	Product Name	Therapeutic Class	Developer	Release Date	2013 Sales goal
Prescription	TWYNSTA	Hypertension	Boehringer-Ingelheim	Nov/10	250
	HUMULIN	Diabetes	Lilly Korea	Jan/12	
	TRUVADA	HIV	Gilead Sciences	Feb/12	
	TRAJENTA	Diabetes	Boehringer-Ingelheim	Jun/12	
	PREVENAR13	Pneumococcus Vaccine	Pfizer Korea	Jun/12	
	MICARDIS	Hypertension	Boehringer-Ingelheim	Jun/12	
	VIREAD	Hepatitis B	Gilead Sciences	Dec/12	
	PRADAXA	Anti-coagulation	Boehringer-Ingelheim	Jan/13	

TYPE	INDICATION	CLINICAL TRIAL			
		Pre-Clinical	Phase 1	Phase 2	Phase 3
Modified Generic	Thrombotic	<div></div>			
	"REVANEX" Complex	<div></div>			
	Hypertention+Cholesterol	<div></div>			
	Diabetic	<div></div>			
	Pain	<div></div>			
New Bio Entity	Degenerative Disc	<div></div>			
	Degenerative Rheunmatic Arthritis	<div></div>			
	Rheumatic Arthritis	<div></div>			
New Chemical Entity	Acid Pump Antagonist	<div></div>			
	Diabetic	<div></div>			
	Irritable Bowel Syndrome	<div></div>			
	Cancer	<div></div>			
	Arteriosclerosis	<div></div>			
Natural Substance	Erectile Dysfunction	<div></div>			
	Asthma	<div></div>			
	Periodontitis	<div></div>			



- \* Main item : API for NRTI HIV (US), Penicillin(US), Antidiabetic ( Japan)
- \* API : active pharmaceutical ingredient

1. Strategy : - Participate in the early stage of new drug development with the global pharmaceutical companies  
- Assure long-term supply and margin as a major vendor of the originators

2. Diagram



NRTI HIV : Supplied KRW 50 billion to US MNC in 2008, strong volume growth to continue

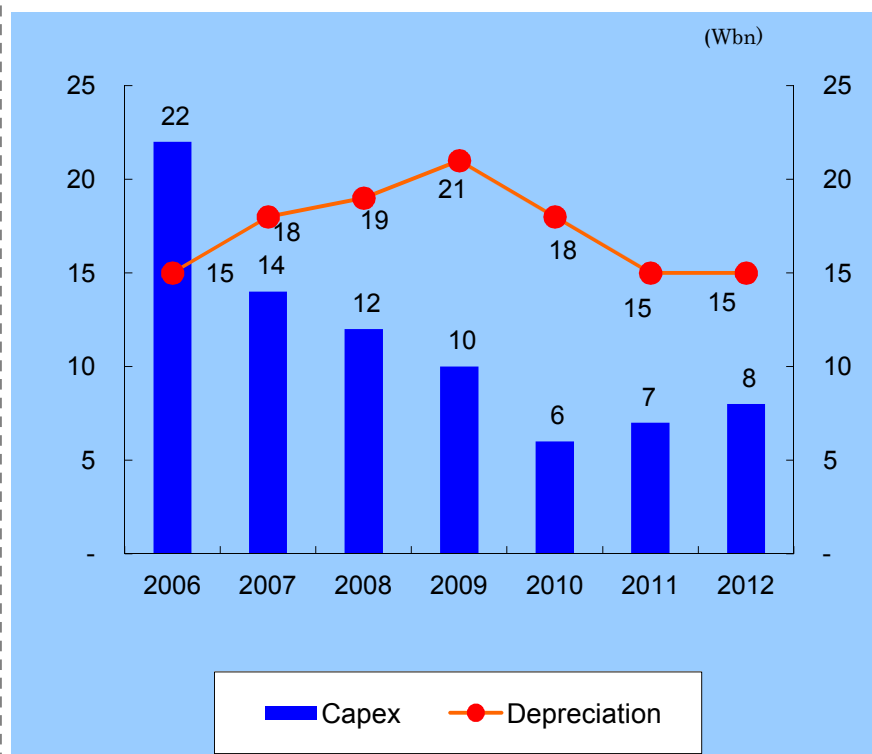
Antibiotic : Supplied KRW20bn to US MNC in 2008

Contracted to supply KRW 140 billion from 2007 to 2013

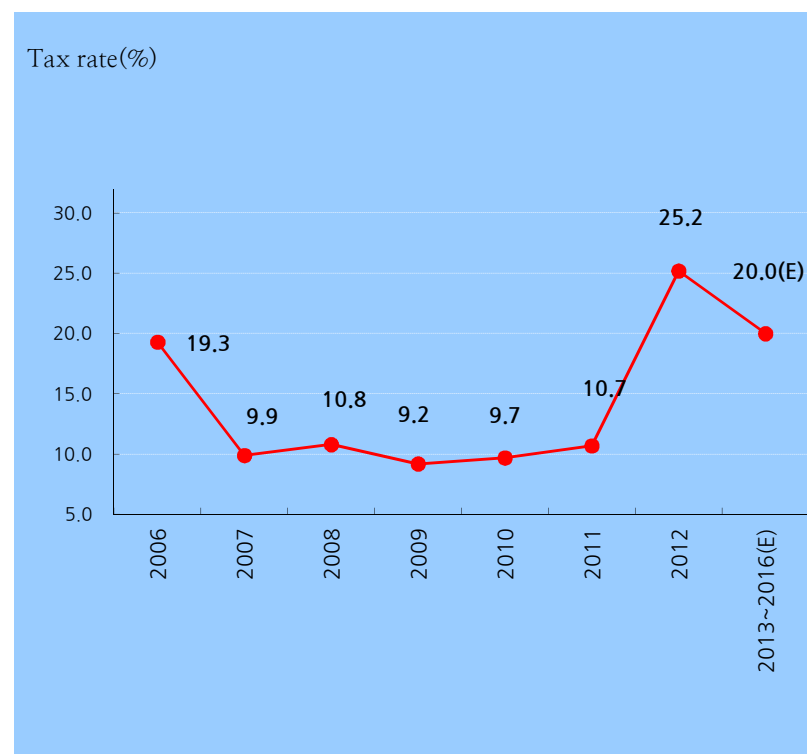
\* MNC : Multi-National Company

3. New contracts are currently under negotiations

## Capex outlook (New plant completed in May 2006)



## Tax benefit from facility transfer





### Yuhan-Kimberly

A joint venture with Kimberly-Clark, world's leading household and personal care producer, producing Kleenex, Poppe, Kotex, White and Huggies brands for domestic market and export



### Yuhan Clorox

A joint venture with the Clorox International dedicated to developing reliable and high quality cleaning products producing Yuhanrox Fresh, Yuhanrox and Punclean



### Yuhan Chemicals

Yuhan's comprehensive synthetic plant produces a wide range of products, API's, chemical specialties, pharmaceutical intermediates, from small volume to large scale commercial production. The plants are designed in compliance with cGMP guidelines for producing antibiotic and anti-HIV products and more.



### Yuhan Medica

Producing more than 10 therapeutic drugs products including Zentel and Tagamet, and expanding business in traditional food market.



### Janssen Korea

A joint venture with Jassen Pharmaceutical of Belgium concentrating on new product development with a GMP pharmaceutical plant producing gastroprokinetics, anti-fungals, etc.

# Financial Summary

## ① Business Result

(Wbn)

		Yuhan Kimberly	Yuhan Chemical	Yuhan Medica	Yuhan Clorox	Janssen Korea
Net Sales	2011	1,304.1	58.1	13.1	33.0	223.4
	2012	1,412.8	77.7	14.2	34.0	204.0
	YoY %	8.3%	33.7%	8.4%	3.0%	-8.7%
	2013 1Q	360.8	20.9	3.2	7.7	48.5
	YoY %	-0.1%	23.6%	-11.3%	2.2%	-10.1%
Operating Profit	2011	135.3	1.0	- 0.2	4.0	35.0
	O.P %	10.4%	1.7%	-1.5%	12.1%	15.7%
	2012	165.7	3.6	1.0	5.7	6.7
	O.P %	11.7%	4.6%	7.0%	16.8%	3.3%
	2013 1Q	40.1	1.5	0.2	0.5	1.9
Net Income	O.P %	11.1%	7.1%	5.4%	7.1%	3.9%
	YoY %	-11.3%		-42.9%	70.1%	-65.7%
	2011	111.9	1.2	-1.6	3.5	25.1
	N.I %	8.6%	2.1%	-12.2%	10.6%	11.2%
	2012	137.2	2.6	0.4	5.1	4.3
	N.I %	9.7%	3.3%	2.8%	15.0%	2.1%
	2013 1Q	33.6	1.5	0.1	0.5	0.8
	N.I %	9.3%	6.9%	2.6%	7.1%	1.8%
	YoY %	-11.4%		-53.6%	62.3%	-79.6%
Yuhan's shares		30.0%	100.0%	100.0%	50.0%	30.0%

## ② Dividend income & equity method gain

(Wbn)

	2013 1Q		2012 1Q	
	Dividend Income	Equity method	Dividend Income	Equity method
Yuhan Kimberly	18.0	11.1	15.0	13.1
Yuhan Clorox		0.3		0.1
Janssen Korea	1.4	0.3	5.4	1.4
Total	19.4	11.8	20.4	14.6



# Appendix 1 : Statement of Financial position

(Unit: KRW, Million)

Item	2012.12.31 (K-IFRS)	2011.12.31 (K-IFRS)	2010.12.31 (K-IFRS)
1. Current assets	604,125	546,646	558,016
(1) Cash and Bank Deposits	336,822	295,322	326,489
(2) Trade Receivables	154,853	157,017	138,476
(3) Inventories	92,886	81,571	80,147
(4) Other current assets	19,564	12,736	12,904
2. Non-current assets	740,741	714,467	696,475
(1) Investment Securities	146,568	118,145	102,184
(2) Equity-Method Company's stocks	309,870	314,370	309,870
(3) Tangible assets	267,848	266,304	270,333
(4) Intangible assets	8,405	9,240	6,961
(5) Other non-current assets	8,050	6,409	7,127
<b>Assets</b>	<b>1,344,865</b>	<b>1,261,113</b>	<b>1,254,490</b>
1. Trade Payables	79,965	69,292	66,275
2. Other current liabilities	70,494	53,695	60,455
3. Non-current liabilities	41,539	50,187	49,811
<b>Liabilities</b>	<b>191,998</b>	<b>173,174</b>	<b>176,542</b>
1. Capital stock	56,944	56,944	54,313
2. Retained earnings	1,008,493	952,226	880,313
3. Other Capital surplus	87,431	78,769	143,323
<b>Shareholders' Equity</b>	<b>1,152,868</b>	<b>1,087,939</b>	<b>1,077,949</b>

## Appendix 2 : Income Statement

(Unit: KRW, Million)

Item	2012 (K-IFRS)			2011 (K-IFRS)			2010 (K-GAP)	
	Amount	%	Change	Amount	%	Change	Amount	%
<b>1. Net sales</b>	<b>762,793</b>	<b>100.0%</b>	<b>14.3%</b>	<b>667,652</b>	<b>100.0%</b>	<b>2.8%</b>	<b>649,324</b>	<b>100.0%</b>
2. Cost of sales	525,516	68.9%	25.4%	418,977	62.8%	9.7%	381,884	58.8%
3. Gross profit	237,277	31.1%	-4.6%	248,676	37.2%	-7.0%	267,440	41.2%
4. Selling and administrative expenses	206,872	27.1%	5.5%	196,109	29.4%	6.9%	183,471	28.3%
<b>5. Operating profit</b>	<b>30,405</b>	<b>4.0%</b>	<b>-42.2%</b>	<b>52,567</b>	<b>7.9%</b>	<b>-37.4%</b>	<b>83,969</b>	<b>12.9%</b>
6. Others profit	24,241	3.2%	178.8%	8,694	1.3%	-58.9%	21,137	3.3%
7. Others expenses	15,606	2.0%	29.4%	12,058	1.8%	-7.5%	13,040	2.0%
8. Financial income	54,140	7.1%	23.1%	43,968	6.6%	-27.7%	60,810	9.4%
9. Financial expenses	133	0.0%	14.6%	116	0.0%	-95.8%	2,805	0.4%
10. Income before taxes	93,046	12.2%	0.0%	93,054	13.9%	-38.0%	150,071	23.1%
11. Income taxes expense	23,472	3.1%	135.9%	9,951	1.5%	-36.8%	15,749	2.4%
<b>12. Net income</b>	<b>69,573</b>	<b>9.1%</b>	<b>-16.3%</b>	<b>83,103</b>	<b>12.4%</b>	<b>-38.1%</b>	<b>134,322</b>	<b>20.7%</b>