



UNITED-GUARDIAN, INC.

Corporate Divisions and Subsidiaries

GUARDIAN LABORATORIES

EASTERN CHEMICAL

Corporate Headquarters:

230 MARCUS BLVD.

HAUPPAUGE, NY 11788

Mailing Address:

P.O. BOX 18050

HAUPPAUGE, NY 11788

TEL: (631) 273-0900

FAX: (631) 273-0858

E-MAIL: pgc@u-g.com

PRESS RELEASE

FOR IMMEDIATE RELEASE

RECORD SALES AND EARNINGS REPORTED BY UNITED-GUARDIAN

Hauppauge, NY, March 12, 2004 --- United-Guardian, Inc., (AMEX:UG) reported today that revenue and earnings both reached record levels for the fiscal year ended December 31, 2003. After-tax earnings increased 74% from \$1,421,505 (\$.29 per share) in 2002 to \$2,471,154 (\$.50 per share) in 2003, and revenue for 2003 increased 23% from \$9,091,416 in 2002 to \$11,157,423 in 2003. As a result of the dramatic increase in earnings, the company increased its annual dividend from \$.10 a share to \$.15 a share this past December.

Ken Globus, President of United, stated "We are very excited to have reached these record sales and earnings levels at a time when many companies are still struggling, and are even more pleased to be able to share our increased profitability with our stockholders by increasing our cash dividend by 50% this year. Our income before taxes almost doubled this year from \$2,083,846 to \$3,810,911. Much of our sales growth has come from increased sales of our personal care product lines, and much of that increase was a result of our further expansion into foreign markets. We are continuing to strengthen and nurture our marketing partnerships, and expect to continue to expand our market share by steadily introducing new and exciting products into the marketplace both here and abroad".

United-Guardian is a manufacturer of cosmetic ingredients, personal and health care products, pharmaceuticals, and specialty industrial products.

Contact: Robert S. Rubinger
(631) 273-0900

NOTE: This press release contains both historical and "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements about the company's expectations or beliefs concerning future events, such as financial performance, business prospects, and similar matters, are being made in reliance upon the "safe harbor" provisions of that Act. Such statements are subject to a variety of factors that could cause Registrant's actual results or performance to differ materially from the anticipated results or performance expressed or implied by such forward-looking statements. For further information about the risks and uncertainties that may affect the company's business please refer to the company's reports and filings with the Securities and Exchange Commission.

**RESULTS FOR THE YEARS ENDED
DECEMBER 31, 2003 AND DECEMBER 31, 2002**

<u>INCOME STATEMENT</u>	<u>FOR THE YEAR ENDED</u>	
	<u>DECEMBER 31</u>	<u>DECEMBER 31</u>
	<u>2003</u>	<u>2002</u>
Revenue	\$ 11,157,423	\$ 9,091,416
Costs and expenses	<u>7,515,856</u>	<u>7,199,667</u>
Income From Operations	3,641,567	1,891,749
Other income - Net	<u>169,344</u>	<u>192,097</u>
Income before income taxes	3,810,911	2,083,846
Provision for Income Taxes	<u>1,339,757</u>	<u>662,341</u>
NET INCOME	\$ <u>2,471,154</u>	\$ <u>1,421,505</u>
EARNINGS PER SHARE (Basic and Diluted)	\$ <u>.50</u>	\$ <u>.29</u>

BALANCE SHEET

Current Assets	\$ 12,997,928	\$ 10,600,754
Property, Plant & Equipment (less accumulated depreciation)	1,026,251	1,105,570
Other Assets	<u>765</u>	<u>1,156</u>
TOTAL ASSETS	\$ <u>14,024,944</u>	\$ <u>11,707,480</u>
Current Liabilities	\$ 1,398,426	\$ 1,022,389
Deferred Income Taxes	<u>10,000</u>	<u>10,000</u>
TOTAL LIABILITIES	<u>1,408,426</u>	<u>1,032,389</u>
TOTAL STOCKHOLDERS' EQUITY	<u>12,616,518</u>	<u>10,675,091</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$14,024,944</u>	<u>\$11,707,480</u>