



# 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](mailto:pgc@u-g.com)

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

## UNITED-GUARDIAN REPORTS RECORD YEAR-END EARNINGS

Hauppauge, NY, March 28, 2007 --- United-Guardian, Inc., (AMEX:UG) reported today that fiscal 2006 was yet another record year for the company, with after-tax earnings increasing by almost 5% from \$2,617,483 (\$0.53 per share) in 2005 to \$2,737,232 (\$0.55 per share) in 2006. Sales were also up slightly from \$12,134,996 to \$12,195,672.

Ken Globus, President of United-Guardian, stated "We are pleased to report that we have had another record year, both in sales and earnings. Much of the increase this year was attributable to increased sales of our Lubrajel® products for medical use, which is a market we have been looking to expand further. Based on the very strong start to this year, we are expecting Lubrajel sales to continue to increase, supplemented by some new sales that we expect to see as a result of our work with a company pursuing new markets for Cloronine™, one of our disinfectants. We are anticipating that 2007 will be another strong year if sales-to-date are any indication".

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, 2006 AND DECEMBER 31, 2005**

<b><u>INCOME STATEMENT DATA</u></b>	<b><u>YEAR ENDED</u></b>	
	<b><u>DECEMBER 31,</u></b> <b><u>2006</u></b>	<b><u>DECEMBER 31,</u></b> <b><u>2005</u></b>
Revenue	\$12,195,672	\$12,134,996
Costs and expenses	<u>8,470,962</u>	<u>8,283,181</u>
Income from operations	3,724,710	3,851,815
Other income – Net	<u>412,461</u>	<u>237,459</u>
Income before income taxes	4,137,171	4,089,274
Provision for Income Taxes	<u>1,399,939</u>	<u>1,471,791</u>
NET INCOME	<u>\$ 2,737,232</u>	<u>\$ 2,617,483</u>
EARNINGS PER SHARE (Basic and Diluted)	<u>\$ .55</u>	<u>\$ .53</u>

<b><u>BALANCE SHEET DATA</u></b>	<b><u>AS OF</u></b>	
	<b><u>DECEMBER 31,</u></b> <b><u>2006</u></b>	<b><u>DECEMBER 31,</u></b> <b><u>2005</u></b>
Current Assets	\$ 14,946,869	\$ 13,965,077
Property, Plant & Equipment (less accumulated depreciation)	848,793	948,480
Other Asset	<u>148,430</u>	<u>108,680</u>
TOTAL ASSETS	<u>\$ 15,944,092</u>	<u>\$ 15,022,237</u>
Current Liabilities	1,963,235	1,683,432
Other liabilities	<u>755,167</u>	<u>59,817</u>
TOTAL LIABILITIES	2,718,402	1,743,249
TOTAL STOCKHOLDERS' EQUITY	<u>13,225,690</u>	<u>13,278,988</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$15,944,092</u>	<u>\$15,022,237</u>