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MEDIA RELEASE

Pharmaniaga Indonesian Unit Continues To Be Strong Growth Contributor

The Pharmaniaga Group recorded total revenue of RM289 million in the third quarter of 2006, an increase of 15% from the preceding quarter. This boosted the Group's cumulative revenue to date to RM791 million, a 14.3% growth compared to the same period last year.

"Our Indonesian subsidiary, PT Millennium Pharmacon Tbk (MPI) has proved to be a sound investment as it continues to be one of our major growth contributors," said Azhar Hussain, Managing Director of Pharmaniaga Berhad.

"MPI sales performance increased by 30.4% through continued strong contribution from its major and new principals. To capitalize on the growth potential of MPI, we will focus on enhancing the efficiency and productivity of its operations through computerization," added Azhar.

Other contributors to the Group's revenue growth in this quarter is a non-recurrent tender sales to the Government hospitals of RM29 million and a 14% increase in the performance of the private sector sales.

The Group's profit before tax (PBT) for the current quarter fared better than the same period last year with an improvement of 21%, following similar growth in revenue. However, the performance of the Group's PBT as at to date contracted by 33% against the same period last year as a result of the effect of margin pressure and also rising borrowing costs and distribution expenses.

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ABOUT PHARMANIAGA BERHAD

Pharmaniaga Berhad, a member of the UEM Group, is an investment holding company listed in the Main Board of Bursa Malaysia. The Pharmaniaga Group's core businesses are generic pharmaceuticals manufacturing, research and development, marketing and sales, warehousing and distribution of pharmaceutical and medical products as well as supply, trading and installation of medical and hospital equipment.

With a vision to be the premier Malaysian pharmaceuticals company, Pharmaniaga is guided by its philosophy of 'doing business with a conscience' and empowered by its mission of **enriching life together**.

Already operating in 38 sites across 3 countries (Malaysia, Indonesia & Vietnam) the Pharmaniaga Group is poised to be a regional player in the international pharmaceuticals arena.

Issued for the Pharmaniaga Group by Corporate Communications Division, Pharmaniaga Berhad