

FOR IMMEDIATE RELEASE

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MEDIA RELEASE

Pharmaniaga improves performance in Q2

- Revenue rose 6.2%
- PBT grew 20.6%

Shah Alam, 21 August 2009 – The Pharmaniaga Group today announced improved revenue for the second quarter 2009 of RM333.2 million, an increase of 6.2% over the RM313.7 million recorded in the first quarter of 2009. This was mainly due to improvements in sales to government hospitals and the sales contribution from Indonesian subsidiary, PT Millennium Pharmacon International Tbk.

Group profit before taxation (PBT) in the second quarter of 2009 grew by 20.6% to reach RM24.3 million, compared with RM20.2 million registered in the first quarter. The main contributors were increased revenue, improved gross profit margin and recognition of a gain on disposal of property, plant and equipment.

For the half-year, the Group's revenue registered a slight decline of 2.4% compared with the same period in 2008, mainly due to the expiry of some tender sales and lower billings of medical equipment sales.

Nevertheless, the decline in revenue was mitigated by the improvements in private sector sales, Indonesian subsidiary sales and international sales.

The Group's Pretax Profit for the first six months of 2009 contracted by 8.1% to RM44.5 million, from RM48.5 million recorded in the same period last year.

“The increase in raw material costs from the second half of last year has caused a contraction of margins, and buyers are rather more conservative in the current economic climate,” commented Pharmaniaga Berhad Managing Director, Mohamad Abdullah.

“The Group has intensified its focus on securing further improvements in operational efficiency and cost containment. Implementation of these measures will help mitigate the effects of the challenging economic environment. In addition to these efforts, the Group will continuously review its business model, enhance its capabilities and invest in areas that provide value to customers,” Mohamad added.

“The Group remains cautiously optimistic about results in the second half of the year”, he concluded.

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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 global player in the international pharmaceuticals arena.

“Issued for the Pharmaniaga Group by Corporate Communications Division, Pharmaniaga Berhad. For enquiries, please contact Akmal Baqi Mohamed Ariff at 03 3344 5637 or 012 6658704 or by email akmalariff@pharmaniaga.uemnet.com