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MEDIA RELEASE

**PHARMANIAGA NINE MONTHS REVENUE SOARS
28.6% TO RM599.2 MILLION**

In announcing its results for the nine months ended 30 September 2004 today, Pharmaniaga reported an increase in revenue by 28.6% to RM599.2 million from RM466.0 million in the corresponding period last year. Its pre-tax profit improved by 23.5% to RM59.5 million against RM48.2 million previously, pushing earnings per share up to 37.1 sen from 31.2 sen. This is the best quarterly performance for the Group in both revenue and net earnings since the listing in November 1999. Turnover and pre-tax profit for the quarter grew by 28.4% and 38% to RM229.3 million and RM22.6 million respectively, compared to the second quarter this year.

Pharmaniaga said that the improved group financial performance has been driven by strong growth in generally all of the market segments. Non-concession government and private sector sales which contributed to 15.3% of the Group turnover, grew very strongly at 33.8% compared to the same period last year. Export sales had more than doubled especially as the Group completed about 75% of the RM38.4 million contracts to supply pharmaceuticals and medical equipment to the Middle East. Contribution from export sales to the Group turnover has now increased to 3.2% compared to 1% for the whole of 2003.

Concession sales continued to grow in tandem with the Company's expectation, despite the slight slowdown during the first half of this year.

Return on total gross assets was higher at 21.9% compared to 20.6% as at 31 December 2003. The capital position continues to remain strong with the Group

shareholders' funds growing by 10.7% to close at RM255.4 million at the end of the third quarter.

On the current year's prospects, Pharmaniaga is optimistic that the results for year 2004 will continue to improve and will continue to seek further improvement in operational efficiency and business expansion opportunities to strengthen its position in the market place.

Pharmaniaga paid an interim tax-exempt dividend of 4.5 sen per share on 19 October 2004.

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ABOUT PHARMANIAGA BERHAD

Pharmaniaga Berhad is Malaysia's leading pharmaceuticals group and a member of the UEM Group. The company is driven by its core businesses in generic pharmaceuticals R&D and manufacturing, warehousing and distribution of pharmaceutical and medical products, sales & marketing, as well as hospital equipping provision of turnkey contract services. Pharmaniaga has also created a niche in healthcare IT solutions which forms the backbone of its operations.