

FOR IMMEDIATE RELEASE

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MEDIA RELEASE**Pharmaniaga sees improvement**

- Q2 Revenue up by 10.3%
- Q2 Pretax Profit up by 63.7%

Shah Alam, 11 August 2010 – The Pharmaniaga Group today announced its results for the first six months of 2010. Revenues were 3.2% ahead of the same period last year at RM667.9 million, but profit before tax was down by 26.3% at RM32.8 million. Performance for the second quarter of 2010 however, showed a marked improvement over the first quarter with revenues ahead by 10.3% at RM317.6 million, and a 63.7% jump in profit before tax at RM 20.3 million.

Commenting on the results, Managing Director, Mohammad Abdullah said: “I am very encouraged by these numbers we have achieved. Production throughput is better compared to first quarter this year. Improved internal efficiencies and productivity are essential if we are to mitigate the impact of rises in selling, distribution and personnel costs. The gains we have made in all these areas are now showing through and will help us sustain this momentum for the rest of the year.”

For the second quarter of 2010, the Group's revenues of RM350.3 million were 5.1% higher than the RM333.2 million registered in the same quarter last year. However, despite the increase in revenue, the Group's profit before taxation declined by 16.5% to RM20.3 million, from RM24.3 million in the same quarter last year. Apart from lower operating costs, results in the previous corresponding quarter benefited from the recognition of a gain on disposal of property, plant and equipment of RM2.3 million.

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ABOUT PHARMANIAGA BERHAD

Pharmaniaga Berhad is an investment holding company listed on 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.
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