

FOR IMMEDIATE RELEASE

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MEDIA RELEASE

Pharmaniaga positive on market growth

Shah Alam, 4 November 2010 – The Pharmaniaga Group today announced its results for Q3 of 2010. Year-to-date revenue improved by 2.6% compared with the same period last year, but profit before tax for the first nine months of the year contracted by 10.6% to RM48.2 million, from RM53.9 million recorded at the same point last year.

The results reflected a lowering of profit margins for private sector sales, coupled with an increase in selling and distribution expenses.

For the third quarter 2010, the Group's revenue was RM334.3 million, 1.3% ahead of the same quarter last year. Profit before tax also expanded by 63.8% to RM15.4 million from RM9.4 million in the same period last year.

The underlying trends are positive, with the effects of improved production throughput becoming evident in better gross profit margins. The Group will continue to focus on improving production, controlling costs efficiently and growing its share of an expanding market to ensure continuous profits in the final quarter of the year. However, the Group is still working through the effects of the significant cost increases experienced at the end of last year, and the possible impact on the full year results for 2010.

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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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