

ASX ANNOUNCEMENT

3 OCTOBER 2002

Australian Pharmaceutical Industries Limited (API), announced today that the acquisition of the Interpacific and Interpharma Australian and New Zealand operations has been completed. The acquisition of the business was effective from 1 October 2002.

In conjunction with the acquisition, API has appointed as directors Mr Fritz Horlacher and Mr Peter Wright, the nominees of Interpacific Holding Limited.

The three businesses acquired are:

- **Zuellig Pharma Limited:** located in New Zealand, Zuellig Pharma is the market leader in pharmaceutical distribution, hospital distribution and retail pharmacy services.
- **PSM Healthcare Limited:** located in New Zealand, PSM is a leading manufacturer of pharmaceutical medicines and consumer toiletries.
- **Halas Dental Limited:** Halas Dental is a market leader in dental products distribution in Australia and New Zealand.

The businesses acquired have a combined annual turnover exceeding A\$600 million.

API have issued 29.3 million shares at \$3.50 a share to the Interpacific Group for the three businesses, plus a cash consideration of A\$11million.

ISSUED FOR : AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED (ASX CODE: API)

FOR FURTHER INFORMATION : MR DAVID YOUNG, MANAGING DIRECTOR, (TEL 61 2 9843 5100) OR MR CHRIS GARDOLL, CHIEF FINANCIAL OFFICER (TEL 61 2 9843 5101) AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED