



ASX ANNOUNCEMENT

11 AUGUST, 2003

AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED ('API')

ON-MARKET SHARE BUY-BACK

API today announced its intention to commence an on-market share buy-back of up to 10% of its issued capital.

The Company intends to buy-back up to a maximum of 19.7 million shares on the market from 25 August, 2003 over a twelve month period, however, reserving the right to terminate the buy-back at anytime.

The on-market buy-back is the result of a review of the Company's capital management strategies subsequent to the sale in April, 2003 of the API Finance loan and lease book and the return of \$132.0 million to the business.

For further information:

Mr David Young, Group Managing Director (Tel. 02 8844 2100)

Mr Chris Gardoll, Chief Financial Officer (Tel. 02 8844 2101)

Mr Peter Robinson, Chairman, (Tel. 02 9232 7166)