



ASX ANNOUNCEMENT

9 September 2003

AUSTRALIAN PHARMACEUTICAL INDUSTRIES LIMITED

Australian Pharmaceutical Industries Ltd (API) has today announced that its Board has taken the decision to voluntarily ask for a suspension of its Therapeutic Goods Administration (TGA) licence to manufacture therapeutic goods at its Kingsgrove, NSW facility for approximately six weeks. This follows a routine audit by the TGA that has identified a number of compliance issues which could not be addressed whilst the facility was operational.

The compliance issues relate to the manufacturing facility and processes, and to testing and validation procedures. Tests conducted by both the TGA and API confirm there are no health risks associated with any of the products and no consumer recall is required.

API is co-operating with the TGA and expects that at the end of a relatively short period the Kingsgrove facility will be fully compliant.

The Kingsgrove facility has been manufacturing a broad range of over-the-counter medicines and toiletries since the early 1950s. This voluntary suspension has no impact on non-therapeutic goods which will continue to be manufactured at Kingsgrove.

The Company will keep customers and employees advised of progress throughout the process.

For further information:

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Mr Chris Gardoll, Company Secretary (Tel. 02 8844 2101)