

FY09 results and Equity raising

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1. Executive summary

API records strong growth & increased profit

Announces \$150m equity raising

Business Foundation Restored

- Australia's leading pharmaceutical wholesaler¹
- One of Australia's leading health and beauty retailers
- Revenue up 9.6% to \$3.5b
- NPAT up 22.3% to \$18.6m
- Improvement in operational performance despite volatile economic climate
- Priceline ClubCard program relaunched and now one of Australia's largest retail loyalty programs
- Revitalise program expected on time and to deliver savings per previous guidance
- Fully franked dividend of 2 cents per share declared (FY08 1cent)

1. By reference to CSO distribution payments

Equity raising



- API is undertaking an equity raising of \$150 million through:
 - 2 for 3 accelerated pro rata non-renounceable entitlement offer raising c.\$112 million
 - Institutional placement raising c.\$38 million
- Fixed offer price of \$0.65 per new share for Entitlement Offer and Placement
- The equity raising is fully underwritten by RBS
- Net proceeds will be used to reduce API's net debt, allow for continued investment in the Priceline brand and provide financial flexibility for future growth
 - Pro forma gearing^{1,2} as at 31 August 2009 reduces from 41% to 21%
 - Pro forma net debt² / EBITDA as at 31 August 2009 reduces from 4.6x to 2.3x

1. Gearing is net debt / net debt + equity

2. Net debt includes \$300m off balance sheet securitisation

API well positioned for future growth



- Equity raising significantly strengthens API's balance sheet
- Strong positions in both health and beauty retailing and pharmacy distribution
- Priceline brand winning franchisees and customers:
 - Sustained, strong comparable store growth
 - Loyal and successful ClubCard membership approaching 3 million members driven by a more attractive program
 - Aggressive roll-out strategy in place – with Priceline pursuing 400 stores by end of 2010 or early 2011
- Pharmacy division's sustainable earnings base and alliance with Alphapharm provides a degree of certainty through PBS changes
- Revitalise program to consolidate supply chain is on time and expected to deliver savings of \$10m in FY11 and in excess of \$18m in FY12

2. FY09 results

API records strong growth & increased profit

FY09 Key Financials (Group)



Operational execution demonstrated by underlying performance improvement

- Group Revenue up 9.6% to \$3.5b
- Group NPAT up 22.3% to \$18.6m
- EPS up 22.0% to 7.2c
- Group NPAT excluding associates and proceeds from sale of stores up 49.5%
- Group EBIT excluding associates and proceeds from sale of stores up 10.0%

	FY09	FY08	%
Revenue	\$3.5b	\$3.2b	↑9.6
EBITDA	\$65.6m	\$65.4m	↑0.3
EBIT	\$49.5m	\$49.7m	↓0.5
NPAT	\$18.6m	\$15.2m	↑22.3
EPS	7.2 cents	5.9 cents	↑22.0
DPS	2 cents	1 cent	↑100

Capital Management



Debt facilities extended

- Reduction in average off and on Balance Sheet net debt
- Improvement in interest rate coverage
- Commitments from financiers to extend Senior Debt facilities to April 2012¹
- Commitments to extend Securitisation facility to April 2011¹

A\$000	FY09	FY08
Cash	5,856	42,906
Net Debt	(971)	(37,975)
\$300m Securitisation Facility (Off Balance Sheet)	300,000	260,000
Net Debt (Off / On Balance Sheet)	299,029	222,025
Average Net Debt (Off / On Balance Sheet)	334,886	339,763
EBITDA / Net Interest	3.0x	2.5x
Average Net Debt ² / (Average Net Debt ² + Equity)	44%	45%
Net Debt ² / (Net Debt ² + Equity)	41%	35%

1. Subject to final documentation

2. Includes off and on balance sheet debt

Cashflow



Appropriate working capital management in growth cycle

- Operating cashflow impacted by timing of supplier payments
- Investing cashflow predominantly relates to Revitalise investment and Priceline store development

A\$m	FY09	FY08
Operating	11,559	30,554
Investing	(34,675)	2,813
Financing	(13,936)	(652)
Net Movement	(37,052)	32,715

FY09 results

Divisional overview

Pharmacy Divisional Review



Demonstrated management with high revenue growth

- Sales growth of 11.3%
- EBIT up 15.7% to \$49.9m
- Competitive market dynamics remain
- Improved wholesale market position
- Improved retail services
- Alphapharm alliance driving benefits
- Consumer Brands (NZ) performing strongly

	FY09	FY08	%
Sales	\$2.8b	\$2.5b	↑ 11.3%
EBITDA	\$59.0m	\$51.6m	↑ 14.5%
EBITDA % Sales	2.1%	2.1%	↔
EBIT	\$49.9m	\$43.1m	↑ 15.7%
EBIT % Sales	1.8%	1.7%	↑ 0.1%



Soul Pattinson Chemist

Pharmacist Advice



Retail Divisional Review



Underlying strength behind leading mass market health & beauty brand

- Comp store sales increased 5.4%
- Revenue split:
 - 48% wholesale
 - 52% retail
- \$5.0m investment in brand development in first half FY09
- FY09 had \$6.1m in proceeds from sale of company stores to franchisees (vs \$10.3m in FY08)
- Underlying EBIT (excluding investment in brand development and sale of company stores) up 11.3%

	FY09	FY08	%
Sales	\$622.5m	\$615.6m	↑ 1.1%
EBITDA	\$23.8m	\$30.9m	↓ 23.0%
EBITDA % Sales	3.8%	5.0%	↓ 1.2%
EBIT	\$17.9m	\$24.8m	↓ 27.7%
EBIT % Sales	2.9%	4.0%	↓ 1.1%



Retail Divisional Review

Leading mass market health & beauty brand

- 321 Priceline stores (205 franchised)
- Priceline aiming for 400 stores by end of 2010 or early 2011
- ClubCard – one of the largest retail loyalty programs in Australia
- ClubCard members – approaching 3 million members and growing. Represents 40% of eligible retail sales. Average sale 30% higher than non ClubCard member
- Brand health measures show customer experience in store is very strong



Roll out on track

- Melbourne DC open, Brisbane DC due Q1'10, Sydney DC in final planning. Strategic decisions taken to ensure supply for Christmas '09
- Implementation program continues to timetable and on budget
- Expected annualised savings of \$10m in FY11 and in excess of \$18m in FY12
- Revitalise expected to save approximately 1 million kms a year in freight and transport

- API expects growth in NPAT of approximately 10% in FY10 excluding the impact of the equity raising
- Revitalise to provide strong earnings uplift in FY11 and FY12
- Key assumptions:
 - No changes to regulatory environment
 - No major changes in consumer or customer demand
 - Stable industrial and economic climate
 - Execution of store opening program of 50 stores
 - Sale of company stores of \$4.2m (vs \$6.1m in FY09)
- Also refer to the risk factors in the Appendix

3. Equity raising and balance sheet impact

Equity raising overview



Offer structure of \$150 million equity raising	<ul style="list-style-type: none">• Accelerated pro rata non-renounceable entitlement offer raising c.\$112 million<ul style="list-style-type: none">– Institutional component of c.\$49 million– Retail component of c.\$63 million. Eligible retail shareholders may apply for additional new shares• Institutional placement raising c.\$38 million
Entitlement Ratio and Offer price	<ul style="list-style-type: none">• 2 new shares for every 3 existing API shares held at the Record Date (7.00pm, 26 October 2009)• Placement and Entitlement Offer to be conducted at same offer price of \$0.65 per new share<ul style="list-style-type: none">– 38.4% discount to last close of \$1.055– 24.7% discount to TERP¹ of \$0.86
Major Shareholder	<ul style="list-style-type: none">• Washington H. Soul Pattinson & Co Ltd, API's largest shareholder holding c.25%, has committed to take up its pro rata share of the Entitlement Offer and Placement
Underwriting	<ul style="list-style-type: none">• Equity raising is fully underwritten by RBS
Ranking	<ul style="list-style-type: none">• New shares issued under the equity raising will rank equally with existing API shares, but will not be entitled to the 2 cent dividend declared by API for the financial year ended 31 August 2009

1. The theoretical ex-rights price is the theoretical price at which API shares should trade immediately after the ex-date of the entitlement offer and takes into account the number of new shares to be issued under the placement. The theoretical ex-rights price is a theoretical calculation only and the actual price at which API shares trade immediately after the ex-date for the entitlement offer will depend on many factors and may not be equal to TERP

Rationale for the equity raising



Net proceeds of the equity raising will be applied to reduce net debt

- Significantly strengthens API's balance sheet
 - Pro forma gearing¹ reduced from 41% to 21%
 - Brings API's debt metrics in line with Australian market peers
- Allows for continued investment by API in the Priceline brand
- Provides financial flexibility for future growth

1. Gearing is net debt / net debt + equity, pro forma as at 31 August 2009. Includes on and off balance sheet debt.

Places API in strong position



Equity raising significantly reduces API's leverage

As at 31 August 2009 (in A\$'000)	Actual	Adjustment for equity raising	Pro forma ²
Cash	5,856		5,856
Debt	4,885	(4,885)	-
Net debt (on-balance sheet)	(971)	(4,885)	(5,856)
Securitisation (off-balance sheet)	300,000	(141,240)	158,760
Net debt (on and off-balance sheet)	299,029	(146,125)	152,904
Equity	434,527	146,125	580,652
Net debt ¹ / (Net debt ¹ + Equity)	41%		21%
Net debt ¹ / EBITDA	4.6x		2.3x
EBITDA / Net interest expense	3.0x		5.9x ³
EBIT / Net interest expense	2.3x		4.5x ³
EPS	7.2 cents		5.3 cents ⁴

1. Includes on and off-balance sheet debt. Off-balance sheet debt includes a \$300m Securitisation Facility

2. Assuming completion of the equity raising and application of \$146,125,000 net proceeds from the equity raising to reduce net debt as at 31 August 2009

3. Pro forma interest cover ratios are calculated as if the equity raising had taken effect at the beginning of the financial year ended 31 August 2009, with a corresponding reduction in pro forma net interest expense

4. Pro forma EPS is calculated based on the pro forma net profit after tax, after taking into account the reduction in the pro forma net interest expense, and the number of shares expected to be on issue after the equity raising of approximately 488 million shares

Indicative equity raising timetable



Event	Date
Commence trading halt	Wednesday, 21 October 2009
Institutional Entitlement Offer and Placement	Wednesday - Thursday, 21 - 22 October 2009
API shares recommence trading	Friday, 23 October 2009
Record Date for the Entitlement Offer	7.00pm, Monday, 26 October 2009
Ex dividend date	Wednesday, 28 October 2009
Retail Entitlement Offer opens	Friday, 30 October 2009
Mailing of Entitlement and Acceptance Form and Retail Offer Booklet to Eligible Retail Shareholders	Friday, 30 October 2009
Record date for the dividend	Wednesday, 4 November 2009
Settlement of the Institutional Entitlement Offer and Placement	Thursday, 5 November 2009
Issue of New Shares under the Institutional Entitlement Offer and Placement, and normal trading of those shares expected to commence on ASX	Friday, 6 November 2009
Retail Entitlement Offer closes	5.00pm, Tuesday, 17 November 2009
Settlement of the Retail Entitlement Offer	Monday, 23 November 2009
Issue of New Shares under the Retail Entitlement Offer	Tuesday, 24 November 2009
Normal trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	Wednesday, 25 November 2009
Dispatch of holding statements	Wednesday, 25 November 2009
Dividend payment date	Friday, 11 December 2009

Note: All times and dates in this Investor Presentation refer to Australian Eastern Daylight Saving Time (AEDT). The timetable above is subject to change in API's absolute discretion. API reserves the right to withdraw or vary the timetable for the equity offer without notice. In particular, API reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late applications either generally or in particular cases or to withdraw the Retail Entitlement Offer without prior notice

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4. Appendices

Risk factors and foreign jurisdictions

Risk Factors



1. INTRODUCTION

A number of risks and uncertainties, both specific to API and of a more general nature, may affect the future operating and financial performance and position and prospects of API and the value of API shares. Before investing you should consider whether this investment is suitable for you. You should carefully consider the following risk factors, as well as the other information provided to you by API in connection with the equity raising (as well as publicly available information on API released to ASX), and consult your financial adviser, legal adviser, stockbroker, accountant or professional adviser before deciding whether to invest in New Shares.

The risks and uncertainties below are not the only ones facing API. Other risks and uncertainties that API is unaware of, or that it currently considers to not be material, may also become important factors that adversely affect API's operating and financial performance and position and prospects.

API's principal business is both pharmaceutical distribution (including the distribution of the full range of medicines on the Pharmaceutical Benefits Scheme ("PBS") to pharmacies across Australia) and health and beauty retailing (primarily through its retail brand, Priceline).

2. SPECIFIC RISKS

(a) Competition

API operates in highly competitive markets. The retail market in Australia in which API operates is highly competitive. Competition in this market is based on, among other things, price, convenience, store location and layout, advertising, range and quality of products and services offered and reputation. There is a wide range of competitors in this market including pharmacies, supermarket retailers and online retailers with low barriers to entry.

The pharmaceutical distribution market is also highly competitive. Notwithstanding the regulated nature of this market, the pharmaceutical distribution side of API's business is subject to competition from direct competitors, as well as manufacturers who supply product direct to pharmacies, non-aligned pharmacy groups, buying groups and others.

API's competitive position in all of its markets may deteriorate as a result of factors including actions by existing competitors, the entry of new competitors, the impact of government policies and regulations or a failure by API to continue to position itself successfully as the retail or regulatory environments change. Any deterioration in API's competitive position may result in a decline in revenue and margins and a loss of market share which may have an adverse effect on API's future financial performance and position. No assurance can be given that the actions of existing or future competitors will not have a material adverse effect on API's ability to implement its business plans and on its operating and financial performance or position.

(b) Changes in Government Regulatory policies and legislation

API operates in highly regulated industry segments. API may be affected by changes to government policies and legislation, including those relating to the pharmaceutical industry, the environment, taxation, the regulation of trade practices and competition.

Pharmaceutical distribution businesses in Australia are dependent on the Federal Government for funding through the PBS. The price paid for most prescription pharmaceuticals is regulated through the PBS. Any adverse changes to the PBS generally or in relation to API's products may have an impact on API's financial performance and position.

Risk Factors continued



As part of the Fourth Pharmacy Guild Agreement (effective 1 July 2006), the Federal Government reduced the margin a wholesaler may charge to retail pharmacies from 10% to 7%. To compensate for this margin reduction, the Federal Government introduced the community service obligation ("CSO") funding pool in recognition of the additional costs faced by some pharmaceutical distributors in providing the full range of PBS medicines to pharmacies.

The Fourth Pharmacy Guild Agreement expires on 30 June 2010. There is no guarantee that the CSO will continue to be provided following negotiation of the Fifth Agreement by the Australian Government and the Pharmacy Guild of Australia. There is also a risk that the Fifth Agreement may bring about other changes that may have an adverse affect on API's pharmaceutical wholesale business.

Further, the Fourth Pharmacy Guild Agreement regulates the approval of new pharmacies, and specifically prevents grocery chains from owning pharmacies. Any change to the agreement that would allow grocery chains to directly compete with this model may adversely impact API's sales and profitability.

(c) Retail environment and general economic conditions may deteriorate

API's business, in particular the retail side of its business, is subject to changes and trends in retail and consumer spending and preferences. API's financial and operating performance depends, in part, on factors that affect the level and patterns of consumer and retail spending (including changes in consumer preferences and trends and general economic conditions). API's financial and operating performance, therefore, can be adversely affected by changes in consumer confidence and trends.

The Australian retail environment in which API operates is currently experiencing challenging conditions due to volatility in consumer sentiment and retail demand. This has arisen as a result of general uncertainty about future Australian and international economic conditions, which has been precipitated by factors including the global financial crisis. There is a risk that Australian economic conditions will worsen, as the full impact of the global financial crisis and resulting disruptions to the Australian and international economies flows through to lagging indicators such as unemployment rates. There is a risk that Australian interest rates may increase leading to a reduction in discretionary consumer and retail expenditure.

(d) Seasonal trading

A significant part of API's revenue is subject to seasonal patterns. Historically, a disproportionate amount of annual revenue has been generated over the Christmas trading period, as well as the Easter period. API's working capital and inventory planning strategy reflect these seasonal trading patterns. Any significant decrease in customer demand during peak seasons could result in retention of a substantial amount of unsold inventory, which then can only be sold at significant markdowns.

(e) Relationships with pharmacists

There is a risk that some pharmacists who are customers of API may reduce or cease their level of ordering of products or services provided by API. These actions may be the result of a pharmacist's desire for change or prompted by the performance, service or offerings of API.

Risk Factors continued



(f) Asset impairment

As a consequence of the global financial crisis, the Australian Securities and Investments Commission has specifically identified impairment of assets as an issue for Australian companies. Consistent with accounting standards, API is periodically required to assess the carrying value of its assets, including its brands. Where the value of an asset is assessed to be less than its carrying value, API is obliged to recognize an impairment charge in its profit and loss account. Impairment charges can be significant and operate to reduce the level of a company's profits and, potentially, its capacity to pay dividends. Impairment charges are a non-cash item.

(g) Strategy execution

API may not be able to execute effectively its strategies, including its roll out of its new Priceline stores and its "Revitalise" program. Each could be impacted by any of the risk factors outlined in this section (including, without limitation, declining economic conditions and consumer sentiment and volumes of sales being worse than expected). In addition, the expected cost savings from the "Revitalise" program could be adversely impacted by delays in completion of upgraded or new infrastructure and costs could be increased as a result. Such delays could be due to a number of factors, including industrial action affecting roll out of the program, adverse weather conditions, or other factors beyond API's control. Any delay to the roll out of Priceline stores and/or the "Revitalise" program may mean that the associated revenue opportunities, cost savings and additional operational improvements are not achieved or are delayed.

(h) IT systems and logistics risk

API's operations (including its Revitalise program) are dependent on – and exposed to the risk of failure in – the continued operation of its warehousing and logistics infrastructure, information technology systems and the operational systems of third parties who supply them. A failure may be caused by various factors including equipment failure, information technology failure, stock handling procedures breakdowns, labour shortages or work stoppages, events that impede transportation of products and failure of third parties.

(i) Product risk and product recall

API has exposure to product liability claims arising from the supply (and, in the case of its New Zealand operations, the manufacture) of defective products which could have an adverse effect on API's reputation, operational results and financial performance.

API is also exposed to the possibility of product recalls, in particular for products that it sponsors, including by the Therapeutic Goods Administration, that could have a materially adverse effect on API's financial performance and potential claims, including claims by customers, franchisees, suppliers and other third parties.

(j) Credit risk

Credit market conditions and the financial performance and position of API will affect borrowing costs as well as API's capacity to repay, refinance or increase its debt. API is subject to covenants in its debt facilities, including interest coverage and leverage tests. If API were to breach any of these covenants, its debt could be immediately declared repayable and there is no guarantee that API would have sufficient cash flow or be able to source refinancing on acceptable terms.

(k) Pharmacist debtor risk

API is exposed to the risk of pharmacists or pharmacy groups failing to honour contractual obligations, including trading terms.

Typical with market practice for full line wholesalers, historically, API has provided financial guarantee support to banks to assist pharmacists to purchase and fit out pharmacies. The number and amount of guarantee support is declining (as at 31 August 2009, the amount of guarantee support was \$64.2m). If a pharmacist defaulted on its loan to a bank, there is a risk that the guarantee support provided by API could be called on. This could have a material adverse impact on API's financial position.

Risk Factors continued



(l) Environmental regulation

API's wholesale distribution sites (and in New Zealand, manufacturing site) are subject to strict environmental regulation. Any breach of applicable regulations could result in significant remediation costs being incurred by API.

(m) Occupational health and safety

API is exposed to many occupational health and safety requirements, a breach of which could result in adverse fines, penalties and cost to API.

(n) Debt Funding and Interest Rate Risk

The ability of API to implement its business strategy may depend in part on its ability to continue to raise additional funds and/or to secure appropriate funding. No assurances can be given that funding will be available, either in the form of equity, bank debt, securitisation facilities or otherwise, or that such funding will be available on attractive terms to API.

(o) Future payment of dividends

API's future dividend levels will be determined by the Board having regard to the operating results and financial position of API. There is no guarantee that any dividend will be paid or, if paid, that they will be at previous levels.

(p) Reliance on key suppliers and partnerships

If any of the key suppliers to API terminated their supply arrangements, there could be a disruption to business as well as additional costs. In addition, new supply arrangements may be on less favourable terms and conditions than those presently in place. API has a material distribution agreement with Alphapharm until October 2012.

Any material changes to API's agreements with key suppliers, including Alphapharm, could have a material adverse impact on API's profitability and financial position,

(q) Reliance on key personnel

The future success of API may depend in part on its continued access to highly experienced managerial personnel. Competition for management expertise is high. Further, the loss of key staff could have a material adverse effect on API. While API seeks to ensure that the services of key personnel are retained, no assurances can be given that API will continue to retain and attract key staff as required by the business.

(r) Changes in accounting policies

API is subject to the usual business risk that there may be changes in accounting policies which impact on API.

(s) Taxation implications

Future changes in Australian or New Zealand taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia or New Zealand, may affect taxation treatment of an investment in API shares, or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted in Australia or New Zealand, may impact the future tax liabilities of API.

Risk Factors continued



(t) Other commercial risks

There are a number of general commercial risk factors that could adversely affect API's operating and financial performance, position or prospects, including, but not limited to, the following:

- General litigation risks, including, but not limited to, product liability, intellectual property disputes and customer claims;
- Risks associated with adverse media coverage which may impact API's reputation;
- Risks associated with development projects, including cost overruns, and delays in revenues flowing from proposed developments;
- Material increases in the rate of inflation in Australia;
- The level of market acceptance for the services provided by API;
- Loss of accreditation for API's operations causing the loss of contracts or market share;
- Other causes of interruption to API's business;
- General security risks to API's facilities; and
- Foreign exchange fluctuations.

Risk Factors continued



3. GENERAL RISKS

(a) Market price risks

Investors that apply for New Shares should be aware that they could lose some or all of the money they pay to acquire these New Shares. This could occur for a number of reasons, including if:

- the price at which you are able to sell your New Shares is less than the price you have paid for them due to market volatility or for other reasons;
- you are unable to sell the New Shares at all; or
- the financial performance of API is worse than expected and it is unable to make distributions.

The market price for API shares will be influenced by a number of factors which may include those listed in this above and:

- changes in investor sentiment and overall performance of local and international stock markets;
- changes in general economic outlook in Australia and internationally;
- changes in unemployment levels and the amount of consumer discretionary spend;
- changes in Government fiscal, monetary and regulatory policies;
- changes in prevailing economic conditions, including inflation, interest rates, exchange rates and consumer demand; and
- International hostilities.

(b) Risks of investing in New Shares

The above risk factors are not intended to provide an exhaustive list of all the risks faced by API or by the investors in API. The above factors, and others not specifically referred to above, may materially affect the future operating and financial performance of API and the value of the New Shares. The New Shares issued pursuant to the Offer carry no guarantee with respect to payment of dividends, return of capital or market value. Potential investors should consult their professional advisors before deciding whether to take up or otherwise deal with their Entitlements.

Foreign jurisdictions



Hong Kong

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The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

The New Shares in the entitlement offer are not being offered or sold to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

New Shares for which entitlements are not taken up may be offered and sold in New Zealand to (i) persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money or (ii) persons who are each required to pay a minimum subscription price of at least NZ\$500,000 for the securities before allotment.

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except:

- a) to "professional investors" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876);
- b) any natural person who is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and who fulfils two or more of the following: (i) any natural person with an average execution of at least ten transactions in securities of significant volume per quarter for the last four quarters; (ii) any natural person with a portfolio of securities with a market value of at least €500,000; and (iii) any natural person who works, or has worked for at least one year, within the financial markets in a position which presuppose knowledge of investing in securities;
- c) to fewer than 100 natural or legal persons (other than "professional investors", as defined in clauses (a) and (b) above); or
- d) in any other circumstances provided that no such offer of New Shares shall result in a requirement for the registration, or the publication by the Company or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

Foreign jurisdictions continued



Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares or (ii) an "institutional investor" (as defined under the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered, sold or distributed (directly or indirectly) in Switzerland. No solicitation for investment in the New Shares may be made in Switzerland in any way that could constitute a public offering within the meaning of article 652a of the Swiss Code of Obligations ("CO"). New Shares may only be offered to institutional investors subject to Swiss or foreign prudential supervision such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations in circumstances such that there is no public offering.

This document does not constitute a public offering prospectus within the meaning of article 652a CO and may not comply with the information standards required there under. The Company has not applied for a listing of the New Shares on the SIX Swiss Exchange or any other regulated securities market in Switzerland and, consequently, the information presented in this document does not necessarily comply with the information standards set out in the listing rules of the SIX Swiss Exchange. This document is personal to the recipient only and not for general circulation in Switzerland.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA). This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of s.21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated, and will only be communicated, in the United Kingdom in circumstances in which s.21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Other jurisdictions

The New Shares may not be offered or sold in any other jurisdiction except to persons to whom such offer or sale is permitted under applicable law.