



**Media Release
17 December 2007**

API reports a 16% increase in first quarter sales

Australian Pharmaceutical Industries Limited (API) today provided an update on its trading performance and advised that sales for the first quarter ending 30 November were \$770.0 million, up 16% on the same three months of the prior year.

Managing Director and Chief Executive Officer, Stephen Roche, said that sales for both major divisions had been above the prior year and continued the positive trend seen in the preceding months.

"In the first quarter API has recorded same store growth of 6% in Priceline's corporate stores and same store growth of 14.6% in the Priceline Pharmacy franchise, both showing the strength of the brand in a competitive market," Mr Roche said.

Total sales for the Retail division for the first quarter were up 7.0% to \$161.6 million.

"In Pharmacy API has recorded sales of \$597.7 million for the first quarter, up 19% on the same period last year," Mr Roche said.

"Overall our performance is reinforcing that the focus on our core business is yielding growth."

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About API

Australian Pharmaceutical Industries Limited (API) is one of Australia's leading health and beauty companies. API's Pharmacy business provides wholesale distribution, business and marketing services to community pharmacies across Australia. The Retail division is a leader in the health and beauty market managing retail brands such as Priceline. The Consumer division is a niche player in over-the-counter pharmaceuticals and is based in New Zealand.

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