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MEDIA RELEASE

**PHARMANIAGA 1Q 2004 REVENUE UP BY 24%
TO RM191.3 MILLION**

Pharmaniaga Berhad announced that the Group posted a 24% increase in revenue to RM191.3 million for the first quarter ended 31 March 2004 from RM154.5 million in the same quarter last year.

Profit before taxation and minority interest also rose 15.4% to RM20.7 million from RM17.9 million, whilst net profit registered a growth of 6.3% to RM12.4 million during the same period.

In announcing its results, the Group said that sales to private sector and non-concession government markets enjoyed a commendable growth of 63.2% and 67.8% respectively over the same period last year. This has been driven mainly by much more focused marketing and sales activities, as well as overall improved performance of the products launched in 2003.

The concession sales registered a growth of 6.4% on a year-on-year basis. This sector contributed to 68% of the Group's revenue.

The medical product and services sector has also seen a substantial growth in revenue this quarter. Sales grew by more than 100% mainly due the revenue spill over from the four hospitals currently under construction. These four hospitals namely Kuala Penyu, Pitas, Kunak and Sarikei, are slotted for completion before the end of this year.

Other key financial indicators also pointed towards an improved performance for Pharmaniaga for the first quarter of 2004. Return on total gross assets was higher at 24.5% compared to 20.6% as at 31 December 2003. The capital position remained strong with the Group shareholders' funds standing at RM255.4 million at the end of the quarter, an increase by 5.4% over the balance as at the end of 2003.

Pharmaniaga foresees that the business environment will continue to be challenging and competitive in 2004, mainly in the private sector market due to intense competition amongst the generic pharmaceutical companies.

Barring unforeseen circumstances, Pharmaniaga expects a sustained growth in its financial performance for the year. At the same time, Pharmaniaga will also focus on strengthening the positions of its key business segments and its brand in the market, whilst ensuring that operational excellence and productivity levels are enhanced.

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ABOUT PHARMANIAGA BERHAD

Pharmaniaga Berhad is Malaysia's leading pharmaceuticals group and a member of the UEM Group. The company is driven by its core businesses in generic pharmaceuticals R&D and manufacturing, warehousing and distribution of pharmaceutical and medical products, sales & marketing, as well as hospital equipping provision of turnkey contract services. Pharmaniaga has also created a niche in healthcare IT solutions which forms the backbone of its operations.