

Ascent to acquire Green Cross Pharma of Singapore

Melbourne, 31 December, 2008: Ascent Pharmahealth Limited (APH) will expand its share of the generic pharmaceuticals market in Singapore with the signing of a Share Purchase Agreement for the acquisition of Green Cross Pharma Pte Ltd (Green Cross) for a maximum consideration of S\$4.2 million.

The acquisition will propel Drug Houses of Australia (DHA), a wholly owned subsidiary of Ascent, into a clear lead as the largest generic pharmaceutical supplier in Singapore. DHA was recently acquired from Strides Arcolab of India at the end of July 2008 as part of Ascent's Asian growth strategy. Green Cross is expected to achieve sales revenues of approximately S\$10 million, to the year ending 31 December 2008, across its range of generic prescription medicines.

"This is an ideal acquisition for our Asian operations," said Mr Dennis Bastas, CEO and Managing Director of Ascent.

"The acquisition of Green Cross will be an excellent fit with our existing Singaporean business providing stable earnings, generated primarily through government pharmaceutical tenders. The DHA business has strong private sector pharmaceutical sales that will be complemented by the government tender sales of Green Cross and the acquisition will add new products to our private sales operations sourced from high quality European manufacturers," Mr Bastas said.

The purchase price for the acquisition will be a maximum cash consideration of S\$4.2 million or such lesser amount if Green Cross's actual audited NPBT (excluding director's fees and expenses) for the year ending 31 December 2008 falls below S\$1.27 million. Any lesser amount will be calculated as a multiple of 3.3 times the actual audited NPBT (excluding director's fees and expenses) result. Ascent expects to fund the acquisition through an extension of existing debt facilities and operating cash.

The deal is subject to a number of conditions precedent including finance approval from Ascent's bankers being received by 31 January 2009. Ascent will take control of Green Cross from 1 April 2009 upon finalisation of the actual audited result and payment of the final consideration balance.

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About Ascent Pharma:

Ascent Pharmahealth (ASX:APH) sells over 400 products in eight countries with annual revenues of over \$100 million. It is one of Australia's and Asia's fastest growing and most dynamic pharmaceuticals businesses. Ascent registers, markets, distributes and sells generic pharmaceuticals, consumer skincare and over-the-counter medicines. Key subsidiaries are Genepharma, one of Australia's largest generic pharmaceutical companies and Drug Houses of Australia, Singapore's largest local generic pharmaceutical company with products distributed in eight Asian countries. The company listed on the Australian Securities Exchange in June 2004. For more information visit www.ascentpharma.com.au.

