

## Appendix 4D Preliminary final report

**Name of entity**

Genepharm Australasia Limited

**ABN**

52 107 340 367

- 1. Financial year ended - Current period** Half year ended 31 December 2006  
**- Prior period** Half year ended 31 December 2005

**2. Results for announcement to the market**

	<b>% change from previous corresponding period</b>			<b>A\$'000</b>
<b>2.1</b> Revenues from ordinary activities	Up	11,565%	to	25,429
<b>2.2</b> Loss from ordinary activities after tax attributable to members	Down	76%	to	(664)
<b>2.3</b> Net loss for the period attributable to members	Down	76%	to	(664)
<b>2.4</b> Dividends (distributions)	Amount per security		Franked amount per security	
Final Dividend <i>The company is not proposing any dividends</i>	Nil		N/A	
Previous corresponding period	N/A		N/A	
<b>2.5</b> The record date for determining entitlements to the dividends.	N/A		N/A	

**2.6** Brief explanation of any of the figures reported above in 2.1 to 2.4 necessary to enable the figures to be understood:

*Significant revenue and expense items contributing to the result were as follows:*

Revenues

- Consolidated revenue figures include revenues of the controlled entity – Douglas Pharmaceuticals Limited totalling \$25.6m from the date of acquisition to the reporting date (see note 4).

Expenses

- The amortisation of the distribution rights and associated assets of \$1.2m for the period represents the agreed reduction in carrying value on a straight line basis over ten years.
- As required under AIFRS the Company has absorbed \$402k of options expenses during the period.
- As a result of the acquisition of Douglas Pharmaceuticals Australia Limited the Company has invested approximately \$1.5m representing additional marketing costs and staff expenses to broaden the market offering as infrastructure to support a larger sales base.

**3. Net asset backing**

Net tangible backing per ordinary security 23.2 cents

**4. Control or loss over control of entities having material effect**

On the 13th July 2006 the Company acquired 100% of the voting shares of Douglas Pharmaceuticals Australia Limited, a company involved in the marketing, sales and distribution of a range of prescription medicines, over the counter and derma-cosmetic products to pharmacies.

**5. Details of individual and total distributions and dividend or distribution payments.**

N/A

**6. Details of any dividend or distribution reinvestment plans in operation.**

N/A

**7. Details of associates and joint venture entities.**

N/A

**8. Subject to Audit**

The accounts are in the process of being reviewed and are not likely to be subject to dispute or qualification.

A handwritten signature in black ink, appearing to read 'D. Bastas', with a long horizontal stroke extending to the right.

Dennis Bastas  
Managing Director

27 February 2007