



LIPA PHARMACEUTICALS

Innovative Pharmaceutical Manufacturing Solutions

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ASX RELEASE

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LIPA PHARMACEUTICALS ANNOUNCES FY07 EARNINGS GUIDANCE

Following a review of its management accounts to the period ending 30 June 2007, Lipa Pharmaceuticals Limited (ASX:LIP) is in a position to provide earnings guidance for the 2007 financial year.

As foreshadowed in our 2007 half year announcement and reflecting the improvement in the size and quality of its order book at that time, the company experienced continued sales growth in the second half of the financial year, with full year sales expected to be approximately \$88 million (FY2006: \$77.9 million).

Despite improvements in certain operational areas, the company's margins continued to decline during the second half of the financial year. Consequently, the company anticipates its net profit after tax for the full year to 30 June 2007 will be approximately \$5.1 million, compared to \$5.8 million in FY2006.

Lipa Pharmaceuticals accounts for the year ending 30 June 2007 are currently being audited and the company expects to announce these results on or around 28 August 2007.

For further information please contact:

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About Lipa

Lipa Pharmaceuticals is Australia's leading contract manufacturer to the Nutritional and Pharmaceutical industries, with products in key growth areas of Complementary and Alternative Medicines, Over-The-Counter (OTC) and Pharmaceuticals. The company has a commitment to product quality and customer service that drives our success and delivers customer satisfaction.

Lipa Pharmaceuticals is one of only a few companies in the Asia Pacific region which can provide soft gelatin capsule dosage form and an end-to-end market solution.