



14 August 2009

Life Pharmacy Limited (LPL)

Issue of takeover notice, distribution of notice of meeting and announcement of bonus issue

Takeover notice

Life Pharmacy Limited (NZX:LPL) today issued a takeover notice to Pharmacybrands Limited (Pharmacybrands), pursuant to rule 41 of the Takeovers Code, indicating its intention to make an offer for all of the share capital in Pharmacybrands. This takeover notice was issued in furtherance of the proposed merger of LPL and Pharmacybrands (the Merger).

Notice of meeting

LPL is today distributing to shareholders the notice of meeting for the Annual Meeting of Shareholders to be held at LPL's head office on 31 August 2009 at 3.00pm.

At this meeting, shareholders will, amongst other things, vote to approve the Merger.

Bonus issue

LPL today announced it plans to undertake a taxable bonus issue of shares.

Subject to the Merger being approved and becoming unconditional, LPL plans to issue one fully paid ordinary share for every 100 shares on issue as at the record date (5.00pm on 28 August 2009). In total, approximately 523,379 fully paid ordinary shares in LPL will be issued pro rata to shareholders. The bonus issue shares will be issued and allotted to shareholders on 7 September 2009.

The pro rata bonus issue will be made to shareholders of all share classes in proportion to the amount of paid up capital.

The bonus issue shares are to be issued for nil consideration, however for tax purposes they will have an amount of \$1.25 per share attributed to them. In addition, each bonus issue share will have an imputation credit attached to it with an amount of \$0.55 per share.

Ends

About Life Pharmacy

Life Pharmacy Limited (LPL) is New Zealand's only listed Retail Pharmacy Group and comprises the Life Pharmacy, Life Metro, Life Outlet and Care Chemist brands. The total LPL Group includes 52 retail outlets operating throughout New Zealand comprising 29 Life branded stores, (including three Life Metro, one Life Pharmacy Outlet store and two non-Pharmacy Life outlet stores), and 23 pharmacies branded Care Chemist. Of the 52 Retail Outlets, LPL has a 49 percent investment in 20 Associate Pharmacy companies and two 50/50 joint venture operations.

For further information contact:

Craig Wilson

Chief Financial Officer

Life Pharmacy Limited

craig.wilson@lifepharmacy.co.nz

Life Pharmacy Central Office
Level 1, Building B
600 Great South Rd
P.O Box 17141
Greenlane
Auckland
New Zealand
P (09) 580 1900
F (09) 580 1907

