

Media Release
23 December 2003

Mayne announces continuation of on-market buy-back

Mayne Group Limited (Mayne) today announced that as part of its ongoing capital management strategy, it intends to extend its current on-market buy-back program by increasing the maximum number of shares to be bought back to approximately 85 million.

Mayne's Group Managing Director and Chief Executive Officer, Mr Stuart James, said that the continuation of the on-market buy-back demonstrates Mayne's ongoing efforts to manage its balance sheet efficiently.

"The proceeds received from the sale of the hospitals business has reduced our gearing level. The extension of the on-market buy-back and the announcement earlier this month of the off-market buy-back is part of Mayne's ongoing commitment to efficiently manage its capital," he said.

The on-market buy-back was originally announced on 28 August 2002, with the intention of repurchasing a maximum of 75 million shares. The period of the buy-back was extended on 1 October 2003 for an additional 12 months. To date Mayne has bought back 73,521,763 shares under its on-market buy-back program.

In accordance with the Corporations Act, the maximum number of shares that can be bought back without seeking specific shareholder approval is limited to the 10% of the share capital in a 12-month period. Mayne can therefore repurchase approximately 10 million additional shares on-market without breaching the annual 10% limit.

Mayne plans to seek shareholder approval in early 2004 for a buy-back up to \$500 million. As announced on 2 December 2003, Mayne anticipates that it will proceed with an off-market buy-back tender of \$250-\$350 million. The final quantum of the buy-back will depend on various factors, including an assessment of the value to Mayne in buying back shares versus any capital redeployment opportunities that may exist. Further details of the off-market buy-back will be announced early in the New Year.

Mayne Group Limited is listed on the Australian Stock Exchange and has businesses in pharmaceuticals (the manufacture of injectable and oral pharmaceuticals for distribution to more than 50 countries), health services (pathology, diagnostic imaging, medical centres, pharmacy services) and health-related consumer products.

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Appendix 3D

Changes relating to buy-back (*except* minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduction 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001.

Name of entity	ABN
Mayne Group Limited	56 004 073 410

We (the entity) give ASX the following information.

1	Date that an Appendix 3C or the last Appendix 3D was given to ASX	28/08/02
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Information about the change

Complete each item for which there has been a change and items 9 and 10.

Column 1 (Details announced to market in Appendix 3C or last Appendix 3D)	Column 2 (Details of change to buy-back proposals)
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On-market buy back

2	Name of broker who will act on the company's behalf	UBS Warburg and JB Were	No change
3	Deleted 30/9/2001.		
4	If the company intends to buy back a maximum number of shares - that number Note: This requires a figure to be included, not a percentage. The reference to a maximum number is to the total number including shares already bought back and shares remaining to be bought back. If the total has not changed, the item does not need to be completed.	Up to 75,000,000	Up to 85,000,000

⁺See chapter 19 for defined terms.

		Column 1 (Details announced to market in Appendix 3C or last Appendix 3D)	Column 2 (Details of change to buy-back proposals)
5	If the company intends to buy back a maximum number of shares - the number remaining to be bought back	1,294,437	11,294,437
6	If the company intends to buy-back shares within a period of time - that period of time; if the company intends that the buy-back be of unlimited duration - that intention	N/A	N/A
7	If the company intends to buy back shares if conditions are met - those conditions	N/A	N/A

All buy-backs

8	Any other change	Nil	Nil
9	Reason for change	<p>The continuation of the buy back is in line with the Company's ongoing capital management strategy.</p> <p>(Refer to the accompanying media release).</p>	

- 10 Any other information material to a shareholder's decision whether to accept the offer (*eg. details of any proposed takeover bid*)

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to this form.

Sign here:



(Director/Company secretary)

Date:23 December 2003

Print name:

Karen Ping-Huay Kee

⁺See chapter 19 for defined terms.