

## **ASX announcement**

Arrow Pharmaceuticals Limited announced it had signed an agreement with Merck Sharp & Dohme (Australia) Pty Limited ("MSD") which grants Arrow a license to distribute a brand of simvastatin manufactured by MSD from 1 November 2004. The Managing Director of Arrow, Paul Duchon says "The expiry of the simvastatin patent in July 2005 will be the most significant patent expiry the Australian generic industry has ever experienced. The fact that Arrow will be the first generic company in this market with simvastatin, nine months before the patent expires, represents a great opportunity for Arrow."

Simvastatin is a lipid lowering drug used to lower cholesterol, and marketed by MSD under two brand names, ZOCOR and LIPEX. Lipid lowering agents currently represent the largest therapeutic group subsidised by the Pharmaceutical Benefits Scheme (PBS), and simvastatin is one of the most widely prescribed medicines in this class, with sales of almost \$300 million per year.

In just over three years, Arrow has established itself as a significant generic player. The landscape in the Australian generic market is changing. From 2005 onwards, there are many major products coming off patent in Australia and, if we continue to be the first generic company to market, Arrow will establish itself as a leading generic company," says Paul Duchon.