Dechra Pharmaceuticals PLC

Dechra adds new licensed veterinary products and marketing partnership to its portfolio

In line with the Board's strategic focus of developing the Group's own pharmaceutical portfolio both in the UK and internationally, the Directors of Dechra Pharmaceuticals ("Dechra" or "the Group") are pleased to announce the following achievements in their veterinary product development programme:

**Group launches its first significant licensed branded generic product for dogs**

Dechra has also secured marketing approval for its first licensed branded generic veterinary product. This significant new product will be the first generic entrant to be launched in a UK market worth approximately £1.9 million; it will be marketed for the Group by Arnolds from April when further details will be made available.

**Ovuplant®**

Dechra's regulatory team have been successfully granted a UK marketing authorisation for Ovuplant® whose chemical entity is the intellectual property of the Australian bio-technology company, Peptech Animal Health.

Arnolds Veterinary Products ("Arnolds"), the sales & marketing division of Dechra is expected to commence marketing the product in the last quarter of the current financial year.

Ovuplant®, is a controlled-release, synthetic hormone that stimulates ovulation in brood mares within 48 hours of implantation. The seasonal product is used widely by horse breeders in a number of worldwide markets including New Zealand, Argentina, South Africa, Canada and Australia. It is estimated by Peptech that there are approximately 10,000 thoroughbred mares bred each year in the United Kingdom, from a total population of 120,000 commercial horses.

The Mutual Recognition process has commenced to licence Ovuplant® in Europe (EU), a primary market which accounts for approximately 45,000 thoroughbred mares, of which around 25,000 are in France, Italy and Germany.

**Canadian Marketing Partnership for Felimazole® and Vetoryl®**

The Group has signed a marketing agreement with Vétoquinol, Canada. The partnership, which will run for an initial period of 5 years, allows Vétoquinol, Canada the marketing and distribution rights to Dechra’s own developed products Felimazole® and Vetoryl®. Dechra will retain all intellectual property rights to both products which will be manufactured for the Canadian market at Dales Pharmaceuticals, Dechra’s manufacturing division.

This agreement follows on from similar successful partnerships established by the Group. It clearly underpins the Group's strategy to develop and license the Group's own branded veterinary pharmaceutical portfolio in key international territories.

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Preliminary FDA Meeting for Felimazole®
Dechra has been granted a meeting on the 2nd March with the United States Food and Drug Administration (“FDA”) to review the suitability of the Felimazole® dossier for the US Market.

Range Extensions
As previously indicated, the Group has received authorisation in the UK from the Veterinary Medicines Directorate (“VMD”) for its Felimazole® and Vetoryl® range extensions. A 30mg Vetoryl® capsule, targeted specifically at small dogs and a 2.5mg Felimazole® tablet for cats have been added to our successful portfolio. These important extensions offer greater flexibility and dosing options to the veterinary practitioner.

Vetoryl®, currently supplied in bulk packs of 100, will also be re-launched in April in blister packs of 30 capsules.

Interim Results
The Group will announce Interim Results on Tuesday 1 March 2005.
Editors Background Notes:

Peptech Limited
www.peptech.com
Peptech focuses on the research and development of peptides and proteins in the areas of human pharmaceuticals and animal health. The company is positioned to become a globally recognised leader in bio-pharmaceutical development. Peptech Animal Health is a wholly owned subsidiary of Peptech Limited.

Vétoquinol
www.vetoquinol.com
Vétoquinol is a family-owned, independent company exclusively and passionately dedicated to all aspects of animal health: research, development, manufacturing, marketing and sales. Since 1933, the Company has been providing its expertise to veterinary surgeons in the fields of anti-infectives, anti-inflammatory, anti-parasitics, vaccines and nutraceuticals. Vétoquinol supplies products in 5 Continents through a network of subsidiaries in 15 countries and distributors in over 80.

About Dechra Pharmaceuticals PLC
www.dechra.com
Dechra Pharmaceuticals are specialists in the UK and international veterinary and animal healthcare markets. Key to the Group’s strategy is the development of its veterinary pharmaceuticals portfolio. Quoted on the London Stock Exchange (under pharmaceuticals and biotech: Reuters: DPH.L), the business is split into two divisions: the pharmaceutical division which includes Arnolds Veterinary Products (“Arnolds”) and Dales Pharmaceuticals (“Dales”) and the services division which includes National Veterinary Services (“NVS”), NationWide Laboratories (“NW.L”), Cambridge Specialist Laboratory Services (“CSLS”) and Vetcom Practice Management Systems (“Vetcom”).

Arnolds Veterinary Products
Arnolds is one of the most well respected and recognised brand names in the veterinary markets and holds a leading position in several specialist veterinary pharmaceutical sectors of the UK market such as endocrinology, local anaesthesia and equine anti-inflammatory with strong positions in several other companion animal sectors. Its pipeline in product development remains centred around: cardiology, endocrinology, respiratory and oncology.

Ovuplant®
Ovuplant® is a controlled-release, synthetic hormone that stimulates ovulation in brood mares within 48 hours of implantation. It is estimated by Peptech that there are approximately 10,000 thoroughbred mares bred each year in the United Kingdom, from a total population of 120,000 commercial horses. The ability to pinpoint ovulation with a high degree of accuracy allows breeders to schedule natural or artificial insemination, and maximise the chance of conception. This greatly reduces the potential need for repeats visits by stallions during one ovulation cycle. Stallion service fees, which are payable upon confirmation of pregnancy, can be as high as £50,000 in the United Kingdom.

Vetoryl®
Vetoryl® developed and launched to the UK market in 2001 by Arnolds is manufactured at Dechra’s facility, Dales Pharmaceuticals and marketed and distributed under the Arnolds brand. The chemical entity Triostane has been highly effective in the treatment of Cushing’s syndrome, an endocrine disorder in dogs, where it selectively blocks glucocorticoid synthesis, reducing serum cortisol levels. Research has shown that, by controlling the clinical signs of the disease, symptoms in over 90% of dogs with the condition have been relieved.

Felimazole®
Felimazole® was launched into the UK market in April 2002, its license being extended for lifelong treatment of Feline Hyperthyroidism in December 2002. Felimazole® is the only licensed product on the market and was developed in-house by Arnolds Veterinary Products. Feline Hyperthyroidism is the most commonly diagnosed endocrine disorder in cats, in over 70% of cases the thyroid gland is enlarged. Clinical signs are hyperactivity, weight loss, increased heart rate and anxiety. The disease affects cats mainly over the age of 10 years. Methimazole, the chemical active in Felimazole® is effective in reducing the high serum thyroid hormone concentrations, thus enabling the cat to stabilise its thyroid hormone production and alleviate the clinical symptoms of the disease.