


## Application Form for Reimbursement Price Adjustment

Ap plic ant	Institution	Novartis Korea Ltd.		License No	163	
	Address	25-5 Yoido-dong Youngdeungpo-gu, Seoul		Tel. No	768-9000	
	Name	Frank Bobe		I.D Number	580109-100-1002	
Product Name		Glivec capsule	Code No	E01630891	Classification No	421
Manufacture (Import) Product License		No : 163-89			Date : 20 June, 2001	
Package		Pack size : 120caps/pack		Minimum unit : 1 capsule		
Active Substance & Composition		Imatinib mesilate 100mg				
Classification for Adjustment Item (Check for related box)		<input type="checkbox"/> Adjustment to reimbursed drug <input type="checkbox"/> Adjustment to non- reimbursed drug <input checked="" type="checkbox"/> Adjustment of reimbursement price				
Reasons for Adjustment		A7 countries (US, Swiss, Japan, UK, German, Italy, France) prices become available				
Details for Adjustment		Current Price	KRW 17,862/cap	Applied price	KRW 24,050/cap	Increase rates (%) 34.6%
<p>According to the clause 4 of Guidelines for Determination &amp; Adjustment of Undetermined Prices, we hereby duly submit the application letter for adjustment of reimbursement price for above product with related documents.</p> <p style="text-align: right;">             Applicator: Frank Bobe               Charger : Kyung-Ryung Song              Tel No : 768-9031           </p> <p style="text-align: center;"><b>Dear Mr.Minister of MOHW</b></p>						
Attachments		<ol style="list-style-type: none"> <li>1. In case of application for "adjustment for reimbursed drug" or "adjustment for non-reimbursed drug", copy of original drug application form and related documents should be attached</li> <li>2. In case of "increase of reimbursement price"               <ul style="list-style-type: none"> <li>● Profit related document-Corporate tax or reported document to Tax office</li> <li>● Imported net- price of applied product and details of items (eg: materials fee for manufacture)</li> </ul> </li> </ol>				
<p>Ref 1. For Institution column, Name of Hospital, related Society or Manufacturer (Importer) should be fill in.</p> <p>2. For name column, representative director of the Institution or group should be fill in.</p>						

## PRICE CALCULATIONS GLIVEC KOREA

All calculations based on average exchange rate December 2001: 1 CHF= 777 KRW

### 1. Price calculated on basis of A7 actual ex-factory prices

Ex-factory price Glivec 120 caps		FOREX		Ex-factory price	
Local Currency	Ex-factory price	December	CHF	KRW	
US	1,968.00 USD	1.65	3,247	2,523,074	
CH	3,600.00 CHF	1	3,600	2,797,200	
Germany	4,505.17 DEM	0.75439	3,399	2,640,755	
UK	1,442.01 GBP	2.375	3,425	2,661,049	
Japan	354,389.00 JPY	0.013005	4,609	3,581,060	
France	16,440.00 FFR	0.2249	3,697	2,872,846	
Italy	4,400,000.00 ITL	0.000762	3,353	2,605,126	
		<b>A7 average</b>	<b>3,619</b>	<b>2,811,587</b>	
<b>Reimbursed price Glivec 1 caps (KRW)</b>					
Average A7 Ex-factory / 120 caps		2,811,587 KRW			
Reimbursed / 120 caps KRW		1.0343 Distribution margin		3.43%	
		1.0526 Wholesaler margin		5.26%	
		1.1000 VAT		10%	
Reimbursed / 1 caps KRW		28,059 KRW			

## 2. Price calculated on basis of A7 public prices

Ex-factory price Gilvec 120 mg		Public / Reimbursed price	FOREX December	Price CHF	margin	Ex-factory price CHF	KRW
US	Local Currency	2,362.00 AWP (*)	1.65	3897	0.65	2533	1,968,334
CH		3,932.00 Public incl. VAT	1	3932	0.65	2556	1,985,857
Germany		6,352.00 Public incl. VAT	0.75439	4792	0.65	3115	2,420,142
UK		1,557.36 NHS (**)	2.375	3699	0.65	2404	1,868,044
Japan		416,928.00 NHI (***)	0.013005	5422	0.82	4446	3,454,668
France		16,440.00 Ex-factory to hospital	0.2249	3697	1	3816	2,965,032
Italy		5,734,600.00 Public incl. VAT	0.000762	4370	0.65	2840	2,207,027
					average A7	3102	2,409,871

### Reimbursed price Gilvec 1 caps (KRW)

Average A7 Ex-factory / 120 caps	2,409,871 KRW	1.0343 Distribution margin	3.43%
Reimbursed / 120 caps KRW	2,866,001 KRW	1.0526 Wholesaler margin	5.26%
Reimbursed / 1 caps KRW	24,050 KRW	1.1000 VAT	10%

(\*) AWP = Average wholesale price. Published in the Red Book. Basis for reimbursement in USA. Ex-factory price (actual) is 82.63% of AWP.

(\*\*) NHS = Price reimbursed by the National Health Service to the pharmacist in the UK. Ex-factory price (actual) is 90% of NHS price.

(\*\*\*) NHI = Reimbursement price in Japan. Ex-factory price (actual) is 85% of NHI price.