

AstraZeneca

February 11, 2011

Re: AstraZeneca LP Allocation Management Program for Pulmicort Respules®
(budesonide inhalation suspension)

AstraZeneca LP ("AstraZeneca") markets Pulmicort Respules® 0.25 mg/ml and 0.5 mg/ml (NDC No. 00186-1988-04 and 00186-1989-04). Due to certain supply limitations and high demand for Pulmicort Respules, AstraZeneca has been forced to temporarily limit purchase of Pulmicort Respules by all customers, including 340B Covered Entities.

Pulmicort Respules Allocation Management Program

Early in first quarter of 2011, AstraZeneca determined that demand for Pulmicort Respules would soon begin to outpace AstraZeneca's ability to supply the product. At that time, to avoid shortages and other distribution disruptions, AstraZeneca took preliminary measures to limit purchasing. In early February, AstraZeneca formalized its purchase order management program, under which wholesalers were (and continue to be) limited in their direct purchases of Pulmicort Respules based on the volume of purchases they made during 2Q2010, 3Q2010 and January 2011 (the reference period). We believe this period is an appropriate time frame upon which to base customer order quantities given recent changes in the competitive landscape for this product. Working with our wholesalers, we believe we are able to enforce fair and equitable distribution of Pulmicort Respules among all customers during this shortage.

Unfortunately, AstraZeneca predicts that this system will remain in place for the foreseeable future. As long as the availability of Pulmicort Respules is constrained in the market, AstraZeneca will maintain its purchasing order management program to ensure reasonable access for every customer.

Thank you for understanding AstraZeneca's position regarding the temporary limited availability of Pulmicort Respules and our attempts to ensure equitable access to the product. If you have any questions, please feel free to call me directly at 302-885-9391.

Bret Hughes
Sr. Mgr., Government Pricing
AstraZeneca LP