

Press Release 3 February, 2005

CSL LIMITED AND MERCK & CO, INC ENTER INTO CROSS-LICENSE AND SETTLEMENT ARRANGEMENT WITH GLAXOSMITHKLINE FOR HPV VACCINE PATENTS

CSL today announced a cross-license and settlement arrangement between CSL, Merck & Co Inc, (Merck) and GlaxoSmithKline (GSK) regarding certain patents related to the human papillomavirus (HPV) vaccine.

In 1995 CSL entered into an exclusive License Agreement with Merck for certain patents and know-how related to HPV which had been previously licensed by CSL from the University of Queensland as a result of a research collaboration undertaken between them. This collaboration formed the basis for the development by Merck of an investigational HPV vaccine candidate which is currently in Phase III clinical trials. The financial terms between CSL and Merck are unchanged by the Agreement announced today. However, depending upon the outcome of certain US patent proceedings, CSL would receive royalties from Merck for an extended period.

Under the arrangement announced today and in addition to milestones and royalties payable by Merck, CSL will also receive from GSK separately negotiated milestones and royalties related to GSK's development and sales of its HPV vaccine. Further financial details and terms were not disclosed.

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