



Huddinge, 9 February 2006

Candidate Drug Designated

Medivir has reached a milestone in its HIV NNRTI research program and has now designated a clinical Candidate Drug (CD); MIV-170. Designation of a CD means that the project enters the preclinical development phase, which is the stage immediately prior to clinical trials. However, as communicated in December 2005, Medivir has the ambition of divesting or outlicensing its HIV, HBV and shingles polymerase projects through its subsidiary Medivir HIV Franchise AB. Accordingly, Medivir does not intend to invest additional internal resources in MIV-170.

MIV-170 belongs to the NNRTI class of drugs, which constitutes one of the three components in contemporary standard treatment regimes for HIV/AIDS. These combination regimes presently offer a robust and efficacious therapy. However, in the long term, the problem of resistance development still remains and currently marketed triple combinations also give rise to side effects to various degrees. These shortfalls mean that there is still a place for the introduction of new and improved pharmaceuticals. The sales of NNRTI pharmaceuticals currently amount to around SEK 8 billion and the market is dominated by two products, Sustiva (Bristol Myer Squibb) and Viramune (Boehringer Ingelheim).

MIV-170 is an exceptionally active inhibitor of both wild type and clinical NNRTI-resistant HIV viruses. MIV-170 therefore has very competitive properties in comparison to the established NNRTIs on the market. Additionally, compared to its competitors, the compound has very attractive properties in other areas, such as good bioavailability and pharmacokinetics. This is predictive that MIV-170 could be an efficacious HIV drug with once daily dosing.

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For additional information, please see Medivir's website www.medivir.se

The Medivir group

Medivir develops pharmaceuticals for widely prevalent diseases with proteases as the target enzyme. The goal is to become a self-sustaining, profitable, research-based pharmaceutical company with proprietary products on the market. The company is located in Huddinge, Sweden and Chesterfield Research Park, Essex, England. The

Group comprises Medivir AB, subsidiary Medivir UK Ltd, Medivir HIV Franchise AB and Medivir Personal AB. At the end of December 2005, the Group had 133 employees. In 1996 Medivir was listed on the O list at the Stockholm Stock Exchange (Stockholmsbörsen).

Medivir's research portfolio embraces projects on hepatitis C, labial herpes, osteoporosis, rheumatoid arthritis (RA), asthma, multiple sclerosis (MS). Medivir has seven individual projects in development, of which one is entering phase III.

Medivir HIV Franchise AB is focused on the development and divestment of HIV/HBV projects and examining the clinical strategy for shingles drug MIV-606.