PRESS RELEASE
Uppsala
February 9, 2007

Q-Med has entered into a development and commercialisation agreement regarding botulinum toxin products

Q-Med AB and Medy-Tox Inc., a South Korean biopharmaceutical company, have today entered into an agreement regarding collaboration with regard to botulinum toxin based biopharmaceuticals.

This collaboration will allow Q-Med to develop and commercialise new generations of botulinum toxin products for both esthetic and therapeutic indications. Medy-Tox will support Q-Med with its extensive technology and know-how in the development of botulinum toxin and Q-Med will support Medy-Tox in the establishment of its new facilities.

Under the agreement, Q-Med will pay Medy-Tox milestones up to USD 8 million provided that specific targets have been met by Medy-Tox. In addition, Q-Med will support Medy-Tox with an additional conditioned USD 3 million to expand its facilities in Ochang-myeon in South Korea. The agreement also entitles Medy-Tox to a future royalty on botulinum toxin based products developed by Q-Med which are based on Medy-Tox active pharmaceutical ingredients.

Q-Med grants Medy-Tox the right of first refusal regarding distribution in India, Thailand, Singapore and South Korea of newly developed botulinum toxin products.

- Commercialised botulinum toxin products have been available on the market for almost 20 years and we have seen very limited innovative product development so far. This agreement offers an outstanding opportunity to strengthen the position of Q-Med as the leader in the development of evidence-based facial aesthetic products. It will also complement and benefit our therapeutic business. Medy-Tox is an extremely suitable partner for our ambitious plans to expand our activities. We are convinced that both companies will greatly benefit from the outstanding synergy resulting from this close collaboration in the future, says Bengt Ågerup, CEO of Q-Med.

The total global toxin market is valued at USD 1.2 billion in 2006. 55 percent of it is used in therapeutic indications and the market is currently estimated to be growing at a rate of more than 20 percent per annum.

Queries should be addressed to:
Bengt Ågerup, CEO, Tel: +46 (0) 70-974 90 25
Erika Kjellberg Eriksson, Vice President and CFO, Tel: +46 (0)70-974 90 20.

Q-Med AB is a rapidly growing and profitable biotechnology/medical device company. The company develops, produces, markets and sells implants for esthetic and medical use. All products are based on the company's patented technology for the production of stabilized non-animal hyaluronic acid, NASHA™. The product portfolio today contains: RESTYLANE for the filling out of lips and facial wrinkles and for facial contouring, DUROLANE, for the treatment of osteoarthritis of the hip and knee joints, DEFLUX for the treatment of vesicoureteral reflux, VUR, (a malformation of the urinary bladder) in children; ZUIDEX, for the treatment of stress urinary incontinence in women and SOLESTA, for fecal incontinence. Sales are made through the company's own subsidiaries or distributors in over 70 countries. Q-Med today has more than 600 co-workers, with approximately 400 at the company's head office and production facility in Uppsala, Sweden. Q-Med AB is a Large Cap company on the OMX Nordic Exchange in Stockholm.

In the US, Q-Med AB's affiliate is the wholly-owned subsidiary Q-Med Scandinavia, Inc.