Press release, 7 May 2010

Meda acquires exclusive rights to flupirtine for fibromyalgia, a potential USD billion indication

Meda has acquired exclusive US, Canadian and Japanese rights for the use of flupirtine to treat fibromyalgia from Adeona Pharmaceuticals. As part of the agreement, Meda is taking over full responsibility for development and commercialization of the compound. Flupirtine is currently in phase II development for the patented indication fibromyalgia.

Fibromyalgia is a chronic and debilitating condition characterized by widespread pain and stiffness throughout the body, accompanied by severe fatigue, insomnia and mood symptoms. Fibromyalgia affects an estimated 2-4% of the population worldwide, including an estimated 4 million patients in the United States.

There are presently three products approved for this indication in the US – Lyrica, Cymbalta and Savella. Meda estimates the US market for fibromyalgia to be near 1 billion USD at launch of flupirtine. Flupirtine is differentiated from these products in that it employs a unique mode of action.

"We are very pleased to collaborate with Adeona in the development of flupirtine for fibromyalgia, a therapeutic area with a large unmet medical need. Flupirtine has the potential to have better efficacy and safety than current treatments. Additionally, flupirtine has displayed good tolerability during all the years it has been used for the treatment of acute and chronic pain", says Anders Lönner, CEO Meda.

Meda also believes flupirtine's neuroprotective properties can be leveraged to treat new indications outside of pain and fibromyalgia, resulting in robust product lifecycle opportunities.

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Under the agreement with Adeona, Meda will make an up-front payment of 2,5 MUSD. In addition, Meda will make a milestone payments of 5 MUSD upon the Food and Drug Administration's (FDA's) acceptance of the New Drug Application (NDA), and 10 MUSD upon NDA Approval by the FDA. Meda will also pay single digit royalties to Adeona.

If questions, please contact:

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