



Meda agrees to acquire Elidel

Meda has reached an agreement with Novartis to acquire global rights for Elidel (*pimecrolimus 1% cream*). Elidel is a patent protected, specialty focused product for the treatment of atopic dermatitis (AD).

AD is a chronically relapsing inflammatory skin disease and the skin barrier plays an essential role in protection against AD flares. Elidel is the first non-steroidal topical cream treatment specifically developed for the treatment of AD.

Elidel is approved and sold in more than 90 countries worldwide. The global sales level for the product is about 120 MUSD with an attractive profitability. The majority of sales is generated in the US, Europe and Meda's emerging markets. The purchase price is 420 MUSD (approx. 2 650 MSEK) equivalent to a multiple of about 5 times EBITDA.

"I'm glad that we could reach this deal with Novartis. Elidel strengthens our position in dermatology and we expect valuable market synergies", said Anders Lönner, CEO Meda.

The closing of the acquisition is dependent on antitrust approvals, which are expected during the second quarter 2011, and other customary closing conditions. Meda will use a combination of its own marketing platform and third parties for the commercialization of Elidel.

We have also entered into a commitment in principle to license Elidel in North America to Valeant International (Barbados) SRL, a subsidiary of Valeant Pharmaceuticals International, Inc. Terms of the license will be disclosed after the parties have executed a definitive agreement", continued Anders Lönner.

To date, Elidel has been studied in more than 60,000 patients. Preliminary data also suggests that Elidel can be effective in the treatment of other dermatological conditions, an opportunity Meda will pursue.

Elidel is protected by several patents covering substance, formulation and manufacturing processes until 2025.

About Elidel

Elidel was approved in the US in 2001 and in the European Union in 2002 as well as in many other countries. Depending on the country, Elidel is indicated as a second-line therapy for the short and long-term management of the signs and symptoms of mild to moderate atopic dermatitis in adults and children two years of age and older.

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MEDA AB (publ) is a leading international specialty pharma company. Meda's products are sold in 120 countries worldwide and the company is represented by its own organizations in 50 countries. The Meda share is listed under Large Cap on the Nasdaq OMX Nordic Stock Exchange in Stockholm. Find out more, visit www.meda.se.

Forward-looking Statements

This press release is not an offer to sell or a solicitation to buy shares in Meda. This press release also contains certain forward-looking statements with respect to certain future events and Meda's potential financial performance. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts, and may sometimes include words such as "may", "will", "seek", "anticipate", "expect", "estimate", "intend", "plan", "forecast", "believe" or other words of similar meaning. These forward looking statements reflect the current expectations on future events of the management at the time such statements are made, but are made subject to a number of risks and uncertainties. In the event such risks or uncertainties materialize, Meda's results could be materially affected. The risks and uncertainties include, but are not limited to, risks associated with the inherent uncertainty of pharmaceutical research and product development, manufacturing and commercialization, the impact of competitive products, patents, legal challenges, government regulation and approval, Meda's ability to secure new products for commercialization and/or development and other risks and uncertainties detailed from time to time in Meda AB's interim or annual reports, prospectuses or press releases. Listeners and readers are cautioned that no forward-looking statement is a guarantee of future performance and that actual result could differ materially from those contained in the forward-looking statements. Meda does not intend, nor undertakes, to update any such forward looking statements.