

Press release 28 August, 2009

Orexo signs exclusive worldwide license agreement for a novel formulation

Uppsala, Sweden, 28 August, 2009 - Orexo (STO: ORX) announces it has signed an exclusive worldwide licensing agreement with a Novartis affiliate to develop and commercialise a novel product related to Orexo's OX17 program.

Under the terms of the agreement, Novartis will fund all future development of the new product and will receive an exclusive license to all related intellectual property. Orexo will receive milestone payments upon major development achievements, and will be eligible for further milestone payments upon the attainment of certain sales targets. In addition, Orexo will receive royalties on future sales of the product. The agreement's financial terms were not disclosed.

Torbjörn Bjerke, President and CEO of Orexo, commented "Our development collaboration with Novartis, one of the finest healthcare companies in the world, has been outstanding and I am now very pleased to extend this to a full licensing agreement for the new product. This agreement is potentially an important step towards Orexo becoming a sustainable profitable pharmaceutical company. We are convinced that Novartis will make the new product a success."

– Ends –

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Notes to Editors

About Orexo

Orexo is a pharmaceutical company focusing on developing treatments for pain and inflammation. The company has four products on the market as well as a competitive product portfolio in late stages of development. Sales and product development are mainly carried out through worldwide partnership agreements with larger pharmaceutical companies. Orexo has 128 employees, and has its head office located in Uppsala, Sweden. More information can be found at www.orexo.com.

Product portfolio

Commercialized products with distribution- and marketing agreements

Product	Indication	Status
Abstral™	Breakthrough cancer pain	Marketed in EU, Phase III in US and Japan Partnered with: ProStrakan, Gedeon Richter, Hospira, Kyowa Hakko Kirin, Neopharm and NovaMed
Edluar™	Insomnia	FDA approved, launched in the USA Partnered with Meda
Diabact® UBT / Heliprobe®System	Diagnosis - <i>Helicobacter pylori</i>	Marketed in EU and other territories*

*Marketed through Kibion AB, subsidiary of Orexo

Partnered development projects

Product	Indication	Development phase	Partner(s)
OX-NLA	Rhinitis	Phase III-ready	Meda
OX-MPI	Pain, inflammation	Pre-clinical development	Boehringer Ingelheim
OX17	Certain disorders	Phase II/III	Novartis

Prioritized projects for which licensing discussions have begun

Product	Indication	Development phase
OX914	COPD/Asthma	Phase II
Arachidonic Acid Franchise (OX2477/OX-CLI)	Asthma/COPD	Pre-clinical
OX641	Migraine	Pre-clinical
OX-PKX	Various projects using the PharmaKodex platform	Formulation

Projects with potential for further development

OX219	Opioid addiction	Ready for clinical studies
OX30	Chronic pain	Pre-project

More information can be found at www.orexo.com.

Note:

This is information that Orexo AB (publ) is required to disclose pursuant to the Swedish Securities Markets Act. The information was provided for public release on August 28, 2009 at 08:00 CET.