

Press release September 8, 2008

Orexo and Boehringer Ingelheim extend their research collaboration

Uppsala, Sweden, September 8, 2008 – Orexo AB (OMX: ORX), the Swedish pharmaceutical company and Boehringer Ingelheim, the international pharmaceutical company headquartered in Ingelheim, Germany, have extended their existing three year research collaboration for a further 12 months from November 2008.

The research collaboration is a part of an exclusive world-wide license to develop and market a new class of drugs with a novel mechanism of action for the treatment of pain and inflammation.

This acts as an extension to the original agreement between the two companies dating from 2005; the deal has a total potential value of MEUR 250 in milestones to Orexo excluding royalties.

The collaboration is focused on the development of a drug which specifically inhibits the enzyme prostaglandin (PG) E synthase (mPGES) to reduce the production of PGE₂, an endogenous substance that is central to various inflammatory processes.

Thanks to its selective inhibition, the drug could have fewer side effects than existing pain medications, such as the NSAIDs.

Dr Torbjörn Bjerke, President and Chief Executive of Orexo, said:

“We are delighted to extend the excellent collaboration with Boehringer Ingelheim, a global player with expertise in the inflammatory pain area and a very committed partner. The medical need in the area of pain and inflammation is considerable and this collaboration has the potential to answer the patients’ and physicians’ need for a new treatment that is both safe and efficacious.”

Under the terms of the agreement, Boehringer Ingelheim will continue research funding to Orexo in the OX-MPI project. Boehringer Ingelheim holds exclusive rights to all further compound development and marketing, except in the Nordic and Baltic regions, where Boehringer Ingelheim and Orexo will co-promote potential products developed.

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TO THE EDITORS

About Orexo

Orexo is a pharmaceutical company, focusing on development of new, patented drugs by combining well-documented substances with innovative technologies, and the development of new treatments for respiratory and inflammatory diseases.

Orexo has a broad and competitive late-stage product portfolio, including two marketed products, five products in clinical phase and two in registration stage.

To date, Orexo has out-licensed the market rights for Abstral/Rapinyl for the US, EU and Japan markets and the world-wide market rights for Sublinox (OX22) and OX-NLA, and a out-license and research collaboration with Boehringer Ingelheim regarding the development of a new class of drugs to treat pain and inflammation. Abstral/Rapinyl was approved in Europe on June 24, 2008. Orexo has established a Nordic sales force by entering into a joint venture with ProStrakan. Abstral was launched in Sweden during Q3 this year.

Orexo has its head office in Uppsala, Sweden and is listed on the OMX Nordic Exchange Stockholm, Small Cap (ticker: ORX).

www.orexo.com

About pain and inflammation treatment

Inflammation, pain and fever are common phenomena in a variety of conditions – from dislocations and sprains to chronic diseases such as arthritis. About 355 million people around the world are estimated to suffer from arthritis. One out of three adults and nearly 300 000 children in the U.S. live with arthritis. The most common type of arthritis is osteoarthritis and is seen in many people as they age. Rheumatoid arthritis is somewhat less common, but often more disabling and affects young people in their active years.

For patients with chronic diseases, pain relief is at hand, but often at the cost of side effects. In the U.S., as many as 100,000 patients a year are admitted to hospitals with gastric or intestinal haemorrhaging, resulting from standard treatment with conventional non-selective, non-steroid anti-inflammatory drugs (NSAIDs), with active ingredients such as acetylsalicylic acid and ibuprofen. In 2004, global sales of drugs for treating mild- to moderate pain amounted to 14.5 billion USD.