Press release 24th March, 2009

Orexo announces Phase IIa data on OX914 in rhinitis

Orexo (NASDAQ-OMX: ORX) today reported clinical results from an experimental phase IIa safety and efficacy study in allergic rhinitis with OX914, the first compound in its Phosphodiesterase 4 (PDE4) inhibitor program. This program is intended to produce therapeutic molecules for the treatment of inflammatory airway diseases including rhinitis, asthma and chronic obstructive pulmonary disease ("COPD").

The trial data showed that treatment with 15 mg or 50 mg per day of OX914 did not show a statistically significant reduction in patient symptom scores after allergen provocation, compared with placebo treatment. OX914 was safe and well-tolerated and, unlike most other PDE4 inhibitors, did not show any increased evidence of nausea or vomiting compared with placebo.

While this result shows that oral treatment with OX914 is not likely to be an effective therapy in allergic rhinitis, no assessment can be made from this result in respect of its efficacy against COPD. In light of the preclinical *in vivo* evidence of efficacy and the molecule's strong safety and tolerability profile, Orexo will continue its ongoing discussions with several potential development partners for OX914 and the suite of back-up molecules in this series for COPD and other non-respiratory inflammatory indications.

Charlotte Edenius, Chief Scientific Officer and Head of Preclinical Research & Development commented: "Although we are disappointed that the lead molecule did not meet its primary endpoint after oral treatment in this rhinitis study, we remain confident that the PDE4 program contains very potent and targeted inhibitors of PDE4, a clinically-validated target for both COPD and asthma. We will continue with our partnering discussions for OX914 and the program for various inflammatory indications."

Trial Design

OX914 was tested in a double blind, three-way cross-over trial using an experimental model of allergic rhinitis. Over the course of three two-week periods, 36 pollen-allergic patients were treated orally with 15 mg or 50 mg of OX914 or placebo, and on days 7-13 of each treatment period, a daily allergen challenge was given in the nose. The resulting symptoms were estimated by the patient themselves using a pre-defined scale. The primary variable was the comparison of nasal symptoms, 10 minutes after allergen provocation, between 50 mg of OX914 and placebo.

For more information, please contact:
Torbjörn Bjerke, President and CEO, Orexo
Tel: +46 (0)708-66 19 90
E-mail: torbjorn.bjerke@orexo.com

Johan Andersson, Investor Relations Manager, Orexo
Tel: +46 (o) 702-10 04 51
E-mail: johan.andersson@orexo.com

Notes to Editors

About Orexo

Orexo is a pharmaceutical company focused on developing drugs for the treatment of pain and inflammation. The company has three 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.

Product portfolio

Commercialized products with distribution- and marketing agreements

Product	Indication	Status
Abstral™/Rapinyl	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 Partnered with Meda
Diabact® UBT / Heliprobe®System	Diagnosis - *Helicobacter pylori*	Marketed in EU and other territories*

**Marketed through Kibion AB, subsidiary of Orexo*

Projects with licensing agreements

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

Prioritized projects for which licensing discussions have begun

Product	Indication	Development phase
OX17	GERD	Phase II/III
OX914	COPD/Asthma	Phase II
Arachidonic Acid Franchise (OX2477/OX-CLI)	Asthma/COPD	Pre-clinical
OX641	Migraine	Formulation
OX-PKX	Various projects with the PharmaKodex platform	Formulation
OX19	Incontinence	Phase I

Projects with potential for further development

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

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 March 24, 2009 at 14.30 CET.