

Press Release 14 February 2011

Medivir Signs Research & Development Collaboration on Dengue Virus

Highlights of the Collaboration:

- Collaboration with Janssen Pharmaceutica N.V. focused on dengue virus
- Both parties to contribute 50:50 resources to the research program
- Strengthens Medivir's presence in infectious diseases and utilises strong know-how in the discovery of protease inhibitor drugs

Huddinge, Sweden - Medivir AB (OMX: MVIR), the emerging research-based specialty pharmaceutical company focused on infectious diseases, announces today that it has signed a collaboration agreement with Janssen Pharmaceutica N.V. (Janssen) for the discovery and development of drugs for the prophylaxis and treatment of dengue virus infection. Utilising both companies' core competences in the discovery and development of protease inhibitors, Medivir and Janssen will initiate an R&D program to co-develop drugs based on the inhibition of the dengue NS3 protease activity. Both parties will contribute equal resources to the research program and Medivir has an option to continue to contribute equal funding for the non-clinical and clinical development stages.

Terms

The terms of the agreement govern the discovery, clinical development and commercialisation of any drugs developed under the agreement. Depending on the level of funding through pre-specified decision points, each party has the option to take products discovered through the research program forward through development and on to commercialisation. If both parties remain in the collaboration until product approval, Janssen will be responsible for commercialization. Medivir will receive pre-agreed royalties on net sales of future products that reflect its contribution to the development of products.

Dengue Virus and Disease

Dengue fever is a mosquito-borne viral infection, causing a severe debilitating fever, rash, and muscle and joint pain. In an unpredictable subset of cases, Dengue haemorrhagic fever occurs, which may lead to vascular leakage and Dengue shock syndrome, a potentially lethal condition. Dengue virus infection is a major problem in subtropical regions where the incidence has increased 30-fold over the last 50 years. Up to 50 million infections are now estimated to occur annually in more than 100 endemic countries and as the disease continues to spread, approximately one third of the world's population is at risk. Dengue hemorrhagic fever and Dengue shock syndrome contribute significantly to hospitalization costs in endemic regions. This growing prevalence has not been met by any significant advances in treatment¹ and the annual death rate from dengue infection is approximately 30,000.

Development approach

Inhibition of the dengue NS3 protease is considered to be an attractive target in developing novel efficacious drugs against dengue infection, due to the critical role that the NS3 protease plays in viral replication. Drug candidates that inhibit the dengue NS3 protease thus offer the prospect of disease prevention and the control of outbreaks in endemic areas. In addition, an NS3 protease inhibitor with therapeutic benefit could be used to treat ongoing viral infections.

Medivir has extensive expertise and knowledge in the discovery of protease inhibitors and the Company's lead drug TMC435, for the treatment of hepatitis C, which is partnered with Tibotec (an affiliate of Janssen) has recently reported positive interim data in three Phase 2b studies. Medivir has further partnerships with Tibotec that utilise Medivir's unparalleled knowledge in the discovery and development of treatments for infectious diseases, including partnerships on hepatitis C polymerase and HIV protease inhibitor drugs.

Ron Long, CEO and President of Medivir commenting on the announcement said, "Medivir has strong experience in the discovery of protease inhibitors for the treatment of infectious diseases and we are delighted to be collaborating with Janssen in this important disease area. This strategic collaboration represents a significant step forward in our ambition to retain more value in products by taking them further into development and securing a much more active role in our collaborations with partners. We believe that dengue NS3 protease inhibitors offer the best prospect for effective treatment of dengue fever and we look forward to working closely with our partner to take this project forward."

Notes

¹World Health Organisation, Fact sheet N°117, March 2009.

For more information about Medivir, please contact:

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About Medivir

Medivir is an emerging research-based specialty pharmaceutical company focused on the development of high-value treatments for infectious diseases. Medivir has world class expertise in polymerase and protease drug targets and drug development. Medivir has a strong R&D portfolio and has recently launched its first product Xerese[™]/Xerclear[®]. Medivir's key pipeline asset, TMC435, a protease inhibitor, is in phase 2b clinical development for Hepatitis C and is partnered with Tibotec Pharmaceuticals.

XereseTM/Xerclear[®] is an innovative treatment for cold sores, which has been approved in both the US and Europe. It is partnered with GlaxoSmithKline to be sold OTC in Europe and Russia and with Meda AB in North America. Medivir has retained the Rx rights for Xerclear[®] in Sweden and Finland.

For more information about Medivir, please visit the Company's website: www.medivir.se.