



**Press Release 15 May 2008**

**Medivir AB broadens its hepatitis C collaboration with Tibotec, entering a partnership in the field of HCV polymerase**

Medivir AB (OMX Nordic: MVIR B) announced today a new Research, Development and License agreement in the field of hepatitis C virus (HCV). Under the agreement, executed with Ortho Biotech Products L.P. of Bridgewater, NJ (a wholly owned subsidiary of Johnson & Johnson), Medivir will partner with Tibotec BVBA of Mechelen, Belgium.

The goal of the HCV partnership is to identify and develop orally active inhibitors of the HCV polymerase NS5B. Activities will centre on screening new and existing libraries of nucleoside analogues, developed by Medivir, that show anti-HCV activity *in vitro*.

Medivir and Tibotec will together carry out the preclinical phase of the project with the aim of nominating drug candidates. Tibotec will thereafter have responsibility for clinical development and marketing of such compounds. Tibotec has been granted exclusive marketing rights in all countries except the Nordic countries where marketing rights are retained by Medivir.

According to the agreement, Medivir will receive an upfront payment of 5 million euros at signing. Medivir will receive further milestone payments up to a total of 142 million euros for one compound reaching the market and up to 272 million euros if two compounds reach the market and approved for two indications. Medivir will receive a royalty on product sales. The agreement also provides for research funding to Medivir.

“It is gratifying that we can broaden our collaboration with Tibotec. Strategically it is crucial to evaluate further HCV drug targets – such as the inhibition of polymerase NS5B – when endeavoring to treat HCV. Collaborating with Tibotec makes good sense when we are already engaged in the development of a compound with a different point of attack, namely the protease enzyme. The compound, TMC435350, is in phase IIa clinical trials”, says Medivir’s CEO Lars Adlersson.

**For additional information, please contact**

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**For more on Medivir, please see the company website: [www.medivir.se](http://www.medivir.se)**