



## Update on license agreement between Meda and Valeant

Meda out-licensed its dermatological products Elidel and Xerese to Valeant in North America in 2011. Elidel is a patented prescription product for the treatment of atopic dermatitis. The license agreement followed a decision by Meda to focus on the Respiratory area with its sales force in the US. Meda is entitled to royalties based on net sales of these products and Zovirax. For 2015 the royalties amount to USD 40 million, less than 2% of Meda's expected net sales. For 2016 and onwards the agreement stipulates lower royalties for Meda, for the next year expected to be about half the amount of this year. Going forward, the agreement is with less than 1% of Meda's net sales of minor importance to Meda overall.

Since Elidel and Xerese are out-licensed with all commercialization rights, Meda has no insight into Valeant's distribution channels and how the out-licensed products are distributed. However, according to information received from Valeant, less than 20% of sales of the licensed products have been distributed through Philidor.

In 2014 Meda decided to terminate the joint venture companies with Valeant in Canada, Mexico and Australia.

Anders Lönner, who is on the board of Valeant, left Meda in October 2013 and has no function at Meda since then.

The expected decrease in royalties from Valeant in 2016 will not have any impact on Meda's potential M&A activities.

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**For further inquiries, please contact:**

Paula Treutiger, VP Corporate Communications & Sustainability

Tel: +46 733-666-599

[paula.treutiger@meda.se](mailto:paula.treutiger@meda.se)

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Meda AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication on November 16, 2015, at 07:00 CET.

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