



Meda divests manufacturing unit Euromed in Spain

Meda has entered into a definitive agreement with The Riverside Company ("Riverside") for the sale of Euromed S.A. ("Euromed"), a business-to-business manufacturer of herbal extracts and natural active substances located in Spain. The total consideration is EUR 82 million in upfront cash for the shares of Euromed. The unit generates sales of around EUR 40 million and an EBITDA margin of around 20% on an annual basis.

Euromed is a legacy Rottapharm subsidiary, now part of Meda, and has historically been the supplier of the key Legalon API. Meda and Riverside have entered into a favorable long-term strategic supply arrangement with fixed prices for a considerable time. In addition to the Legalon API, Euromed currently supplies high quality products to over 350 customers worldwide accounting for around 70% of its sales.

"The divestment of Euromed is in line with our stated strategy to focus on Meda's core business of selling and marketing Rx and Cx/OTC products in key markets. The transaction will enhance Meda's cash flow profile but also positively impact profitability" said Dr. Jörg-Thomas Dierks, Group President and CEO of Meda. "Furthermore we secure a long-term supplier for the API of our key product, Legalon".

The disposal of Euromed must be reported to the competition authorities in Germany. Competition filings will be initiated within days and the transaction is expected to complete in Q1 2016 following such clearances.

Closing of the transaction is not subject to any other material conditions.

Rothschild is acting as financial advisor to Meda and Latham & Watkins is acting as legal advisor to Meda in connection with the transaction.

For further inquiries, please contact:

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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 December 1, 2015, at 08:00 CET.

MEDA AB (publ) is a leading international specialty pharma company. Meda's products are sold in more than 150 countries worldwide and the company is represented by its own organizations in over 60 countries. The Meda share is listed under Large Cap on Nasdaq Stockholm. Find out more, visit www.meda.se.