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Press Release

Nycomed strengthens its osteoporosis portfolio

- Licensing agreement for EX101 (effervescent alendronate) with EffRx, Inc.
- First effervescent formulation of alendronate – easy to administer
- Significant enhancement to Nycomed's osteoporosis portfolio

Nycomed and EffRx today announced a licensing agreement on EffRx' drug EX101 (effervescent alendronate) for the treatment of osteoporosis. Under the agreement, Nycomed will receive the exclusive rights to develop, manufacture and commercialise the effervescent formulation of alendronate for the treatment of osteoporosis in a large number of countries worldwide. EX101 presents a significant enhancement to Nycomed's osteoporosis portfolio.

EX101 is a once weekly administration of an effervescent formulation of alendronate (bisphosphonate) for treatment of post-menopausal osteoporosis. Alendronate reduces the risk of vertebral and hip fractures. EX101 is currently in late stage clinical development, and submission for European approval is expected by end of 2009. The licensing agreement includes Europe, Russia/CIS, the Middle East, North Africa, Latin America and Canada.

The global osteoporosis market worldwide is growing and is presently valued at about US\$ 7 billion per year. As a bisphosphonate, EX101 will complement Nycomed's osteoporosis portfolio, which consists of Preotact[®] (full-length parathyroid hormone [PTH 1-84]) for treatment of osteoporosis in post-menopausal women at high risk of fractures, and the company's broad Calcium D₃ product range for the prevention of the condition.

"We are pleased with this collaboration with Nycomed. EffRx will have an excellent partner that already knows the market place in their territory and has the capabilities to market and sell this important drug along side its other products in the osteoporosis area. EX101 offers several benefits for the osteoporosis patient, who will get a more convenient drug," commented Christer Rosén, Chairman and CEO of EffRx.

"This agreement with EffRx offers an excellent strategic fit and strengthens Nycomed's portfolio in the field of osteoporosis," said Håkan Björklund, Chief Executive Officer of Nycomed. "Patients will benefit from the new pharmaceutical form that increases convenience thereby helping patients to stay on the medication," he continued.

Transaction terms

Under the terms of the agreement, Nycomed will receive the exclusive rights to develop, manufacture and commercialise EX101 for treatment of musculoskeletal diseases. The licensing agreements includes Europe, Russia, the Middle East North Africa, Latin America and Canada.

EffRx will receive an initial reward and could receive potential additional payments in the total of US\$ 59 million upon fulfilment of all milestones. In addition, EffRx will be granted double-digit royalties on future sales of EX101. Nycomed will be responsible for conducting the necessary studies required for marketing approval.

About EffRx

EffRx, Inc., is a drug delivery company that utilizes value-added drug delivery technologies to improve the performance of established pharmaceuticals. The company applies its technologies to well established, proven compounds to develop reformulated products with reduced gastrointestinal side effects, better absorption, and faster onset of action. EffRx develops novel prescription and OTC pharmaceuticals at relatively low development cost and risk, shorter time to market and with premium pricing compared with generics.

EffRx exploits a number of drug delivery technologies, notably soluble effervescent formulations, granules for immediate dispersion, and fast-melt lozenges with an effervescent layer. These technologies are applied to established high volume drugs with large market potential in various therapeutic areas.

EffRx currently has an extensive pipeline of product candidates, with three products in active development. The most advanced product is EX101 (effervescent alendronate), for the treatment of osteoporosis. Also in development is a bi-layer tablet for the treatment of xerostomia.

EffRx is headquartered in Jupiter, Florida, USA.

For additional information, please visit their website at www.effrx.com.

About Nycomed

Nycomed is a privately owned global pharmaceutical company with a differentiated portfolio focused on branded medicines in gastroenterology, respiratory and inflammatory diseases, pain, osteoporosis and tissue management. An extensive range of OTC products completes the portfolio.

Its R&D is built to be open for partnerships as in-licensing is a cornerstone in the company's growth strategy.

The company employs 12,000 associates worldwide, and its products are available in more than 100 countries. It has strong platforms in Europe and in fast-growing markets such as Russia/CIS, and Latin America. While the US and Japan are commercialised through best-in-class partners, Nycomed will further strengthen its position in key Asian markets.

Headquartered in Zurich/Switzerland, the company generated in 2007 total sales of € 3,5 billion and an adjusted EBITDA of € 1,2 billion.

For more information visit www.nycomed.com

For further information

Media:

Beatrix Benz
Tobias Cottmann
Phone +41 44 555 15 10

Investors:

Christian B. Seidelin
Phone +41 44 555 11 04