Medivir

A specialty pharmaceutical company focused on infectious diseases

Jefferies Health Care Conference
New York June 2011

Presenting team

Ron Long
CEO

Charlotte Edenius
Vice President
R&D Projects

Rein Piir
CFO / IR

Medivir in Brief

Listed:	**1996**
Ticker:	**MVIR**
Exchange:	**OMX NASDAQ**
Market Cap (SEK):	**4,000 Million**

First Product Xerclear™ / Xerese™ in Global Launch Phase

- Launch begun in Nordic region; Launched in US March 2011
- Nordic infrastructural and commercial capability secured through acquisition of BioPhausia

Focused infectious disease pipeline – multiple paths to value creation

- World leading science in the field of infectious disease R&D
- TMC435 – a potential blockbuster in hepatitis C
- 10 projects in clinical and pre-clinical development
- 7 partnerships with pharmaceutical and biotech companies

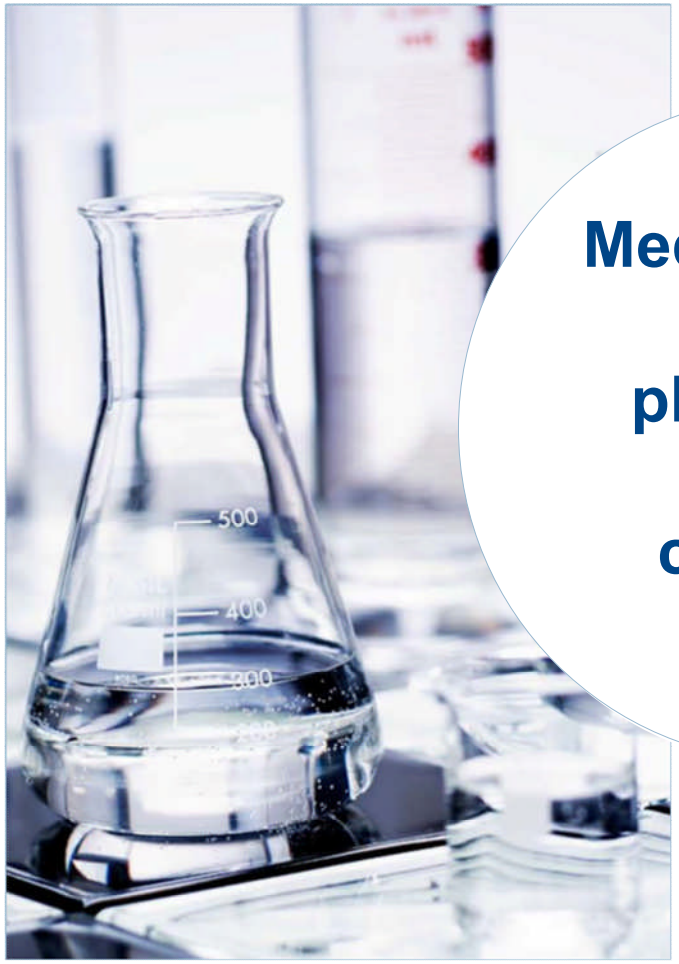
Experienced international management team

- Company supported by a highly experienced team with a strong skill base to ensure Medivir's success

Strong long-term commitment of institutional shareholders

- Over 1/3 international shareholders

Medivir Vision



Medivir aims to become a profitable research based specialty pharmaceutical company focused on the development and commercialisation of high-value infectious disease treatments

Medivir's Strategy

- Continue to innovate and be "a partner of choice"
  → creating value for our partners and shareholders

- Create and retain more value in our projects
  → later out-licensing, co-development rights, expanded territories

- Continue to look for strategic product in-licensing and acquisition opportunities globally

Our aim is to become a profitable research-based specialty pharmaceutical company focused on the development and commercialisation of high-value infectious disease treatments

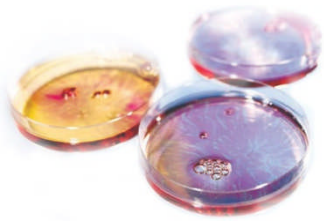
Key innovation and commercialisation at Medivir

TMC435 – Considered best in class hepatitis C drug

- Global Phase 3 trials ongoing
- Excellent antiviral activity and strong safety profile demonstrated in Phase 2b studies
- High convenience – one pill, once daily, no food interactions

Xerclear® / Xerese™ - in global launch phase 2011

- Differentiated product profile - unique indication text
- Significant blue-chip marketing partners.



Strong Pipeline in development

- Strong pipeline of innovative infectious disease drug candidates in development in-house and with leading pharma partners
- World class expertise in polymerase and protease drug targets

Global Launch of Xerclear®/Xerese® 2011

Medivir

Rx Nordic region

gsk GlaxoSmithKline

OTC Launch EU H2 2011

MEDA

Rx Launch in US, March 2011

LUXEMBOURG MEDICAL
A member of Lapidot Group

Rx Launch in Israel, Q1 2012

DAEWOONG PHARMACEUTICAL CO.,LTD.

Rx launch in S. Korea, Q3 2011

Ongoing launch of our cold sore product is the first step towards profitability

TMC435 - large commercial opportunity in the Nordic countries

Medivir is in a unique position – Nordic commercial rights retained

- To launch one of the first products of a new treatment paradigm for a patient group with a distinct unmet medical need
- To capture a significant share of the protease inhibitor market due to highly competitive attributes of TMC435
- To give high priority and focus on pre-launch activities to facilitate broad and fast market access for TMC435 well in advance of launch

Unmet medical need – Large market with substantial growth potential

- 115,000 Chronic HCV patients in the Nordics
- 3,000 HCV receive treatment at a yearly treatment cost of SEK 170.000 (SoC)
- Poor efficacy and safety profile with current treatment. Less than 50% of patients reach a sustained virologic response
- This medical need will be addressed for the first time with the introduction of protease inhibitors (PI) on the market in 2011. TMC435 will be second generation protease inhibitor to enter market.

Treatment evolution – Main market driver

- Patient warehousing of HCV patients with G1 is acknowledged – Approx 10-20% of these patients are in an acute phase and need treatment immediately
- Share of PI treated naïve patient will increase over time as PI's gain recognition

Acquisition of BioPhausia – our new commercial capability

Medivir

- **Best-in-class hepatitis C drug** with blockbuster potential
- **Recognition** through prominent partner

- **Proven capability** of taking a drug from idea to market
- **Strong cash position** – business approaching sustainable revenue stream

- One of the most **promising hepatitis C portfolios**
- Strong **track record in discovery of** clinical candidate drugs in infectious disease

+

BioPhausia

BioPhausia BMM Cross Pharma

- Established **commercial platform**
- Broad **knowledge and experience** in several therapy areas

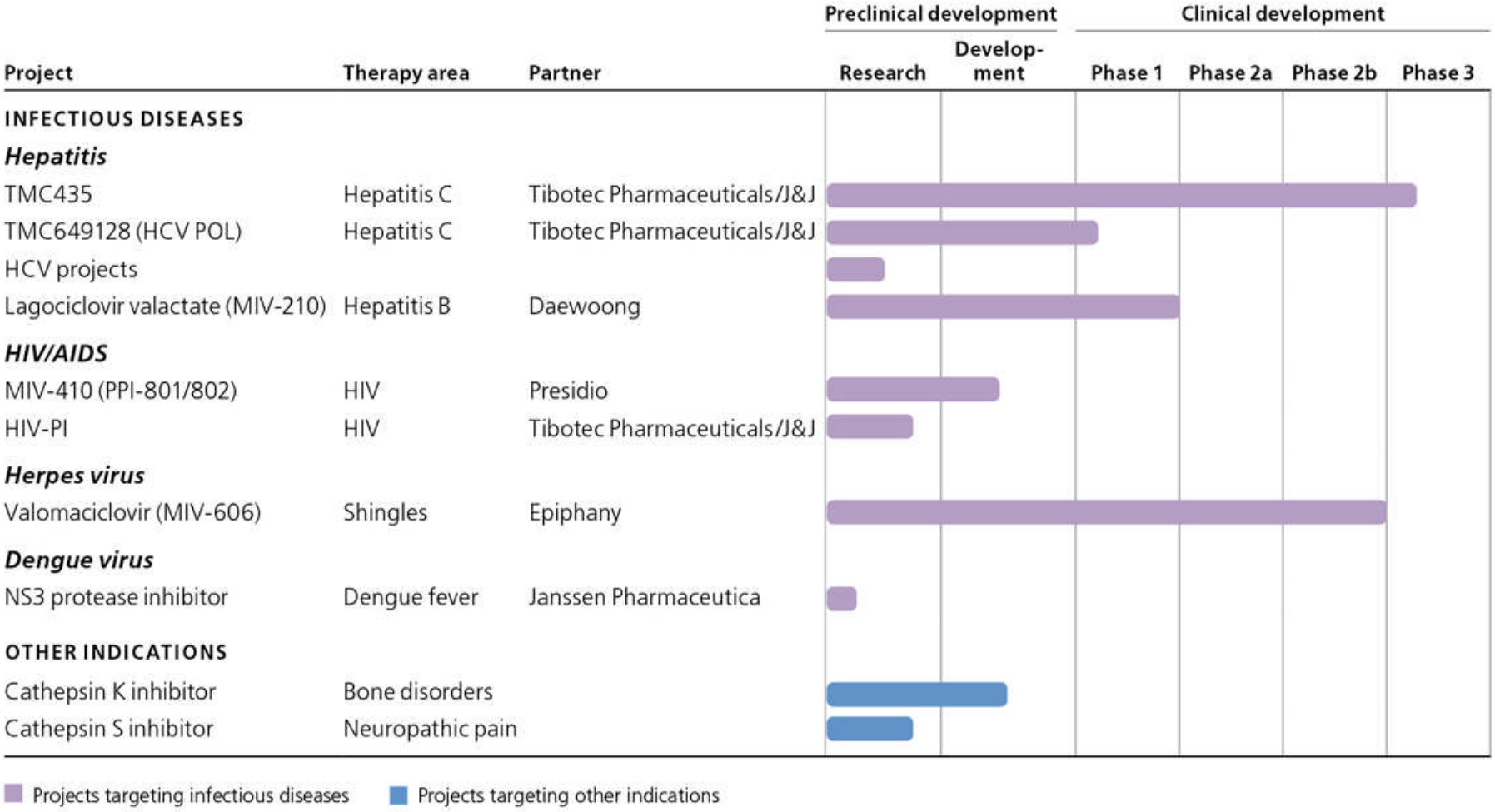
- **Key competence** within regulatory affairs, sales and distribution
- **Small and flexible organisation** - quick response time and decisions

- **Product portfolio** including strong brand names
- **Network** with world-leading drug manufacturers

- Expanded commercial platform
- Customer facing brands maintained
- Strengthened position to facilitate and optimise expected launch of TMC435 in the Nordic region

Key programmes in our early stage pipeline

Strong pipeline with multiple paths to value creation



Cathepsin K inhibitors for bone disorders – MIV-710/711

Creating value for shareholders by developing products further under own management

Disease and market

- Cathepsin K inhibitors intervene in disease states where there is excessive bone loss, e.g. **osteoporosis, rheumatoid and osteoarthritis and metastatic bone disease**
- Estimated combined global market opportunity in excess of USD 12 billion

MIV-710 and MIV-711

- Maintain the beneficial bone formation, in contrast to other anti-resorptives
- Two Candidate Drugs selected: MIV-710 and MIV-711
- Potent and long duration of activity
- A low once daily human efficacious dose at 50 mg QD estimated
- Strong IP position

Upcoming events in 2011

- The two Candidate Drugs selected are progressing in preclinical studies
- Start of phase 1 clinical trials for MIV-711 expected in Q3 2011

Cathepsin S inhibitor – Neuropathic pain and Rheumatoid arthritis

Creating value for shareholders by developing products further under own management

Disease and market

- Approximately 25 million patients worldwide suffer from neuropathic pain
- Estimated global market opportunity for neuropathic pain in excess of USD 2.3 billion, and rheumatoid arthritis (RA) is estimated to USD 7 billion

Upcoming events in the coming 12 month

- Candidate drug selection

Cathepsin S inhibitor program

- Strong link to *Neuropathic pain*
  - Cathepsin S is essential for activation of the soluble fractalkine on neurons → neuro-inflammation
  - Secreted by activated microglial cells in CNS in rodent models
  - Overexpressed in DRG infiltrating macrophages and near site of peripheral injury in rodent models
- Potent, selective and orally bioavailable inhibitors developed by Medivir
- Proof-of-principle demonstrated in a rodent model of neuropathic pain
- Strong link to *Rheumatoid arthirtis*
  - Crucial role in MHC Class II antigen presentation
  - Antigen presentation is key to establishing an immune response
  - Proof of principle demonstrated in preclinical CIA disease models

Dengue Fever Joint Venture

Co-development collaboration with Janssen Pharmaceutica N.V.

- Strengthens Medivir's presence in infectious diseases
- Utilises strong know-how in the discovery of protease inhibitor drugs
- Approach focussed on inhibition of the dengue NS3 protease involved in viral replication

Commercial strategy

- Both parties are contributing 50:50 resources to the research program
- Increased potential upside from co-development deal

Market opportunity

- 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 occur annually in more than 100 endemic countries and the annual death rate from dengue infection is approximately 30,000
- This growing prevalence has not been met by any significant advances in treatment[1]

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

Our hepatitis C franchise

Partnered and in-house product portfolio

Hepatitis C - A blockbuster potential market

The Hepatitis C Market

- Globally ~180 million (3-4% of world population) infected with hepatitis C virus, of which 80% develop chronic disease
- The difficult to treat genotype 1 (G1a/b) account for ~70% of the HCV population
  - Sustained viral response (SVR) in G1 patients is very low, 42-48% on PEG/RBV, SoC
- Approximately 12 million HCV infected in the US, Europe and Japan
  - Prevalence in JPN ~1.9 million with ~55% being diagnosed (~25% worldwide)
  - Health care burden in the US ~ 5 BUSD / year

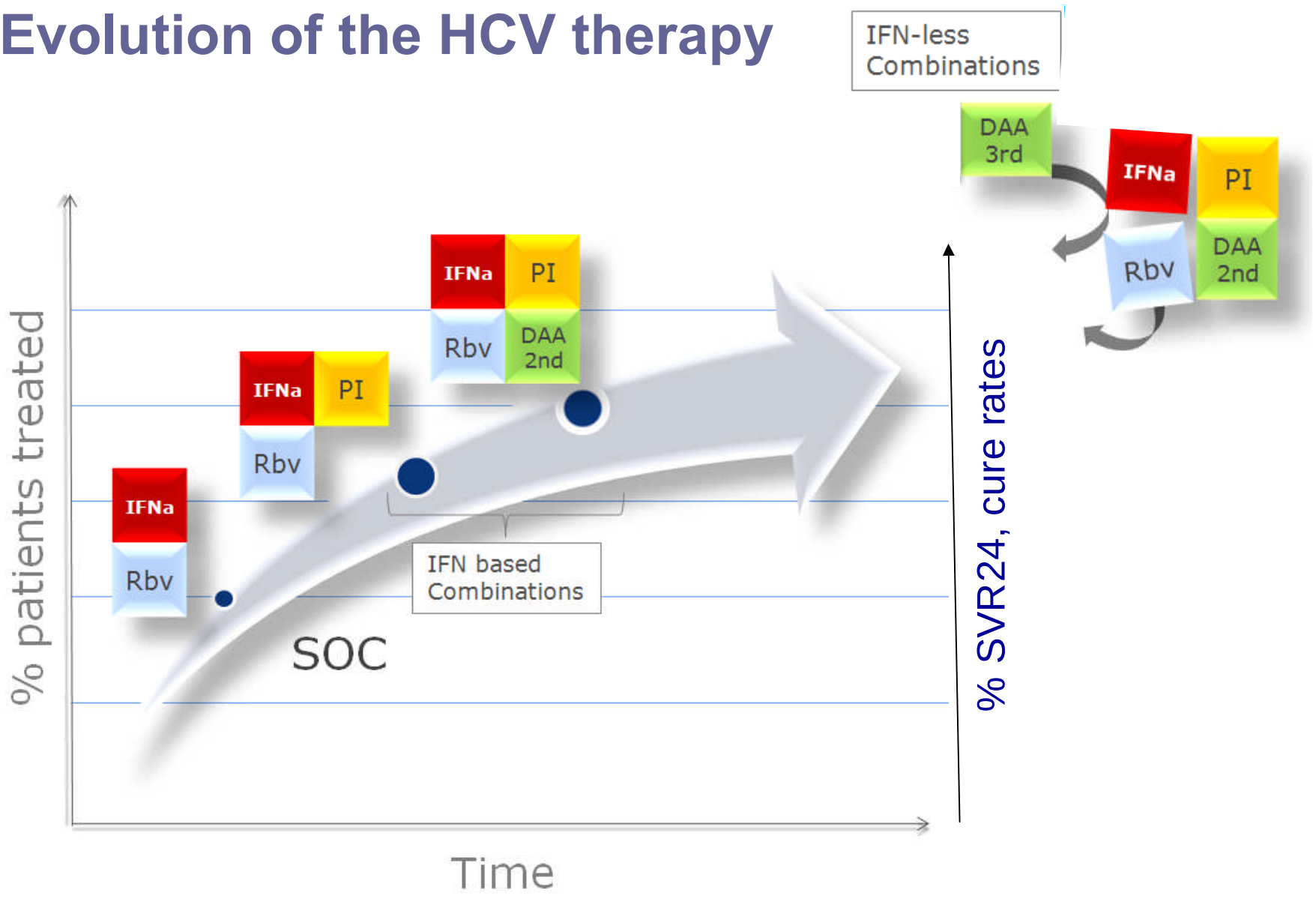
Market Value

- Estimated market value of over USD 10 billion in 2015 and increasing
- Treatment-experienced patients, currently ~ 0.5 million, comprise ~half of the market value

TMC 435 potential

- Analysts estimate TMC435 annual peak sales of 2-4 BUSD

Evolution of the HCV therapy

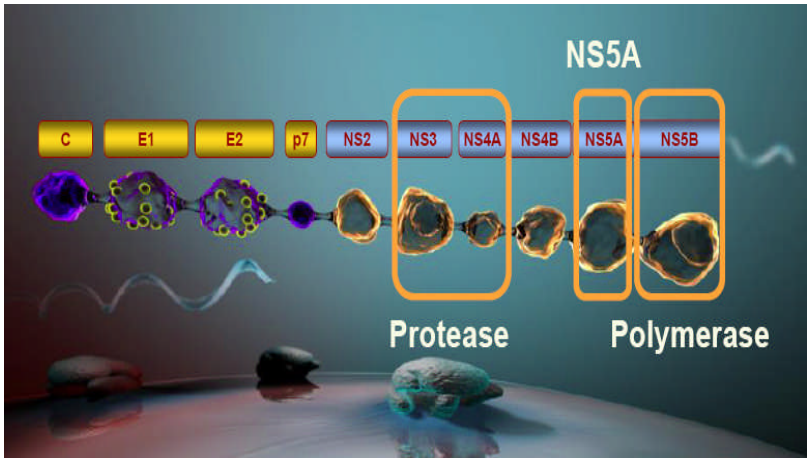


Medivir commitment to HCV - 2nd DAA programs

TMC649128 (HCV Pol)

A major commercial opportunity

- EUR 147 million deal value
  - EUR 95 million outstanding
  - Royalties on global sales
- Medivir retain Nordic market rights
  - Prevalence of chronic HCV infected ~115,000
  - Current treatment rates ~ 3 000



Summary & Status

- Nucleoside/tide NS5B inhibitor
- An ideal DAA agent for future TMC435 combination regimens
- High barrier to resistance and broad genotype coverage
- Long patent life
  - IP extending to 2027 and 2029
- Phase 1 trials well under way

Preclinical In-House Programs

- An NS5B nucleoside/tide program
- An NS5A program in LO phase

TMC435 – considered to be “best in class” protease inhibitor

- Strong safety profile: no adverse events over SoC in the Phase 2b studies
- Excellent anti-viral efficacy shown in Phase 2b PILLAR and ASPIRE studies
- Convenient: one pill and once daily, no food interactions
- Global Phase 3 clinical trials ongoing

Medivir commitment to HCV - TMC-435

The commercial opportunity

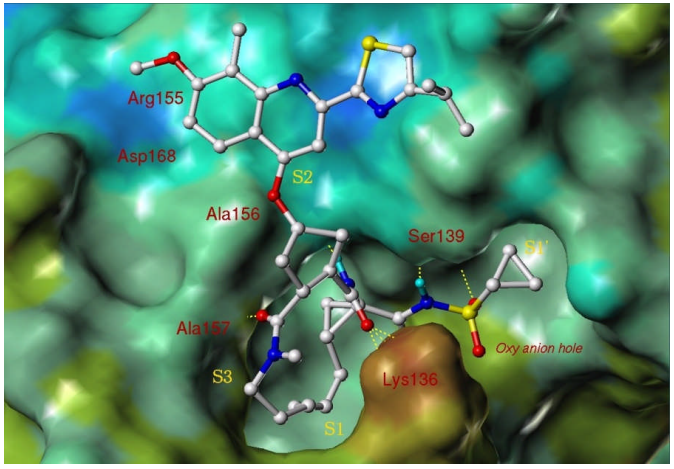
- EUR 80.5 million deal value
  - EUR 30 million still outstanding
  - Royalties on sales worldwide
  - Medivir retain all rights to the Nordic market
- The Nordic Region
  - Current treatment cost in Sweden is ~20,000 EUR which is estimated to double with the introduction of the first DAA agents.

Decision Resources, Report March 2011:

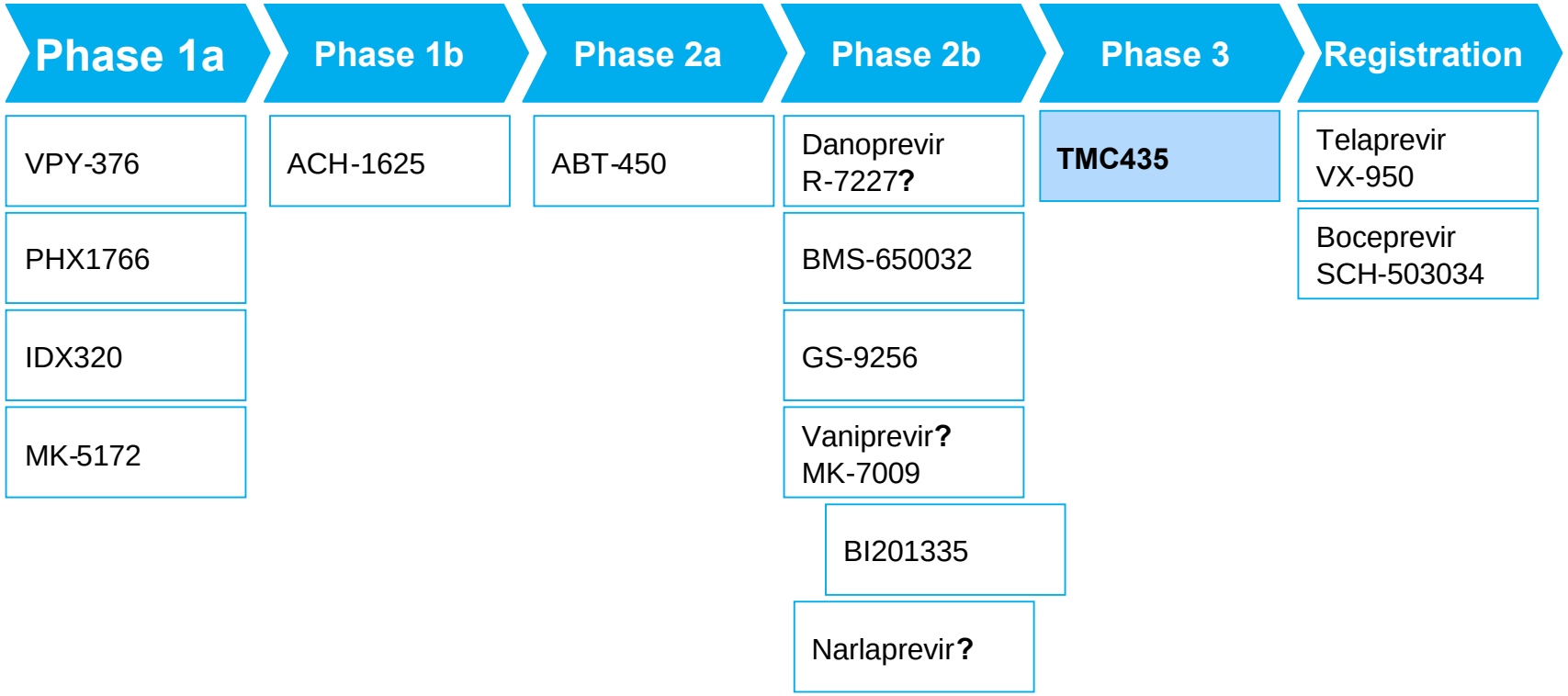
-TMC-435 has the potential to emerge as the future gold-standard therapy in our Drug Comparator Model because of its superior clinical profile over the current therapies we evaluated-.

Summary &Status

- Potent HCV NS3/4A protease inhibitor
- TMC435, the backbone of future DAA combination therapies (combination studies to be communicated)
- Long patent life
  - IP extending to 2026 and 2028
- Global Phase 3 trials ongoing
- Regulatory filings expected in 2013



Hepatitis C PI – the competitive landscape



TMC435 Late Stage Clinical Trial Programme

Follow Up Phase	Recently Initiated
Phase 2b studies	Phase 3 studies

PILLAR (C205) – 386
genotype-1 infected
treatment-naïve patients

DRAGON (C215) – 92
genotype-1 infected
treatment-naïve patients

ASPIRE (C206) – 462
genotype-1 infected
treatment-experienced
patients

QUEST 1 (C208) 375
genotype-1 infected
treatment-naïve patients

QUEST 2 (C216) 375
genotype-1 infected
treatment-naïve patients

PROMISE (C3007) 375
genotype-1 infected
relapsed patients

Phase 3 studies started in Japan

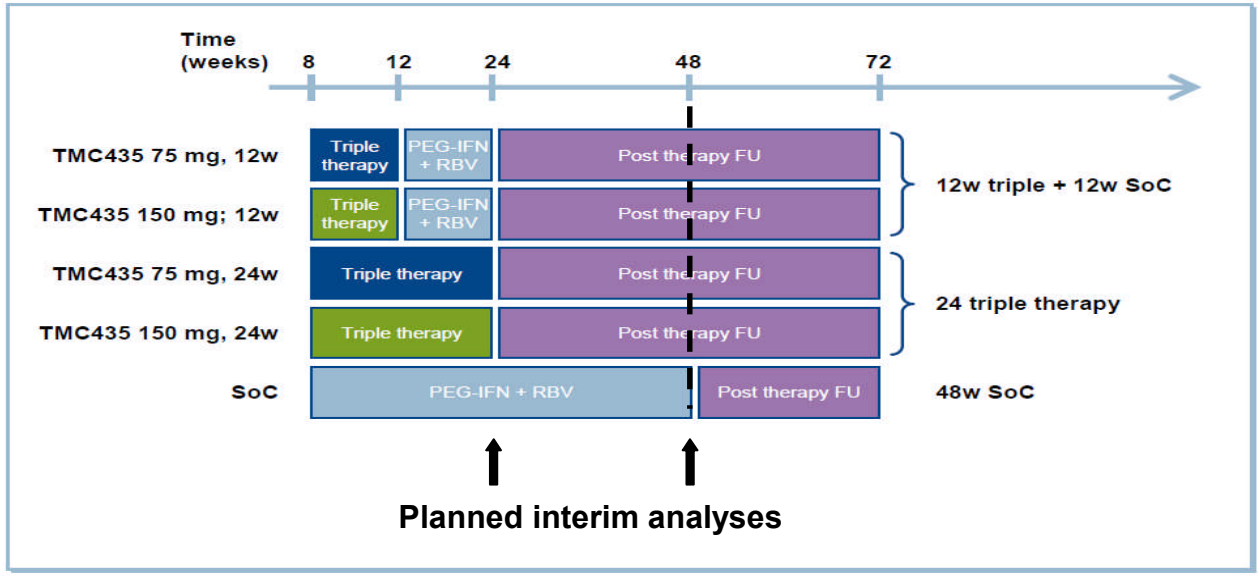
- both in naïve and treatment experienced
- genotype-1 infected patients

For additional information on inclusion and exclusion criteria for these studies, please see www.clinicaltrials.gov

Medivir

TMC435 Phase 2b (PILLAR C205) - study design

- 386 genotype-1 treatment-naïve patients
- Once daily (*q.d.*), 75 mg and 150 mg TMC435 + SoC:
  - 12-week triple therapy followed by SoC alone up to week 24 or
  - 24-week triple therapy
- Response-guided TMC435 treatment duration:
  - End treatment at Week 24, if
    - HCV RNA <25 IU/mL detectable or undetectable at Week 4, *and*
    - HCV RNA <25 IU/mL undetectable at Weeks 12, 16, and 20
  - All other patients continued Peg/RBV for up to 48 weeks



TMC435 Phase 2b (PILLAR C205)
- 48-week interim analysis of safety and efficacy (SVR24)

Patient population: Treatment-naïve genotype-1 treatment naïve patients

Efficacy: 83% of patients were able to stop all therapy at week 24 in the TMC435 treatment groups

Potent and consistent antiviral efficacy was demonstrated with SVR24 rates of up to 84%

Safety: No clinically relevant difference in safety and tolerability between TMC435 and placebo groups

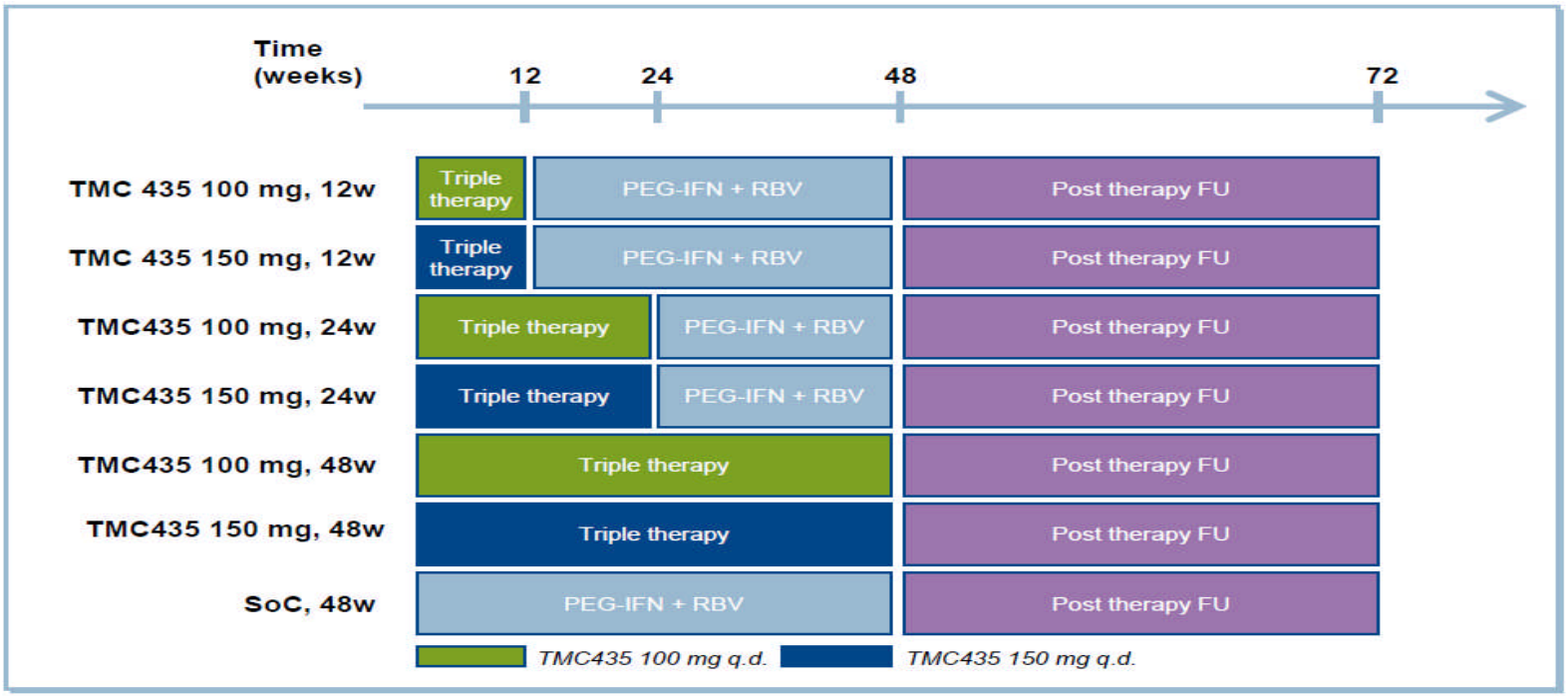
Sustained Virological Response 4 and 24 Weeks after Planned End of Treatment (EoT);					
% (n/N)	**TMC435 12PR24 75mg q.d. N=78**	**TMC435 24PR24 75mg q.d. N=75**	**TMC435 12PR24 150mg q.d. N=77**	**TMC435 24PR24 150mg q.d. N=79**	**Placebo N=77**
SVR4	**87.2 (68/78)**	**86.5 (64/74)**	**84.9 (62/73)**	**88.5 (69/78)**	**71.2 (42/59)**
SVR24	**83.6 (61/73)**	**76.1 (51/67)**	**83.1 (59/71)**	**84.4 (65/77)**	**N/A**

* < 25 log10 IU/mL undetectable
q.d.: once daily, PR: pegIFNalpha-2A and ribavirin,
SVR4 and SVR24: patients with undetectable HCV RNA 4 and 24 weeks after planned EoT, respectively.
N/A: Patients in the control arm continue SoC until Week 48 and SVR24 data was not available

Medivir

TMC435 Phase 2b (ASPIRE C206, treatment experienced) - study design

- 462 genotype-1 treatment-experienced patients (relapser, partial- and null responder patients)
- Once daily (*q.d.*), 100 or 150 mg TMC435 + SoC:
  - 12-week triple therapy followed by 36 weeks of SoC
  - 24-week triple therapy followed by 24 weeks of SoC
  - 48-week triple therapy



TMC435 Phase 2b (ASPIRE C206)
- 48 week interim analysis of safety and efficacy

Patient population: Treatment experienced patient group
62 percent (287/462) of patients had advanced liver disease (Metavir F2-F4)

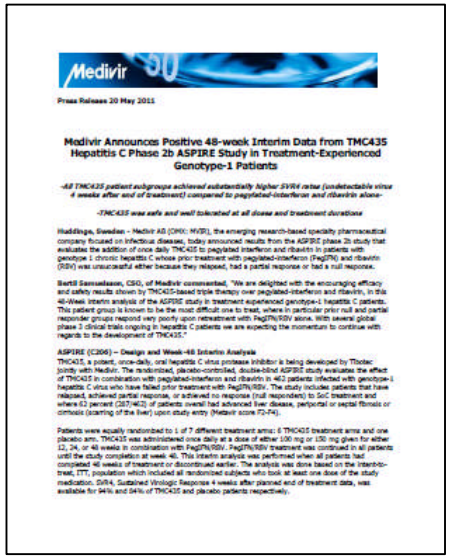
Excellent Efficacy: TMC435 shows high SVR4 rates in prior treatment failures, also so in the very difficult to treat partial and null responder patient groups, compared to PEG/RBV alone:

- 87% vs. 50% in prior relapsers,
- 77% vs. 11% in prior partial responders and
- 57% vs. 23% in prior null responders

Promising Safety: TMC435 was safe and well tolerated at all doses and treatment durations

Virologic Response Rates in TMC435 Dose Groups (150 mg q.d.) vs Placebo

% (n/N)		TMC435 **12**PR48 N=66	TMC435 **24**PR48 N=68	TMC435 **48**PR48 N=65	**All TMC435** PR48 N=199	**Placebo** PR48 N=66
Prior Relapser	**EoT SVR4**	92 (24/26) 84 (21/25)	93 (25/27) 93 (25/27)	92 (24/26) 85 (22/26)	92 (73/79) 87 (68/78)	70 (19/27) 50 (12/24)
Prior Partial Responder	**EoT SVR4**	78 (18/23) 64 (14/22)	83 (20/24) 86 (18/21)	86 (19/22) 82 (18/22)	83 (57/69) 77 (50/65)	17 (4/23) 11 (2/18)
Prior Null Responder	**EoT SVR4**	65 (11/17) 56 (9/16)	71 (12/17) 60 (9/15)	77 (13/17) 56 (9/16)	71 (36/51) 57 (27/47)	25 (4/16) 23 (3/13)


Medivir

Press Release 20 May 2011

Medivir Announces Positive 48-week Interim Data from TMC435 Hepatitis C Phase 2b ASPIRE Study in Treatment-Experienced Genotype-1 Patients

-All TMC435 patient subgroups achieved substantially higher SVR4 rates (undetectable virus 4 weeks after end of treatment) compared to pegylated-interferon and ribavirin alone-

-TMC435 was safe and well tolerated at all doses and treatment durations

Huddinge, Sweden - Medivir AB (OMX: MVIR), the emerging research-based specialty pharmaceutical company focused on infectious diseases, today announced results from the ASPIRE phase 2b study that evaluates the addition of once daily TMC435 to pegylated interferon and ribavirin in patients with genotype 1 chronic hepatitis C whose prior treatment with pegylated-interferon (PegIFN) and ribavirin (RBV) was unsuccessful either because they relapsed, had a partial response or had a null response.

Bertil Samuelsson, CSO, of Medivir commented, "We are delighted with the encouraging efficacy and safety results shown by TMC435-based triple therapy over pegylated-interferon and ribavirin, in this 48-Week interim analysis of the ASPIRE study in treatment experienced genotype-1 hepatitis C patients. This patient group is known to be the most difficult one to treat, where in particular prior null and partial responder groups respond very poorly upon retreatment with PegIFN/RBV alone. With several global phase 3 clinical trials ongoing in hepatitis C patients we are expecting the momentum to continue with regards to the development of TMC435."

ASPIRE (C206) – Design and Week-48 Interim Analysis

TMC435, a potent, once-daily, oral hepatitis C virus protease inhibitor is being developed by Tibotec jointly with Medivir. The randomized, placebo-controlled, double-blind ASPIRE study evaluates the effect of TMC435 in combination with pegylated-interferon and ribavirin in 462 patients infected with genotype-1 hepatitis C virus who have failed prior treatment with PegIFN/RBV. The study includes patients that have relapsed, achieved partial response, or achieved no response (null responders) to SoC treatment and where 62 percent (287/462) of patients overall had advanced liver disease, periportal or septal fibrosis or cirrhosis (scarring of the liver) upon study entry (Metavir score F2-F4).

Patients were equally randomized to 1 of 7 different treatment arms: 6 TMC435 treatment arms and one placebo arm. TMC435 was administered once daily at a dose of either 100 mg or 150 mg given for either 12, 24, or 48 weeks in combination with PegIFN/RBV. PegIFN/RBV treatment was continued in all patients until the study completion at week 48. This interim analysis was performed when all patients had completed 48 weeks of treatment or discontinued earlier. The analysis was done based on the Intention-to-treat, ITT, population which included all randomized subjects who took at least one dose of the study medication. SVR4, Sustained Virologic Response 4 weeks after planned end of treatment data, was available for 94% and 84% of TMC435 and placebo patients respectively.

TMC435 Phase 2b (ASPIRE C206)

- treatment experienced patients

Conclusions 48-week interim analysis:

- ✓ TMC435 treatment arms demonstrate excellent SVR4 response rates in all patient subgroups
- ✓ Notably, the partial and null responder groups demonstrated significant response rates
- ✓ TMC435 was safe and well tolerated

Bertil Samuelsson, CSO, Medivir:
"With several global phase 3 clinical trials ongoing in hepatitis C patients we are expecting the momentum to continue with regards to the development of TMC435" (press release May 20th, 2011)

Upcoming News Flow

Expected key news flow highlights during 2011

- ✓ Q2 TMC435, 48-week interim data from the phase 2b C206 (ASPIRE) trial in treatment-experienced patients
- Q2 Closing of the BioPhausia offer
- Q3 Phase 2b C205 (PILLAR) full SVR24 data on TMC435
- Q3 Start of phase 1b trials with TMC649128 (HCV-POL)
- Q4 Start of phase 3 trials with TMC435 in treatment-experienced null and partial responders patients
- Q4 Phase 1a/1b results with TMC649128
- Q4 Start of phase 1 trials with the Cat K inhibitor MIV-711
- Q4 AASLD meeting – additional data on TMC435
- Q4 OTC launch of Xerclear® in Europe by GSK