



Huddinge, 20 December 2006

MEDIVIR OUTLICESSES THE ANTIVIRAL COMPOUNDS ALOVUDINE (MIV-310) AND MIV-410 TO PRESIDIO PHARMACEUTICALS.

Medivir AB and Presidio Pharmaceuticals Inc announced today the signing of license agreements for alovudine (MIV-310), Medivir's phase II compound with potent activity against multidrug resistant HIV, and MIV-410 a preclinical compound which has a novel mechanism of action against HIV and is also efficacious against cytomegalovirus (CMV).

Under the terms of the agreements Presidio will be responsible for the further development of alovudine and MIV-410. Medivir will receive equity in Presidio, milestone payments of maximally USD 75.25m and royalties on sales. Medivir has retained the right to market and book sales of developed products in the UK and Nordic countries, and has an option for the same in the remaining countries of the European Union.

Phase II studies have shown alovudine to be more efficacious than other nucleoside analogs against multidrug resistant HIV. Recent *in vitro* results indicate that coadministration of alovudine and zidovudine increases the safety margin and leads to a synergistic effect against HIV.

In preclinical studies MIV-410 has been shown to have a novel mechanism of action against HIV, enabling it to retain activity against several HIV mutants with resistance to thymidine analogs (TAM mutants) and nucleoside analogs (NAM mutants). MIV-410 also has potent activity against CMV which causes life-threatening infections in immunodeficient patients.

“We are delighted to collaborate with Presidio, an emerging US based company with a high competence in the antiviral field” comments Lars Adlersson, CEO and President of Medivir. “By out-licensing alovudine and MIV-410 we have now accomplished our goal to find partners for six out of seven projects in the Medivir HIV Franchise portfolio. Our internal focus is now firmly on our protease programs and our phase III coldsore treatment, Lipsovir.”

“Licensing alovudine and MIV-410 will strengthen Presidio’s portfolio of projects in the infectious disease area. The rapidly growing need for drugs against multiresistant HIV offers a large market opportunity for both alovudine and MIV-410, and will also favour the development of MIV-410 for life-threatening CMV infections” says Dr Omar K. Haffar, President and CEO.

Medivir was advised by Burrill Merchant Banking during the execution of these license agreements.

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About Medivir

Medivir develops pharmaceuticals for widely prevalent disease with proteases as the target enzyme. The goal is to become a self-sustaining, profitable, research-based pharmaceutical company with proprietary products on the market. The company is located in Huddinge, Sweden and Chesterford Research Park, Essex, England. The group comprises Medivir AB, subsidiary Medivir UK Ltd, Medivir HIV Franchise AB and Medivir Personal AB. As of 30 September 2006, the group had 134 employees. Medivir was listed at the Stockholm Stock Exchange (Stockholmsbörsen) in 1996.

Medivir's research portfolio embraces projects on hepatitis C, labial herpes, HIV, osteoporosis, rheumatoid arthritis (RA), chronic obstructive pulmonary disease (COPD) and multiple sclerosis (MS). Medivir has seven individual projects in development, of which one has entered phase III.



Medivir HIV Franchise AB is focused on the development and outlicensing of antiviral projects based on polymerase inhibitors.

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About Presidio Pharmaceuticals Inc.

Presidio Pharmaceuticals, Inc., a specialty pharmaceutical company focused on developing and marketing novel and established therapeutic modalities for HIV-1 and other chronic virus infections. Presidio Pharmaceuticals was founded in April 2006 with an initial investment from Sagamore Bioventures, a life-sciences venture fund with headquarters in San Francisco, California.

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