Q2-2014 Conference Call 21 August 2014
Presenting team

Maris Hartmanis, President and CEO
Henrik Krook, EVP Commercial
Richard Bethell, EVP Discovery Research
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MEDIVIR

A collaborative and agile pharmaceutical company with R&D focused on infectious diseases and a leading position in hepatitis C

Reflections on second quarter 2014
Commercial

Maris Hartmanis, CEO

Second quarter 2014 – good performance for our Rx portfolio

Our pharmaceuticals

Performance

- Medivir´s pharmaceutical portfolio comprises 17 prescription pharmaceuticals marketed in the Nordic region. Going forward we will continue to focus on specialty pharmaceuticals in a growth phase.
- In the second quarter, our pharmaceutical sales showed an increase of 22,2 MSEK, or ~55% compared to the same quarter in 2013. The increase was primarily due to our market introduction of simeprevir (Olysio).

New product launches

- Simeprevir (Olysio) was launched in Sweden already in late May and by the end of the period it was available in all Nordic countries.
- Adasuve, a new specialty pharmaceutical for the treatment of agitation associated with bipolar disorder and schizophrenia was launched in April, along with the re-launch of Suscard, an established pharmaceutical for the treatment of angina pectoris.

Sales and revenues

- The pharmaceutical portfolio generated sales of 62,9 MSEK, of which simeprevir made up 21,7 MSEK.
- For the second quarter we received 500,7 MSEK in royalties from our partner J&J.

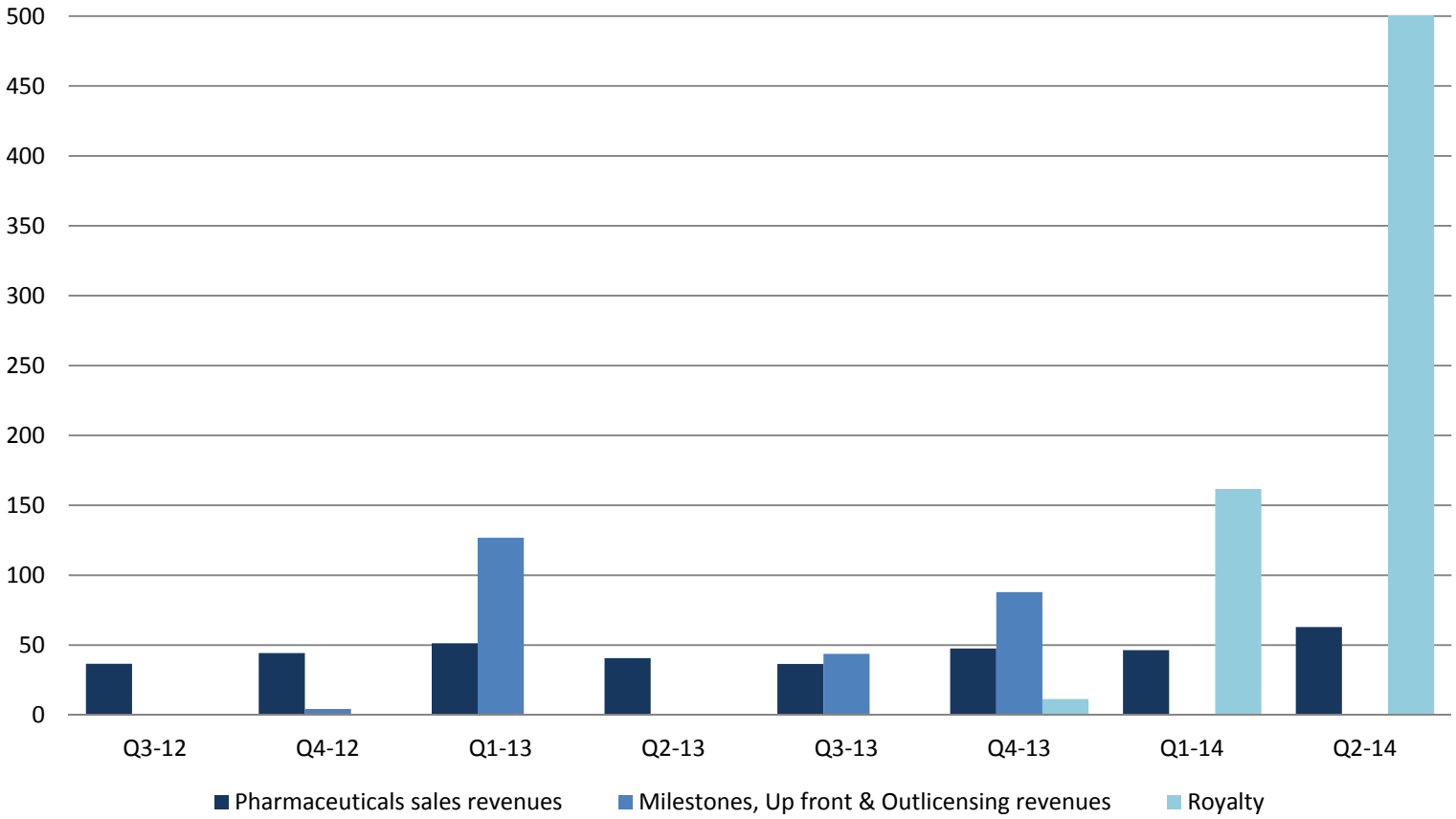
Consolidated income statement

Summary of the Group's figures, continuing operations (SEK m)	Q2		Q1-Q2		Full year
	2014	2013	2014	2013	2013
Net turnover	564.0	40.7	772.2	218.8	446.1
Gross profit	518.8	23.5	700.9	183.8	374.3
Operating profit before depreciation and amortisation (EBITDA)	424.4	-46.9	521.2	43.6	76.4
Operating profit (EBIT)	416.2	-62.0	504.9	14.7	25.2
Profit/loss before tax	418.4	-62.1	508.7	14.5	27.7
Profit/loss after tax	327.8	-63.7	611.7	7.5	16.0

Net turnover breakdown

Breakdown of net turnover (SEK m)	Q2		Q1-Q2		Full year
	2014	2013	2014	2013	2013
Outlicensing and partnership agreements					
Non-recurrent payments	-	-	-	126.8	258.5
Pharmaceutical sales	62.9	40.7	109.2	92	176.1
Royalties	501.1	-	662.8	-	11.5
Total	**564.0**	**40.7**	**772.0**	218.8	446.1

Net turnover continuing operations per quarter, MSEK



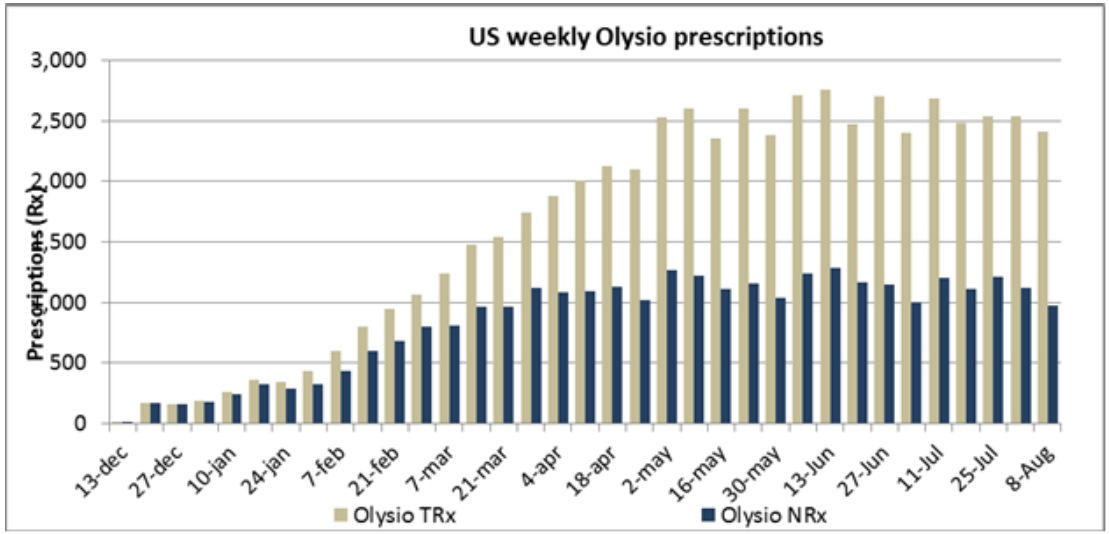
Simeprevir on the global market

- ✓ Japan (SOVRIAD™)
- ✓ Canada (GALEXOS™)
- ✓ USA (OLYSIO™)*
- ✓ Russia (SOVRIAD™)
- ✓ EU (OLYSIO™)
- ✓ Mexico (OLYSIO™)
- ✓ Australia (OLYSIO™)

* A supplemental New Drug Application has been submitted to the U.S. FDA for simeprevir in combination with sofosbuvir based on the data from the COSMOS trial

Simeprevir

- Simeprevir sales have grown rapidly. Simeprevir is part of the only IFN-free regimen currently in use, based on recent guidelines from January 2014 and has ~27% market share in the US.
- J&J`s global second quarter net sales of simeprevir were 831,8 MUSD, of which 725,4 MUSD were in the US.
- Medivir's royalties based on these sales were 500,7 MSEK (54,4 MEUR) for the second quarter.



- In May, Simeprevir was approved in the EU for the treatment of adults with hepatitis C genotype 1 and 4 infection and is now also approved in Mexico and Australia.
- Phase II COSMOS study results were published in The Lancet on the World Hepatitis Day in July.
- FDA granted Priority Review for a supplementary New Drug Application for simeprevir (OLYSIO®) in combination with sofosbuvir, filed by Janssen in May.
- Two phase III studies, OPTIMIST 1 and 2, evaluating treatment of hepatitis C-infected patients with simeprevir and sofosbuvir, are well under way.
- The launch of simeprevir (OLYSIO®) in the Nordic territories began in late May and treatment of patients had been initiated in all Nordic countries by the end of June.

Nordic Commercial
Q2 2014

Henrik Krook, EVP Commercial

Medivir Commercial: A Nordic core plus country teams to maximize synergies & catch the full potential in each country

NORDIC TEAM

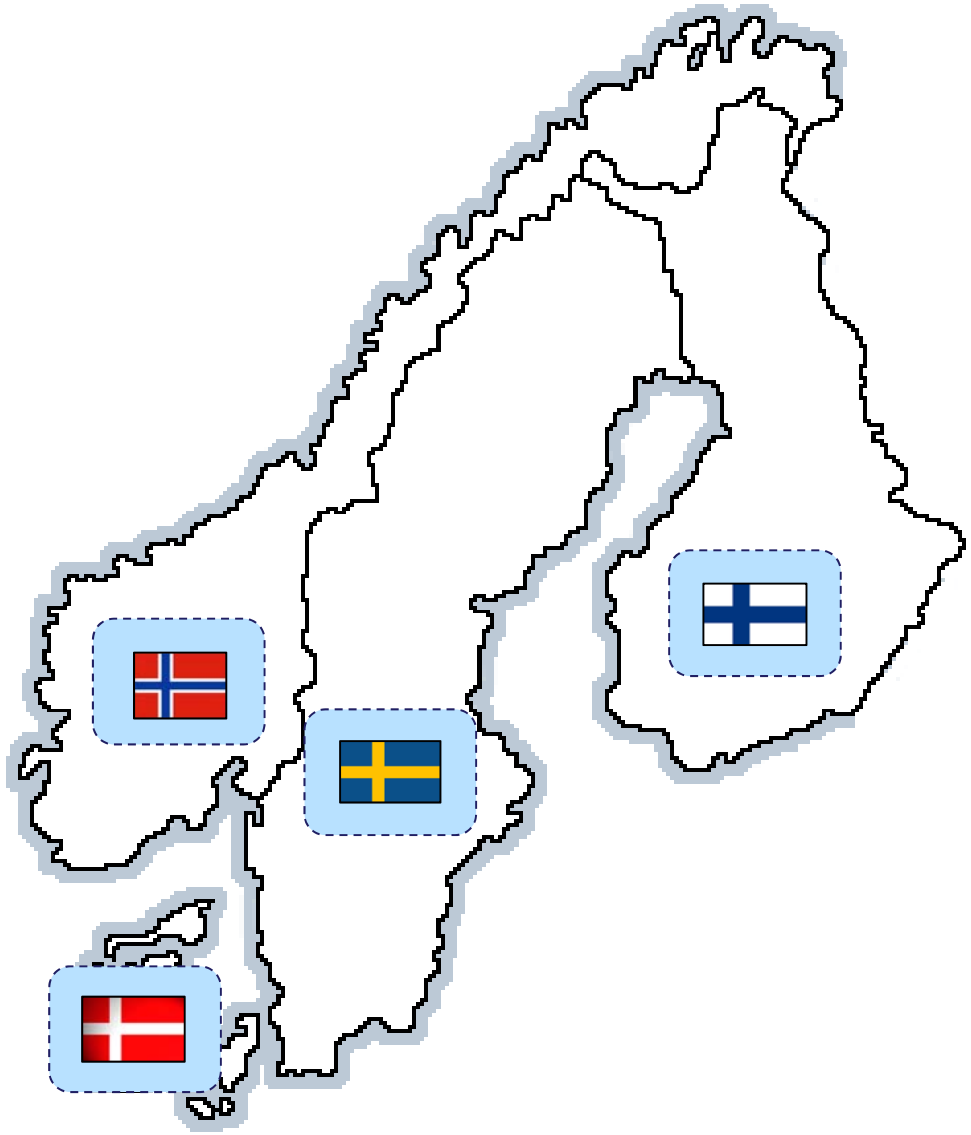
Generating strategy and leading/supporting the country teams to maximize the output of customer activities

- Marketing & Sales
- Medical Affairs
- Market Access & Public Affairs
- Support functions

COUNTRY TEAMS

For the daily customer activities

- Market Leads
- Key Account Managers
- Medical Affairs Managers

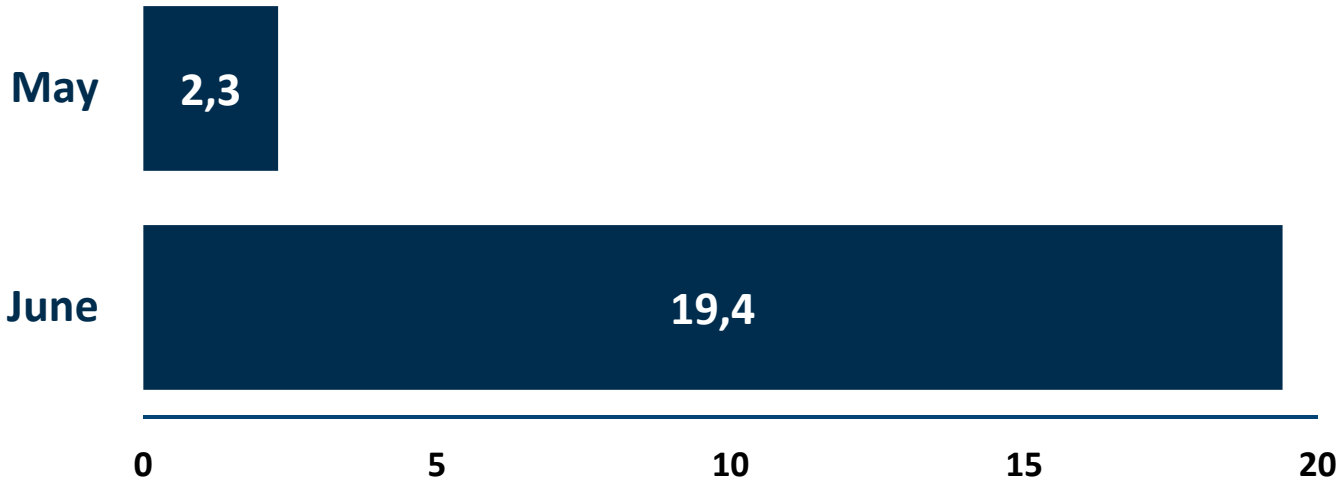


OLYSIO launch update

-Quick uptake and positive perception across the Nordics

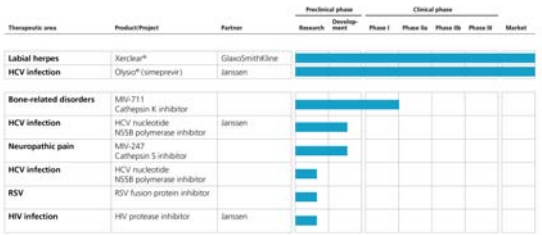
- Country teams operational in NO, SE, DK and FI from Q1 to prepare successful launches
- The COSMOS data perceived as being very positive by customers
- Compassionate use experience before launch in all countries
- Quick national approval processes
- SE launch late May followed by DK, FI and NO in June
- Positive media exposure related to Medivir, Olysio and the new HCV cure opportunity
- Supporting treatment guidelines already available in SE and DK

Nordic OLYSIO Sales, MSEK



Reflections on second quarter 2014
R&D
Maris Hartmanis, CEO

Our R&D programs



Our internal pipeline was strengthened during the quarter

- Phase I data have previously been reported for MIV-711, a cathepsin K inhibitor in clinical development for osteoarthritis (OA). Completion of new preclinical studies provide support of efficacy data for an OA indication. To facilitate new partnerships or joint ventures, a decision was made to initiate long term toxicology studies (6 month), which will be completed by mid 2015.

- MIV-247 – a cathepsin S inhibitor for neuropathic pain is currently in preclinical development, moving towards clinical phase I studies, expected to commence during H1-2015.

- Our nucleotide HCV inhibitor is presently being evaluated in extensive preclinical safety studies.

- A preclinical RSV Fusion Inhibitor Project was recently in-licensed from Boehringer Ingelheim. It constitutes a logical step to strengthen our presence in infectious diseases and to broaden our pipeline.

RSV Fusion Inhibitor Project

Richard Bethell, EVP Discovery Research

Background: RSV-associated disease

- RSV causes seasonal outbreaks (Nov-March) of upper and lower repiratory tract infections of children and adults.
- Diseases range from mild respiratory illnesses to life-threatening bronchiolitis and pneumonia.
- The virus is highly contagious and transmitted by direct contact with infected persons.
- RSV causes repeated infections throughout life
  - Immune response results in virus clearance in the immunocompetent…
  - … but immunity wanes quickly, so people remain susceptible to infection throughout their lifetime.
  - The disease is most serious in those with an inadequate recall response to the virus.

- RSV is therefore especially dangerous in:
  - Infants, especially premature babies with lung/heart problems, or certain other chronic conditions.
  - The elderly, especially those with cardiovascular morbidities.
  - Immunocompromised, e.g. as a result of stem cell transplantation.

Current treatment options are very limited

Palivizumab

- RSV F protein-specific mAb for immuno-prophylaxis in high-risk infants only.
- In two Phase III clinical trials in the pediatric population, palivizumab reduced the risk of hospitalization due to RSV infection by 55% and 45% compared to placebo.
- Generally safe, but hypersensitivity can occur.
- Administered by IM injection once per month during RSV season (3-5 months).
- Dosage 15mg/kg once monthly; US price is ca. $1000/50mg vial (source: Minnesota Department of Health Services).

Ribavirin

- Only antiviral treatment licensed - for severe RSV disease in infants only.
- Questionable risk versus benefit profile and requires specialist administration in hospital setting only.
- Side effects can be sudden and severe, e.g. bronchospasm.
- Administered by inhalation for 12-18 hours per day for 3-7 days; highly complex!
- Treatment course costs up to $14,000 per child.

Current drugs have very limited indications and are reserved only for the highest risk patients

Strategic Rationale for the transaction with Boehringer Ingelheim

- RSV fusion inhibitors have been shown to have antiviral activity in early clinical studies.
- The project enables Medivir to exploit its proven strengths in antiviral drug discovery and early development.
- In-licensing of the Boehringer Ingelheim fusion inhibitor program represented a rapid and cost-effective opportunity to acquire a LO phase project into the R&D pipeline.
  - Medivir's strategic intent is to enhance its R&D pipeline with high-value, commercial opportunities.

Q / A

www.medivir

Ticker: MVIR

Exchange: OMX / NASDAQ

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