

Press release, February 18, 2009

Orexo signs agreement for Abstral™ in Israel

Orexo and Neopharm Ltd of Israel have signed an exclusive distribution agreement that grants Neopharm rights to market and sell Abstral™, Orexo's product for treatment of breakthrough cancer pain, in Israel.

Orexo will supply Neopharm with Abstral™ product in Israel and receive significant margin on the sales of the product. The agreement also includes milestone payments; however the financial terms are not disclosed. Neopharm will also be responsible for managing the regulatory approval process in Israel.

Torbjörn Bjerke President and CEO of Orexo

"This agreement with Neopharm will enable sales of Abstral™ on additional geographic markets and is another step in developing Orexo into a profitable pharmaceutical company. Neopharm has one of the most experienced marketing and sales organizations in Israel, with pain and oncology expertise, which makes them a perfect partner for Orexo in Israel".

David Fuhrer, Chairman of Neopharm Group

"We are extremely pleased to partner with Orexo to bring Abstral™, to the market. This is an excellent addition to our group's portfolio of innovative products. The product will add to our oncology portfolio and we are highly committed to making Abstral™ a success in Israel".

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About Abstral™

Abstral™ is a fast-dissolving tablet for sub-lingual administration of fentanyl, intended for the management of breakthrough cancer pain in patients who are already receiving opioid analgesics. It is based on Orexo's unique and patented sublingual tablet technology in which a rapidly dissolving tablet is placed under the tongue and the active substance is absorbed by the mucous membrane. Currently Abstral™ is sold in Sweden, UK and Germany.

About Orexo

Orexo is a pharmaceutical company focusing on developing treatments for pain and inflammation. The company has three products on the market as well as a competitive product portfolio in late stages of development. Sales and product development are mainly carried out through worldwide partnership agreements with larger pharmaceutical companies. Orexo has 128 employees, and has its head office located in Uppsala, Sweden. More information can be found at www.orexo.com.

About Neopharm

Established in Tel Aviv in 1941, Neopharm is one of Israel's leading companies dedicated to marketing premium ethical pharmaceuticals and branded consumer healthcare products. Acting as the local partner of world-leading manufacturers, Neopharm markets and distributes high-end products in three main categories: prescription medications, Over-the-counter and healthcare products. Neopharm is part of the Neopharm group, the second largest marketing group in the Israeli healthcare market, with annual sales of more than USD 300m. More information can be found at www.neopharmisrael.com.

Note:

Orexo AB (publ) is required to disclose the information provided herein pursuant to the Swedish Securities Markets Act. The information was provided for public release on February 18, 2009 at 11:00 CET.