Press release

Agreement with Novartis on OX17 for GERD terminated

Uppsala, Sweden – February 25, 2013 - Orexo AB today announced that Novartis AG has sent a notice of termination of the license agreement dated August 27, 2009. The OX17 program was aimed for the treatment of gastroesophageal reflux disease (GERD) and is still in early clinical phase.

Under the license agreement, Novartis was responsible for all development, production and marketing of future products.

The OX17 program has not developed according to plans and given the strategic direction which Orexo has taken, the program will be discontinued. The termination of OX17 will have no impact on the financial position of Orexo from both a cost and revenue perspective.

For further information, please contact:
Nikolaj Sørensen, President and CEO
Tel: + 46-703 50 78 88, Email: **nikolaj.sorensen@orexo.com**

Peter Edman, Chief Scientific Officer
Tel: +46-705 86 20 30, Email: **peter.edman@orexo.com**

About Orexo
Orexo AB is an emerging specialty pharma company developing improved treatments using proprietary drug delivery technology. Orexo's expertise is within the area of reformulation technologies and especially sublingual formulations. The company has a portfolio of revenue generating EU and US approved products currently marketed under licence and a pipeline of several reformulations of approved compounds for areas of unmet medical need. Orexo also has collaboration projects with several international pharma companies. Orexo AB is headquartered in Sweden has 90 employees and is listed on NASDAQ-OMX. The largest shareholders are Novo A/S and HealthCap.

For information about Orexo please visit **www.orexo.com**