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Meda's acquisition of Rottapharm completed and the rights issue of SEK 2 billion is launched

- The acquisition of the Italian specialty pharma company Rottapharm has been completed. The total purchase price amounts to SEK 21.2 billion.
- As part of the financing of the acquisition, the Board of Directors has resolved to, subject to the approval by an Extraordinary General Meeting, launch a rights issue of approximately SEK 2.0 billion with preferential rights for Meda's shareholders. The Extraordinary General Meeting will be held on 6 November 2014.
- Complete terms and conditions of the rights issue, including subscription price, are expected to be announced no later than 6 November 2014. Subject to the approval of the rights issue by the Extraordinary General Meeting, the subscription period will run from 19 November up to and including 4 December 2014.

On 31 July 2014, Meda announced entering into an agreement to acquire the Italian specialty pharma company Rottapharm S.p.A. Completion of the transaction was subject to certain conditions, including clearance from a number of competition authorities. All necessary approvals have now been obtained and the acquisition of Rottapharm has thus been completed, and Rottapharm is now a wholly owned subsidiary of Meda. The agreed purchase price amounted to SEK 21.2 billion (EUR 2.275 billion) on a debt free basis, and consisted of SEK 15.3 billion (EUR 1.643 billion) in cash, 30 million Meda shares at a value, at the time of entering into the agreement, equivalent to SEK 3.3 billion and an unconditional deferred payment of SEK 2.6 billion (EUR 0.275 billion) which will be settled in January 2017.

Rottapharm is a leading specialty pharma company with focus on brands within consumer healthcare. The company's products are differentiated through the professional endorsement of doctors and pharmacists within the consumer healthcare segment. The company combines Rx-products with more traditional consumer healthcare products, characterized by high scientific credibility (clinically-proven consumer healthcare products or Cx); these are high-margin, non-

reimbursed products with nearly no generic competition. Rottapharm has a global footprint with business in around 90 countries worldwide. In 2013, Rottapharm generated revenues of EUR 536 million, of which 75% within the Cx segment, with an adjusted EBITDA of EUR 149 million.

Meda's Annual General Meeting 2014 resolved to authorise the Board of Directors until the next Annual General Meeting to, on one or more occasions, decide to increase the share capital by issuing new shares of Class A and/or Class B. The authorisation included a maximum of 30,224,306 shares. In connection with the acquisition of Rottapharm, the Board of Directors has decided to use the authorisation to pay part of the agreed purchase price by way of issuing 30,000,000 Class A shares for the benefit of Rottapharm's previous owner, Fidim S.r.l.

The Board of Directors in Meda has further, subject to the approval of the Extraordinary General Meeting, decided to launch a rights issue of Class A shares of approximately SEK 2.0 billion with preferential rights for Meda's shareholders. The purpose of the rights issue is to finance part of the acquisition of Rottapharm.

Terms of the rights issue

Existing shareholders have preferential rights to subscribe for new Class A shares in proportion to their holdings. In the event that all shares are not subscribed for with subscription rights, the Board of Directors shall decide on allocation of shares subscribed for without the exercise of subscription rights up to the maximum amount of the rights issue. Such shares will firstly be allocated to those who have subscribed for shares by exercising subscription rights and applied for subscription of additional shares, irrespective of whether they were shareholders on the record date or not. In the event of oversubscription, allocation shall be made *pro rata* in proportion to the number of shares such persons have subscribed for in the rights issue, and if this cannot be made, by the drawing of lots. Allocation shall secondly be made to other subscribers who have subscribe without subscription rights and, should the issue be oversubscribed, in relation to the number of shares that such persons have given notice to subscribe for, and if this cannot be made, through drawing of lots. The record date at Euroclear Sweden AB for participation in the rights issue with preferential rights is 13 November 2014. The subscription period will run from 19 November up to and including 4 December 2014, or such later date as decided by the Board of Directors.

The increase of the share capital, the maximum number of shares to be issued and the subscription price for the new shares, will be determined by the Board of Directors and is expected to be announced on or about 6 November 2014.

The rights issue is subject to approval by the Extraordinary General Meeting to be held at 13:00 CET on 6 November 2014 at Meda's premises at Pipers väg 2A in Solna, Sweden. See separate press release regarding notice to the Extraordinary General Meeting for further information.

Subscription undertakings

Meda's two largest shareholders, Stena Sessan Rederi AB and Fidim S.r.l, which together will represent approximately 30 percent of the votes and the capital in Meda at the time of the

Extraordinary General Meeting, have undertaken to vote in favour of the rights issue at the Extraordinary General Meeting and to subscribe for their pro rata shares of the offering.

Indicative timetable for the rights issue

6 November 2014	Announcement of complete terms and conditions, including subscription price and subscription ratio
6 November 2014	Extraordinary General Meeting to approve the rights issue resolved by the Board of Directors
11 November 2014	Last day of trading in the shares including right to participate in the rights issue
12 November 2014	First day of trading in the shares excluding right to participate in the rights issue
13 November 2014	Record date for participation in the rights issue, i.e. shareholders who are registered in the share register as of this day will receive subscription rights for participation in the rights issue
On or about 14 November 2014	Estimated date for the publication of the prospectus
19 November – 2 December 2014	Trading in subscription rights
19 November – 4 December 2014	Subscription period
On or about 11 December 2014	Announcement of results of the rights issue

Financial and legal advisors

Danske Bank A/S, Danmark, Sverige Filial, Nordea Bank AB (publ) and SEB Corporate Finance, Skandinaviska Enskilda Banken AB (publ) are acting as financial advisors and Advokatfirman Lindahl KB is acting as legal advisor to Meda in connection with the rights issue.

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Meda AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication on October 10, 2014, at 16:05 CET.

MEDA AB (publ) is a leading international specialty pharma company. Meda's products are sold in more than 120 countries worldwide and the company is represented by its own organizations in close to 60 countries. The Meda share is listed under Large Cap on the Nasdaq Stockholm. Find out more, visit www.medab.se.

Important information

The information in this press release does not constitute an offer to acquire, subscribe for or otherwise trade in shares, subscription rights or other securities in Meda. Any invitation to the persons concerned to subscribe for shares in Meda will only be made through the prospectus that Meda estimates to publish on or around 14 November 2014.

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