

For immediate release

## MediGene sells full European rights for Eligard<sup>®</sup> to Astellas for EUR 25 million and ongoing royalties

- **Astellas to make one-off payments totaling EUR 25 million**
- **MediGene to remain entitled to royalties**
- **No further costs to MediGene**
- **Sale price reflects the full NPV of all future Eligard<sup>®</sup> revenues while allowing MediGene to benefit from continued Eligard<sup>®</sup> growth**
- **Analyst and press conference call and webcast tomorrow, July 20, at 11 a.m. (CEST)**

**Martinsried/Munich, July 19, 2010.** MediGene AG (Frankfurt, Prime Standard, MDG, TecDAX) announces the sale of full European marketing and distribution rights to Eligard<sup>®</sup> (*leuprolide acetate*, for the treatment of hormone-dependent prostate cancer) to Astellas Pharma Europe Ltd. (London, "Astellas"), previously MediGene's European marketing partner for Eligard<sup>®</sup>. MediGene acquired these rights from TOLMAR Therapeutics Inc. (formerly Atrix Laboratories Inc.) in 2001. In return for the Eligard<sup>®</sup> license, MediGene will receive EUR 25 million in cash from Astellas as well as royalties on future product sales. For MediGene, all future costs, obligations and risks associated with the supply of Eligard<sup>®</sup> to Astellas, as well all future procurement costs and license payments to TOLMAR, will cease within the next months.

This agreement will strengthen MediGene's financial situation and provide the opportunity for MediGene to profit from future growth of Eligard<sup>®</sup> sales. This would not be possible under the former deal structure since MediGene's net margin decreased once net sales by Astellas exceeded a certain threshold, capping royalty receipts. The new agreement reflects the full NPV of all future Eligard<sup>®</sup> revenues according to the previous deal structure.

MediGene will now receive a low single-digit royalty on net sales of Eligard<sup>®</sup> generated by Astellas in Europe. In 2009, MediGene's net participation in Eligard<sup>®</sup> sales by Astellas totalled about 6%. In future, MediGene will receive about one third of this margin on Eligard<sup>®</sup> in-market sales. According to the contract, Astellas will pay EUR 25 million in three tranches as the steps of transfer of the rights are concluded over the next six to twelve months (EUR 5 million upon signature, EUR 15 million anticipated within six to eight months, EUR 5 million anticipated within six to twelve months).

**Analyst and press conference call and webcast:** An analyst and press conference call in English will take place tomorrow, July 20, at 11 a.m. (CEST), and will be webcast live. The webcast and synchronized presentation slides can be accessed at [www.medigene.com](http://www.medigene.com). A recording of the live presentation will also be available thereafter.

*This press release contains forward-looking statements representing the opinion of MediGene as of the date of this release. The actual results achieved by MediGene may differ significantly from the forward-looking statements made herein. MediGene is not bound to update any of these forward-looking statements.*

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