



NOVEXEL TO BE ACQUIRED BY ASTRAZENECA

Novexel, a speciality pharmaceutical company focused on the discovery and development of novel antibiotics designed to overcome the significant global problem of microbial drug resistance, announces today that its shareholders have signed a definitive agreement whereby Novexel shall be acquired by AstraZeneca for a total cash consideration of up to \$505 million, including contingent payments and the net cash position of the company at closing. The transaction is expected to close in the first quarter of 2010, subject to certain customary conditions, including the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvement Act of 1976.

Under the terms of the agreement, AstraZeneca will acquire 100 percent of Novexel's shares for \$350 million in cash payable upon completion and will pay up to an additional \$75 million to Novexel shareholders if specified development milestones are reached. AstraZeneca will also transfer to Novexel shareholders an amount equivalent to the cash balance of Novexel at closing. The cash balance of Novexel at closing is expected to be approximately \$80million. This transaction will provide AstraZeneca with an attractive portfolio of clinical and preclinical compounds which are designed to address infections caused by drug-resistant bacteria in the hospital. Novexel's clinical development pipeline includes:

- NXL104, a novel beta-lactamase inhibitor. NXL104 in combination with the cephalosporin antibiotic ceftazidime (CAZ-104) is currently in two Phase II clinical trials in patients with complicated intra-abdominal infections (cIAls) and patients with complicated urinary tract infections (cUTIs). Under an agreement concluded in January 2008, Novexel granted Forest Laboratories the rights to develop NXL104 in combination with ceftaroline (CEF-104) in North America.
- NXL103, an oral Streptogramin antibiotic. NXL103 is currently in a Phase II clinical trial in adults with acute bacterial skin and skin structure infections (ABSSSI). The trial is designed to assess the safety and efficacy of NXL103 in comparison to oral linezolid. NXL103 has already delivered positive Phase II results in a trial evaluating it in the treatment of community acquired pneumonia (CAP).

In addition, Novexel has two further programmes in preclinical development: NXL105, a novel anti-Pseudomonal antibiotic and NXL201, a novel echinocandin antifungal agent.

Iain Buchanan, Novexel's CEO, said, "Today's announcement highlights the significant progress that Novexel has made since it was spun out of Aventis Pharma S.A. in December 2004 and demonstrates the added value of placing promising assets in an entrepreneurial structure in France. Over the last five years we have made the appropriate decisions to advance the pipeline and I would like to pay tribute to all Novexel employees whose collective efforts have made this transaction with AstraZeneca possible. I am confident that the acquired assets will receive continued investment from both AstraZeneca and Forest and will have the possibility to play an important therapeutic role to combat resistant organisms in the hospital."

Goldman Sachs acted as financial advisor to Novexel on this transaction.

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About Novexel

Novexel is a speciality pharmaceutical company focused on the discovery and development of novel antibiotics designed to overcome the significant global problem of microbial resistance. The ever increasing resistance to marketed antibiotics has led to a clear need for novel drugs that are active against multi-drug resistant bacteria. Novexel's products are targeting the global hospital antibiotic market, which was worth an estimated \$17bn in 2008¹

Novexel currently has two novel antibacterials in Phase II clinical development. These are the injectable beta-lactamase inhibitor, NXL104 and the oral streptogramin antibiotic, NXL103. NXL104 is being developed in combination with the cephalosporin antibiotic ceftazidime (CAZ-104) and is currently in two Phase II clinical trials in patients with complicated intra-abdominal infections (cIAs) and patients with complicated urinary tract infections (cUTIs). Under an agreement concluded in January 2008, Novexel granted Forest Laboratories (NYSE: FRX) the rights to develop NXL104 in combination with ceftaroline (CEF-104) solely in North America.

NXL103 is currently in a Phase II clinical trial in adults with acute bacterial skin and skin structure infections (ABSSSI). NXL103 has previously delivered positive Phase II results in a trial evaluating it in the treatment of community acquired pneumonia (CAP).

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Novexel was created in December 2004 as an independent spin-out of the sanofi-aventis (Euronext Paris: SAN, NYSE: SNY) anti-infectives unit. Novexel has a team of 54 employees with significant experience in anti-infective research and development, who are located in Paris, France and Philadelphia, USA.

Novexel's investors are Sofinnova, Atlas Venture, Novo A/S, Abingworth, Edmond de Rothschild Investment Partners, Goldman Sachs, NeoMed and Daiwa SMBC Capital Co.,Ltd

About Edmond de Rothschild Investment Partners

Edmond de Rothschild Investment Partners has become a benchmark in France for minority investments in unlisted companies. It now manages EUR 775m and has three teams who own equity in the company and who specialise in: Development Capital, Life Sciences and FCPI (mutual funds investing in innovative companies).

The company comprises 15 investment professionals who all have wide experience in Private Equity and industry.

Pierre-Michel Passy, Olivier Litzka, Gilles Nobécourt, Raphael Wisniewski, Geoffroy de Ribains, and Pr. Thierry Hercend, Venture Partner, constitute Edmond de Rothschild Investment Partners' life science team. They bring together over 30 years of experience in the life science industry and more than 50 years of private equity and venture capital experience.

¹ Source :IMS Health, MIDAS, 2006-2008

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