



August 24, 2009: Santhera and Biovail Enter into License Agreement to Develop and Commercialize JP-1730/Fipamezole in North America

News release Biovail

Santhera Pharmaceuticals (SIX: SANN), and Biovail Corporation (NYSE/TSX:BVF) announced today that the two specialty pharmaceutical companies have signed a license agreement for Santhera's JP-1730/fipamezole. Biovail acquires the US and Canadian rights to develop and commercialize the drug for the treatment of Dyskinesia in Parkinson's Disease. JP-1730/ fipamezole is a first-in-class compound that, in a recent Phase IIb study, displayed the potential to reduce levodopa-induced dyskinesia.

"Biovail is an emerging key player in the area of neurodegenerative disorders. With its commitment to this therapeutic area and the strong track record it has developed in a short period of time, I am confident that JP-1730/fipamezole will become a key product for the improved management of Parkinson's disease," said Klaus Schollmeier, Chief Executive Officer of Santhera. "Importantly, today's agreement is consistent with our strategy of partnering larger indications whilst retaining co-promotional rights for our commercial operations in the United States."

Bill Wells, Biovail's Chief Executive Officer said, "This agreement with Santhera is directly on strategy and another important step in our efforts to build a sustainable product-development pipeline in specialty central nervous system disorders."

Under the terms of the agreement between Biovail Laboratories International SRL and Santhera Pharmaceuticals (Switzerland) Ltd and subject to customary closing conditions, Santhera will receive an upfront payment of USD 8 million and a further payment of USD 4 million upon the successful closing of its acquisition of Oy Juvantia Pharma Ltd. Biovail will pay up to USD 35 million in potential development and regulatory milestones associated with the initiation of a Phase III study, regulatory submissions and approvals of JP-1730/fipamezole in Dyskinesia Parkinson's Disease. The agreement also stipulates that Biovail make additional milestone payments of up to USD 145 million as certain sales thresholds are met. Santhera will also receive royalty payments of 8% to 15% on net commercial sales of JP-1730/fipamezole. Should Biovail pursue a second indication, up to USD 20 million in additional success milestones would be payable to Santhera upon approval.

Biovail will be responsible for the remaining clinical development programs and costs in the United States and Canada. The companies have agreed to collaborate on the development program. Santhera will have the right to use and sublicense data generated for development and commercialization purposes outside of North America. Initiation of the first Phase III study in the United States is scheduled for 2011. Santhera will retain co-promotion rights in the United States.

In connection with the partnering of JP-1730/fipamezole, Santhera recently exercised its option to acquire Oy Juvantia Pharma Ltd, the owner of the compound. In consideration and subject to certain conditions, Santhera will issue 105,973 previously reserved shares from its authorized capital to the shareholders of Juvantia.

Santhera was advised by JSB Partners in this transaction.

About Dyskinesia in Parkinson's Disease

Parkinson's disease is the second most common neurodegenerative disease. Doctors prescribe levodopa and other dopaminergic compounds as standard therapy. Over time, as the disease progresses, the beneficial effects of this medication often diminish and additional movement disorders can appear (sometimes quite severe). These movement disorders include dyskinesia which can be described as sudden uncontrollable, often chaotic movements of limbs, face, tongue and body. These complications derive principally from long-term levodopa use, but there is currently no alternative to using levodopa or dopamine agonists. It is estimated that approximately 400,000 patients in Europe and North America are affected by troublesome dyskinesia associated with their levodopa therapy.

About Fipamezole

Fipamezole is an antagonist of the adrenergic alpha-2 receptor with a novel mode of action in the

is to increase noradrenergic release in certain areas of the brain, resulting in rebalancing of the distorted brain network and potentially alleviating symptoms of advanced Parkinson's disease such as dyskinesia, motor fluctuations, orthostatic hypotension and cognitive impairment without exacerbating the underlying Parkinsonian features of the disease. In a recent Phase IIb study, Santhera demonstrated that JP-1730/fipamezole has the potential to reduce Dyskinesia in Parkinson's Disease with the study results also suggesting that the drug potentially reduces "off time" and improves cognitive function. Furthermore, the reduction in dyskinesia was found to be strongly correlated with the investigator's clinical global impression of improvement in overall condition.

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About Santhera

Santhera Pharmaceuticals Holding AG (SIX: SANN) is a Swiss specialty pharmaceutical company focused on the development and commercialization of small-molecule pharmaceutical products for the treatment of severe neuromuscular diseases, an area of high unmet medical need which includes many orphan indications with no current therapy. Santhera's first product, Catena® to treat Friedreich's Ataxia, is marketed in Canada and in a well-advanced Phase III development program. Recently published study results showed that the Company's second compound, JP-1730/fipamezole is efficacious in reducing levodopa-induced Dyskinesia in Parkinson's Disease. For further information, please visit the Company's Web site www.santhera.com.

Catena® is a trademark of Santhera Pharmaceuticals.

About Biovail Corporation

Biovail Corporation, Canada's largest publicly traded pharmaceutical company, is a specialty pharmaceutical company engaged in the formulation, clinical testing, registration, manufacture, and commercialization of pharmaceutical products. The Company is focused on the development and commercialization of medicines that address unmet medical needs in niche specialty central nervous system (CNS) markets. For more information about Biovail, visit the Company's Web site at www.biovail.com.

Webcast / Teleconference

At **15.00 CET / 14.00 UKT / 09.00 EST** on **August 24, 2009**, Santhera's management will discuss today's announcement. Anyone interested in participating may join either the **webcast on www.santhera.com/webcast** or the **teleconference (ID: 26492918)** using one of the following dial-ins

Switzerland	0565 800 007 (local call)
United States	1866 966 9439
Canada	1866 966 0399
Germany	0692 222 3479 or 0692 222 4918
United Kingdom / International	+44 (0) 1452 555 566

The webcast will be available for playback one hour after the presentation ends.

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