



**MERZ NORTH AMERICA AND FOAMIX, LTD.
TO DEVELOP AN INNOVATIVE MEDICATED FOAM**

GREENSBORO, N.C. AND REHOVOT, ISRAEL – BUSINESS WIRE – Merz North America, Inc. and Foamix Ltd., today announced that they have established a collaboration to develop and commercialize an innovative medicated topical foam. The parties have executed a development agreement and a memorandum of understanding (MOU) granting Merz an exclusive worldwide license for the global development and commercialization of the product.

Under the terms of the MOU, Merz North America will assume the full cost and responsibility for all clinical development, manufacturing and commercialization of the product worldwide. Foamix is eligible to receive undisclosed upfront and milestone payments, as well as royalties on net sales.

“Merz North America is excited to enter this collaboration and access the foam technology and intellectual property of Foamix, Ltd. This collaboration allows Merz to continue the pursuit and commercialization of innovative products to benefit patients, physicians and payers. We believe this will be a productive relationship between two highly innovative specialty healthcare companies, and we look forward to ongoing shared success in the dermatology space,” said Bill Humphries, president & CEO of Merz North America.

“We are very proud to enter this cooperation with Merz for an important product opportunity utilizing our proprietary technology platforms,” remarked Dr. Dov Tamarkin, CEO of Foamix Ltd. “We continue to significantly diversify our existing and future product portfolio through both internal product development programs and external collaboration with innovative healthcare companies like Merz North America. We anticipate that this collaboration will lead to potential significant business growth in the future.”

About Merz North America

Merz North America is a specialty healthcare company that develops and commercializes innovative treatment solutions in medical and aesthetic dermatology, and neurology in the U.S. and Canada. Our ambition is to become a recognized leader in the treatment of movement disorders, and in aesthetics and dermatology. Our future is promising, and we are committed to advancing new therapeutic options and improving patients’ lives. For more than 100 years, the development of our products has been based on Merz’s commitment to providing innovative medical approaches that earn trust of patients, physicians and partners worldwide. Globally, the companies of Merz Pharma Group are focused on medications for treating neurological and psychiatric illnesses, and they have assumed a leading role in the field of Alzheimer’s disease research.

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Founded in 1908, Merz Pharma Group is a privately owned company headquartered in Frankfurt, Germany.

For more information about Merz or the Company's products, please visit www.merzusa.com.

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About Foamix

Foamix is a clinical stage specialty pharmaceutical company. The company's lead product, Minocycline Foam, is the first-ever topical Minocycline which can be used for the treatment of acne, rosacea and skin infections.

Minocycline, a well know broad-spectrum antibiotics, is given today solely in an oral manner, mainly for the treatment of Acne. Foamix believes that topical Minocycline foam will take over a major portion of the current oral anti-acne and anti-rosacea drug market, as it offers high efficacy with a favorable safety profile; and thus, to capture a large and growing market of over 1 billion dollars a year in the US.

To date, Foamix has 16 issued patents in the United States. Additionally, the Company has more than 135 pending patent applications worldwide, of which over 65 applications are filed in the U.S.

As a technology leader, Foamix collaborates with multinational and local pharmaceutical companies, in the development of patent-protected, unique topical products using its versatile, patent-protected foam platforms.

More information about Foamix can be found at www.foamix.co.il.

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