MERZ PHARMA GROUP ACQUIRES SWISS DERMATOLOGY COMPANY NEOCUTIS S.A.

GREENSBORO, N.C. AND FRANKFURT, GERMANY – BUSINESS WIRE – Merz Pharma Group (Frankfurt am Main) today announced that it has entered into a definitive agreement with Swiss dermatology company Neocutis S.A. to acquire the privately held company’s cosmetics, OTC, and Rx skin care business. The acquisition of Neocutis strengthens Merz’s market position in the field of aesthetics and reflects the Company’s strategy to establish itself as a global leader in medical and aesthetic dermatology.

"Neocutis is an innovative company with an excellent presence in the U.S. market, and a promising potential for development," said Philip Burchard, CEO of Merz Pharma Group. "This transaction is an important step to expand our U.S. business, as Neocutis products are an excellent addition to our own aesthetics portfolio."

The acquisition, which closed on July 22, 2013, will be managed in North America by Merz Pharma Group’s U.S. affiliate, Merz North America, Inc., which will also integrate marketing of Neocutis’ line of physician-dispensed topical skin care products in the U.S.

“The acquisition of Neocutis significantly strengthens Merz's presence in the U.S. aesthetics market," said Bill Humphries, President and CEO of Merz North America, Inc. “Neocutis' line of topical skin care products complements our current portfolio of aesthetic injectable products and expands our ability to provide patients and physicians with innovative, high-quality aesthetic products along the full continuum of care. We are excited to welcome the Neocutis team to the Merz family; we look forward to learning from them and seeing their contributions to our continued growth in North America. We are proud to contribute to Merz’s global leadership in aesthetic and medical dermatology, and we remain committed to growing the U.S. business via both organic growth and additional licensing and acquisition opportunities."

In the U.S., Merz Pharma Group’s affiliate Merz North America is an important contributor to the aesthetics space, offering a well-balanced range of products for minimally invasive treatments, including the dermal fillers Radiesse®, Volumizing Filler and Belotero Balance®, the neurotoxin Xeomin® (incobotulinumtoxinA), the Mederma® family of products for scar care and stretch marks therapy and an injectable product for the treatment of varicose veins.

Neocutis S.A. was founded in February 2003 as a spin-off of the medical faculty of the Lausanne University Clinic, Switzerland. The privately owned company is headquartered in Lausanne, Switzerland and develops and distributes innovative
cosmetic products for dermatologic conditions and anti-aging skincare. The company entered the U.S. market in 2009 and since that time has seen double-digit growth annually.

Following the acquisition, Merz North America plans to leverage Neocutis’ existing preferred customer programs with the Merz Aesthetics™ product line to provide additional benefits to physicians and patients.

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 Merz products has been based on our commitment to providing innovative medical approaches that earn trust of patients, physicians and partners worldwide. For more information about Merz or the Company’s products, please visit www.merzusa.com.

Contact:
Merz North America
Mariana Smith
Corporate Communications
4215 Tudor Lane
Greensboro, NC 27410
Office (336) 217-2636
msmith@merzusa.com

About the Merz Pharma Group
Merz’s business activities are in the research, development and distribution of innovative pharmaceutical and medical products for aesthetic and medical dermatology and the fields of neurology and metabolic disorders. Memantine, the first active agent in the world with a glutamatergeric effect for the treatment of moderate to severe Alzheimer’s dementia, is the second most frequently prescribed anti-dementive medication. For the treatment of neurological movement disorders, Merz developed Xeomin® (incobotulinumtoxinA). Another core competence of Merz is clinical and aesthetic dermatology. Merz Aesthetics offers a well-balanced range of products for minimally invasive treatments. With the fillers Radiesse® Volumizing Filler and Belotero Balance® and the neurotoxin Xeomin® (incobotulinumtoxinA) the company is an important contributor to the American aesthetic market. With the brands tetesept® and Merz Spezial®, Merz Consumer Care is a leading supplier of OTC medications, food supplements and skincare products in German-speaking countries.
Contact:
Merz Pharma GmbH & Co. KGaA
Ute Weinhold
Corporate Communications
Eckenheimer Landstraße 100
60318 Frankfurt
Tel + 49 - 69 - 15 03 - 889
ute.weinhold@merz.de

IMPORTANT SAFETY INFORMATION for XEOMIN®
(incobotulinumtoxinA) INCLUDING BOXED WARNING

WARNING: DISTANT SPREAD OF TOXIN EFFECT

Postmarketing reports indicate that the effects of XEOMIN®
(incobotulinumtoxinA) for injection, for intramuscular use, and all botulinum
toxin products may spread from the area of injection to produce symptoms
consistent with botulinum toxin effects. These may include asthenia,
generalized muscle weakness, diplopia, blurred vision, ptosis, dysphagia,
dysphonia, dysarthria, urinary incontinence and breathing difficulties.
These symptoms have been reported hours to weeks after injection.
Swallowing and breathing difficulties can be life threatening and there have
been reports of death. The risk of symptoms is probably greatest in
children treated for spasticity but symptoms can also occur in adults
treated for spasticity and other conditions, particularly in those patients
who have underlying conditions that would predispose them to these
symptoms. In unapproved uses, including spasticity in children and adults,
and in approved indications, cases of spread of effect have been reported at
doses comparable to those used to treat cervical dystonia and at lower
doses.