Veloxis Pharmaceuticals 2011 Third Quarter Report

Investor Conference

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Forward-Looking Statements

This presentation contains forward-looking statements. All statements other than statements of historical facts included in this presentation are forward-looking statements that are subject to certain risks, trends and uncertainties that could cause actual results and achievements to differ materially from those expressed in such statements. These risks, trends and uncertainties are in some instances beyond our control.

Words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "will" and other similar expressions identify forward-looking statements, although not all forward-looking statements contain these identifying words. In particular, any statements regarding clinical trial results and potential regulatory approval for LCP-Tacro™ are considered forward-looking statements. These forward-looking statements involve substantial risks and uncertainties and are based on our assessment and interpretation of the currently available data and information, current expectations, assumptions, estimates and projections about our business and the biopharmaceutical and specialty pharmaceutical industries in which we operate.

Important factors that may affect our ability to achieve the matters addressed in these forward-looking statements include, but are not limited to whether the results of our Phase 3 clinical trials of LCP-Tacro™ meet the predetermined endpoints for such trial; our ability to complete the development of, obtain regulatory approval for, and commercialize, LCP-Tacro™; our ability to hire and retain personnel in a competitive industry; our reliance on third parties to manufacture LCP-Tacro™ and to conduct clinical trials for LCP-Tacro™; competition from existing therapies and therapies that are currently under development, including Prograf® (tacrolimus), Advagraf® (tacrolimus), and Nulojix® (belatacept); whether we are able to obtain additional financing, if needed; risks of maintaining protection for our intellectual property; risks of an adverse determination in intellectual property litigation; and risks associated with stringent government regulation of the biopharmaceutical industry.

We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements, which speak only as of the date hereof. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that we make. We do not have a policy of updating or revising forward-looking statements and, except as required by law, assume no obligation to update any forward-looking statements.

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Agenda

- Veloxis Corporate Strategy Update
- LCP Tacro™ US Commercial Planning
- Financials Q3 2011
- Future Events and Summary

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Advancing the Veloxis Corporate Strategy

1) LCP-Tacro commercial strategy

- A high-value commercial product requiring limited sales infrastructure
- STRATEGY:
  - Build US sales and commercial infrastructure for launch anticipated 2014
  - Partner in Rest-of-World: EU, Asia-Pacific, Latin America

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Advancing the Veloxis Corporate Strategy

2) LCP-Tacro regulatory strategy

- Stable "switch" 3001 study yielded encouraging efficacy results: Beneficial numeric trend on efficacy
  - Biopsy-proven acute rejections by central pathologist:
    - 5 vs. 1 rejection (p=0.214)
- STRATEGY:
  - Accelerate filing of MAA in Europe to mid-2012

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Advancing the Veloxis Corporate Strategy

3) LCP-Tacro patent update

- US patent granted for LCP-Tacro product formulation
  - Enables US Orange Book listing for the product
  - Supplements existing IP estate on MeltDose process and equipment patents

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Updated Strategy

Leverage the Company's proprietary MeltDose® technology in therapeutic areas with established commercial potential

LCP-Tacro™ for Transplant

Maximize the full value of the LCP-Tacro™ program by developing and **commercializing in the US, partnering ex-US**

Pipeline Programs

Pipeline product development and partnering to enhance the commercial potential of the Veloxis product candidates

Advance LCP-Tacro™ through clinical studies and to the market in kidney transplantation
Advance additional pipeline programs

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US Commercial Opportunity

LCP-Tacro™ Opportunity

Calcineurin Inhibitor (CNI) Market

US Market: App ½ of Global Market
($3B Opportunity WW)

Tacrolimus
(Prograf, Advagraf, generics)

Cyclosporine
(Neoral, Sandimmune, generics)

LCP-Tacro™

- Once-daily dosing
  - Potential improved compliance
- Improved PK (pharmacokinetic) profile
  - Reduction of tacrolimus C_{max}
  - May impact side effects (eg, tremors, DM, HT)
- Lower dosing
  - Due to improved absorption
- Not substitutable by generics, providing patients and physicians with consistency

Tacrolimus is the current "gold standard" calcineurin inhibitor.

LCP-Tacro™ offers the potential to replace current tacrolimus products as standard therapy.

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LCP-Tacro™ Commercial Strategy

- Veloxis to Launch and Commercialize LCP-Tacro™ in the US through its own dedicated Sales, Marketing and Medical team
  - Infrastructure build underway
- Commercialize ex-US through partner/s with suitable specialty or hospital product expertise
  - Discussions in progress

➢**Maximize overall value for Veloxis**

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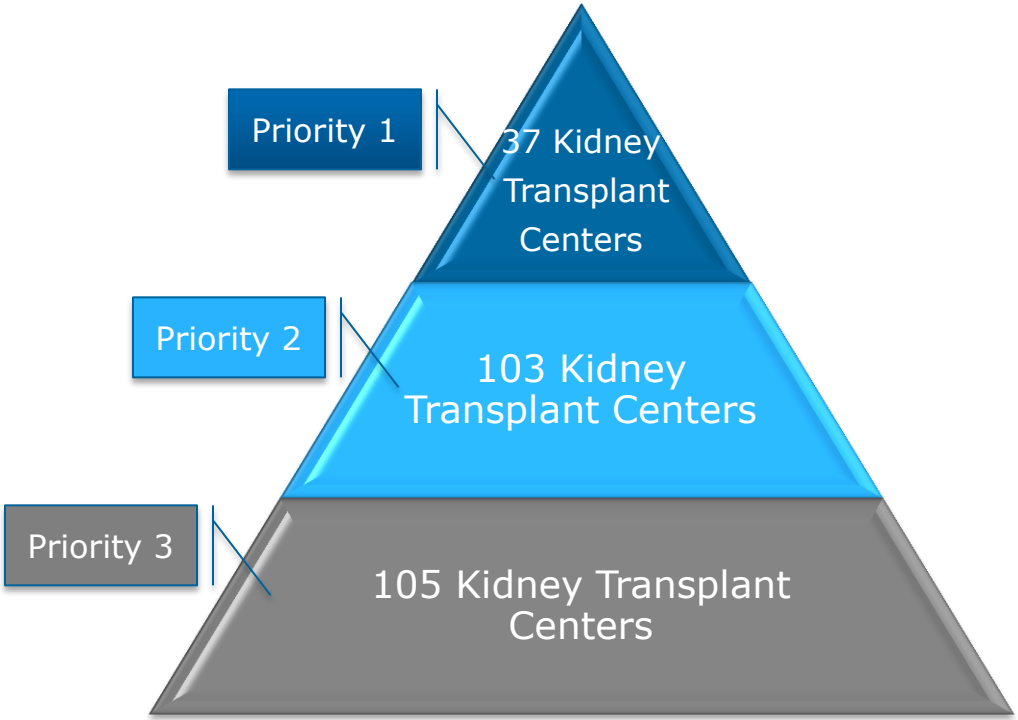
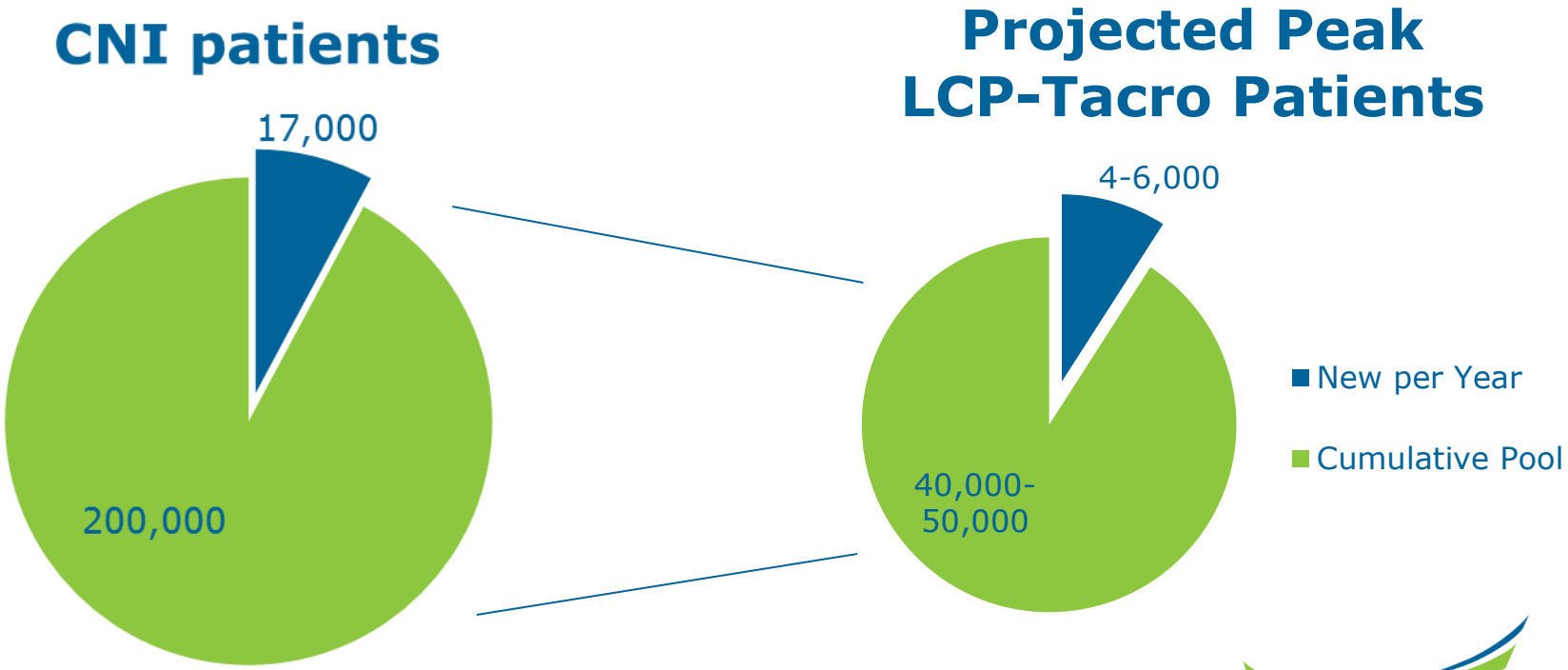
US Sales Force Structure



- 20 sales representatives
  2 regional managers
  1 head of sales
- Routine coverage of top 140 kidney transplant centers (≈80% of total volume)

Account Type	Call Frequency
Priority 1 (>140 Transplants)	Once weekly
Priority 2 (50-140 Transplants)	Twice monthly
Priority 3 (<50 Transplants)	As needed

US Kidney Transplant Opportunity



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LCP-Tacro™ — Substantial Commercial Potential

Market
- A $3B CNI market with unmet needs
- Few existing competitors, few compounds in development
- Limited sales force and commercial resources required to promote in this specialty market

Product
- A differentiated product able to attain significant pricing
- Positioned to be the optimized, branded primary immunosuppressant
- Proprietary technology for LCP-Tacro™

Strategy
- Develop dedicated internal US Marketing, Sales and Medical Infrastructure
- Partner Ex-US

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Financial outlook

- US commercialization costs will likely require $50-60MM (DKK 250-350MM)
- Funding potentials available:
  - Partnering: Ex-US rights LCP-Tacro™ and/or other assets
  - Debt and/or equity financing

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Financial results

3Q 2011 Financial Results in line with expectations

(Million DKK)	First nine months		Full year	Outlook
	2011	2010	2010	2011
Revenue	-	1,5	1,5	-
Research and development costs	(160,3)	(162,1)	(210,4)	-
Administrative expenses	(36,4)	(38,8)	(52,2)	-
One-off restructuring costs	-	(10,9)	(10,9)	-
Operating loss	(196,7)	(210,3)	(272,0)	(250) - (280)
Net loss	(184,4)	(212,8)	(274,2)	(250) - (280)
Period-end cash position	348,3	134,0	531,5	250 - 300

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Future events and summary

Upcoming milestones

- Commercial
  - Presentation of Study 3001 data at American Society of Nephrology Nov 2011
  - Initiation of first clinical differentiation study STRATO by Dec 2011
    - Probe study to demonstrate potential reduction in tremor
- Development
  - First DSMB meeting to be convened by Jan 2012
  - Reaffirming guidance: On target for complete enrollment of LCP-Tacro™ de novo Study 3002 by 1Q2012 (540 patients)
  - MAA filing mid-2012
- Pipeline
  - New candidate(s) to be announced 1H2012

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Company Information

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Locations

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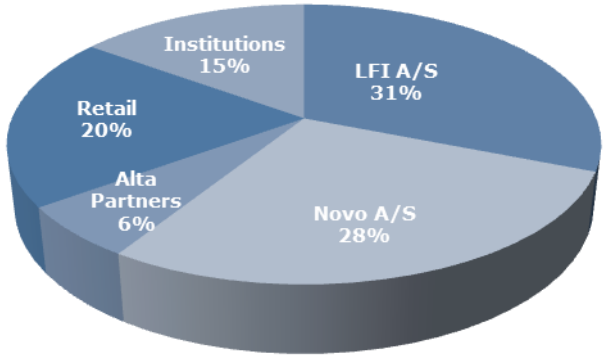
Edison, NJ 08837
USA

Shareholders (as of 12/2010)

Geographic split (approx.):

DK based: 76%
Int. based: 24%



NASDAQ OMX: VELO

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Highlights

LCP-Tacro™

- Significant sales potential
- Potential "best-in-class" profile
- Optimized, branded version of the #1 transplant drug
- Funded through to regulatory submissions in 2013

Experienced management

- Executive and senior management group with expertise, experience and proven track record from leading global pharmaceutical companies

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Programs with potentially high returns

- No New Chemical Entity risk
- Late-stage efforts
- Focused on established markets with unmet medical and commercial needs

Proprietary technology platform

- MeltDose® is proven clinically and commercially with Fenoglide®
- Low cost/transferable
- Patent protected
- Applicable in multiple therapeutic areas

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Q & A

Thank you for your attention!