PRESS RELEASE

NicOx and Merck to broaden scope of license agreement

Partners to exploit new approach to the delivery of nitric oxide

September 15, 2010. Sophia Antipolis, France. www.nicox.com

NicOx S.A. (NYSE Euronext Paris: COX) today announced that it has agreed with its partner Merck, known as MSD outside the United States and Canada, to expand the scope of their worldwide license agreement, originally executed in 2006. This decision follows the discovery of a new approach to nitric oxide (NO) donation during the course of the joint research program.

This approach may be used to develop new classes of NO-donating new molecular entities (NMEs), designed to offer a different mechanism for controlling the delivery of NO while retaining the potential therapeutic benefits. Additional information will not be disclosed for reasons of commercial confidentiality.

The clinical program evaluating several NO-donating antihypertensive candidates from the original agreement in healthy volunteers and mild to moderate hypertensive patients has now been completed and none of the compounds tested will be further advanced in development.

NicOx has developed a world-leading position in the therapeutic application of NO-donating compounds. NO is an endogenous cell-signaling molecule of basic importance in physiology and there is significant evidence that certain diseases are related to a deficiency in the production of nitric oxide. This new approach with Merck continues to build on the concept of a slow release of NO with a sustained pharmacological effect at tissue level.

Under the revised agreement, Merck has the right to develop NMEs using this new approach in certain cardiovascular indications. NicOx will have the right to develop product candidates in other indications. NicOx and Merck will pay development milestones and royalties to the other partner on products emerging from their respective research programs. NicOx and Merck have agreed that no further announcements on the compounds developed by Merck under the collaboration are anticipated unless and until a drug-candidate advances into phase 2 clinical studies.

Ennio Ongini, Vice President Research at NicOx, commented: "*The research collaboration with Merck has been very fruitful, and it is as a result of the excellent scientific interaction that this new approach to NO donation was discovered. Novel molecules using this approach offer an exciting new alternative route to exploit the biological properties of NO which can potentially be used in a wide range of therapeutic areas.*"

Under the revised agreement, each company will be responsible for funding their own research and development costs. NicOx and Merck do not have the option to co-promote any NMEs from the other partner resulting from this expanded license.

Risks factors which are likely to have a material effect on NicOx's business are presented in the 4th chapter of the « *Document de référence, rapport financier annuel et rapport de gestion 2009* » filed with the French *Autorité des Marchés Financiers* (AMF) on March 5, 2010 and available on NicOx's website (www.nicox.com) and on the AMF's website (www.amf-france.org).

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The Company notably draws the investors' attention to the following risk factors:

- *Risques liés à la dépendance de la Société à l'égard du naproxcinod* (Risks related to the Company's dependence on the success of its lead product naproxcinod)
- *Risques commerciaux et développements cliniques* (Clinical developments and commercial risk)
- *Risques liés aux contraintes réglementaires et à la lenteur des procédures d'approbation* (Risks linked to regulatory constraints and slow approval procedures)
- *Manque de capacités dans les domaines de la vente et du marketing* (Lack of sales and marketing capabilities)
- *Incertitude relative aux prix des médicaments et aux régimes de remboursement, ainsi qu'en matière de réforme des régimes d'assurance maladie* (Uncertainty on drug pricing and reimbursement policies and on the reforms of the health insurance systems)

NicOx (Bloomberg: COX:FP, Reuters: NCOX.PA) is a pharmaceutical company focused on the research, development and future commercialization of drug candidates. NicOx is applying its proprietary nitric oxide-donating R&D platform to develop an internal portfolio of New Molecular Entities (NME) for the potential treatment of inflammatory, cardio-metabolic and ophthalmological diseases.

NicOx's lead investigational compound is naproxcinod, an NME and a first-in-class CINOD (Cyclooxygenase-Inhibiting Nitric Oxide-Donating) anti-inflammatory drug candidate developed for the relief of the signs and symptoms of osteoarthritis (OA). In July 2010, the FDA provided a Complete Response Letter to the New Drug Application (NDA) for naproxcinod stating that it does not approve the naproxcinod application. The naproxcinod Marketing Authorization Application (MAA) submitted by NicOx in December 2009 is currently under review by the European Medicines Agency (EMA).

In addition to naproxcinod, NicOx's pipeline includes several nitric oxide-donating NMEs, which are in development internally and with partners, including Merck & Co., Inc. and Bausch + Lomb, for the treatment of select cardiovascular indications, eye diseases and dermatological diseases.

NicOx S.A. is headquartered in France and is listed on Euronext Paris (Compartment B: Mid Caps).

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This press release contains certain forward-looking statements. Although the Company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in the forward-looking statements.

For a discussion of risks and uncertainties which could cause actual results, financial condition, performance or achievements of NicOx S.A. to differ from those contained in the forward-looking statements, please refer to the Risk Factors ("Facteurs de Risque") section of the Document de Reference *filed with the AMF, which is available on the AMF website (*http://www.amf-france.org*) or on NicOx S.A.'s website (*http://www.nicox.com*).*

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