A Leading CNS BioPharma

June 2014

NASDAQ: AVNR
Forward-looking Statement

Except for the historical information contained herein, the matters set forth in this press release, including statements regarding Avanir’s plans, potential opportunities, financial or other expectations, projections, goals, objectives, milestones, strategies, market growth, timelines, legal matters, product pipeline, clinical studies, product development and the potential benefits of its commercialized products and products under development are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including the risks and uncertainties associated with Avanir’s operating performance and financial position, joint ventures, collaborations and partnerships with third parties, market size, market share, commercial viability, market demand for and acceptance of Avanir’s products domestically and internationally, research, development and commercialization of new products domestically and internationally, reliance upon the collaborative efforts of others, competition domestically and internationally, the success of external business-development activities, intellectual property rights, government regulation, obtaining and maintaining regulatory approvals domestically and internationally, government investigations, litigation, including, but not limited to Avanir’s ability to obtain, maintain, and protect its patents and other intellectual property both domestically and internationally, the occurrence of adverse safety events, delay or failure to gain acceptance by the medical field domestically and internationally, dependence on third parties for supply, manufacturing and distribution, delay or failure to adequately build or maintain the necessary sales, marketing, supply chain management and reimbursement capabilities on our own or enter into arrangements with third parties to perform these functions in a timely manner or on acceptable terms, and other risks detailed from time to time in the Company’s most recent Annual Report on Form 10-K and other documents subsequently filed with or furnished to the Securities and Exchange Commission. These forward-looking statements are based on current information that may change and you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement, and the Company undertakes no obligation to revise or update any forward-looking statement to reflect events or circumstances after the issuance of this press release.
Avanir: A Leading CNS BioPharma

GROWING REVENUES

(net revenue run-rate ~$100 million)

1 APPROVED PRODUCT + 1 FILED NDA

(potential in the $100’s of millions)

STUDIES IN 4 POTENTIAL NEW INDICATIONS

(potential in the $ billions)

LONGEVITY OF FRANCHISE

(exclusivity to 2030+ with AVP-786)
Avanir: A Leading CNS BioPharma

NUDEXTA® in Pseudobulbar Affect
- Large market with a high unmet medical need
- First and only FDA & EMA approved Rx for PBA
- Robust and growing revenues

Broad Pipeline Across 3 Assets
- **Pain**: Migraine, DPN pain
- **Mood/Behavior**: AD agitation, depression, autism
- **Movement Disorders**: PD dyskinesia, spasticity

A Leading CNS Biopharma
- Demonstrated commercial success
- Broad development pipeline
- Infrastructure to grow
Robust PBA Franchise
PBA: A Debilitating Condition Impacting Millions

- Neurologic disorder causing involuntary & uncontrollable emotional outbursts
  - *Crying and or laughing episodes*
  - *Incongruent or exaggerated to patient’s inner mood*
  - *Usually occur several times per day*
  - *Episodes last from seconds to minutes*

- Episodes can be severe and cause significant impairment

- Occurs secondary to neurologic diseases or injuries
  - *Alzheimer’s disease, amyotrophic lateral sclerosis (ALS), multiple sclerosis (MS), Parkinson’s disease, stroke, traumatic brain injury*

- Estimated 1.8 million with moderate-to-severe PBA\(^1\)

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\(^1\) Work SS. *Adv Ther.* 2011;28(7):586-601
PBA Commercial Opportunity (U.S.)

18 million Patients with key neurological disorders

1.8 million with moderate-severe PBA

1.7 million Out-patient

100,000 Institutional

1% = $122 million (NUEDEXTA <1% Today)

1% = $7 million (NUEDEXTA <10% Today)

Based on PRISIM Registry data; Brooks et al. PLOS One, August 2013(8). www.plosone.org
Growing NUEDEXTA® Franchise

Monthly Capsule Count

- Total
- Retail
- Institutional

Robust Quarterly Growth

- Net Revenues

Q1FY13: $14.3m
Q2FY13: $16.4m
Q3FY13: $18.7m
Q4FY13: $21.1m
Q1FY14: $23.7m
Q2FY14: $24.4m

Source: IMS Health Monthly NPA (National Prescription Audit); Avanir data on file
Continuing to Grow the PBA Opportunity...

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Key Tactics</th>
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<tbody>
<tr>
<td>PBA Awareness &amp; Diagnosis</td>
<td>• 152 Sales Representatives</td>
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<tr>
<td></td>
<td>• 80 Institutional</td>
</tr>
<tr>
<td></td>
<td>• 72 Retail</td>
</tr>
<tr>
<td>Physician Adoption</td>
<td>• PBA Education &amp; Screening</td>
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<tr>
<td></td>
<td>• NUEDEXTA Clinical Sell</td>
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<td></td>
<td>• Additional Clinical Data</td>
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<tr>
<td>Patient Access</td>
<td>• Contracting (75%+ Lives)</td>
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<td></td>
<td>• Patient Assistance Programs</td>
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<tr>
<td>Patient &amp; Caregiver Activation</td>
<td>• PBA DTC Campaign</td>
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<tr>
<td></td>
<td>• Database Marketing</td>
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DM Pharmacology & Avanir Pipeline
DM Binds to Key Receptors in the CNS

- **NMDA Receptor Antagonist**
  - Low affinity (Ki = 1500 nM)$^{1,2}$

- **Serotonin Reuptake Inhibitor**
  - (Ki = 40 nM)

- **Sigma-1 Receptor Agonist**
  - (Ki = 200 nM)$^{3-5}$

- **Norepinephrine Reuptake Inhibitor**
  - (Ki = 240 nM for inhibition of uptake; 13 µM for inhibition of binding)$^{6-9}$

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Potential Therapeutic Applications of DM Pharmacology

- **NMDA Receptor Antagonist**
  - Alzheimer’s Cognition
  - Parkinson’s
  - Depression
  - Pain
  - Memantine
  - Ketamine
  - Amantadine

- **Serotonin Reuptake Inhibitor**
  - Depression
  - Anxiety
  - PTSD
  - Impulse Control Disorder
  - Panic
  - OCD
  - Escitalopram
  - Sertraline
  - Fluoxetine

- **Norepinephrine Reuptake Inhibitor**
  - Depression
  - Anxiety
  - Pain
  - ADHD
  - Duloxetine
  - Venlafaxine
  - Atomoxetine

- **Sigma-1 Receptor Agonist**
  - Depression
  - Cognition
  - Movement Disorder
  - Fluvoxamine
  - Donepezil

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# Broad Pipeline

## Avanir Programs

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<thead>
<tr>
<th>Treatment</th>
<th>Phase</th>
<th>Status</th>
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<tbody>
<tr>
<td><strong>NUDEXTA®</strong></td>
<td><strong>Pseudobulbar Affect</strong></td>
<td>Approved (U.S + Europe)</td>
</tr>
<tr>
<td><strong>AVP-825</strong></td>
<td><strong>Migraine</strong></td>
<td>PDUFA 4QCY14</td>
</tr>
<tr>
<td><strong>AVP-923 / AVP-786</strong></td>
<td><strong>Alzheimer’s Disease (Agitation)</strong></td>
<td>Data 2HCY14</td>
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<tr>
<td></td>
<td><strong>Parkinson’s Disease (Dyskinesia)</strong></td>
<td>Data 2HCY14</td>
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<tr>
<td></td>
<td><strong>Treatment-Resistant Depression</strong></td>
<td>Study Begins 2HCY14</td>
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<td></td>
<td><strong>Neuropathic Pain</strong></td>
<td>Pending</td>
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## Investigator Programs

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<td><strong>AVP-923</strong></td>
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<tr>
<td><strong>Treatment-Resistant Depression</strong></td>
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<tr>
<td><strong>Behavior Symptoms (Autism)</strong></td>
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<td><strong>Bulbar Function (ALS)</strong></td>
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Behavioral Disturbances of Neurological Disease

Agitation in Alzheimer’s Disease
Agitation in AD (Potential U.S. Opportunity)

6 million with Dementia/AD

2.6 million diagnosed

1.6 million with Agitation*

1% = $115 million

* ~80% of nursing home residents with dementia have agitation

Sources: 2012 Alzheimer’s Disease Facts & Figures (Alzheimer’s Assoc.); Alzheimer’s Dement. 2011 Jan; 7(1):80-93; USPSTF, Screening for Dementia in Primary Care; Therapeutics Categories Outlook, Cowen & Co. October 2012; American Journal of Managed Care, 2011; Avanir Sep 2012; J. Rural Trop Public Health 2010, Vol. 9, p. 82-94; J. Gerontol Nurs. 2008 December; 34(12):8-17; Patient numbers are approximate.
Improving Agitation/Aggression in PBA Patients

NPI Agitation/Aggression in PBA Patients Treated with DM/Q

* P≤0.05 for regression to evaluate dose-related trend

* STAR Analysis done of patients with agitation/aggression occurring once a week or more frequently at baseline

The Neuropsychiatric Inventory (NPI) is a retrospective (to 1 month) caregiver-informant interview assessing the frequency and severity of 12 neuropsychiatric symptom domains. Data on file. AVP-923 is not approved for the treatment of agitation.
Study AVR-131: Phase II Trial of AVP-923

Treatment of Symptoms of Agitation in Alzheimer’s Disease

- **Primary Endpoint**
  - Agitation/Aggression domain of Neuropsychiatric Inventory (NPI)

- **Secondary Endpoints**
  - MMSE
  - ADCS-ADL
  - ADCS-CGIC
  - ADAS-Cog
  - Quality of Life-AD
  - Cornell Depression Scale
  - Caregiver Strain Index

- **Additional Information**
  - Number of sites ~30 (US)
  - Top-line data: H2 CY2014

AVP-923-20 is approved in the US as NUEDEXTA for the treatment of PBA; AVP-923-30 is not approved in the US; AVP - 923 is not approved for the treatment of agitation in Alzheimer’s Disease.
Mood Disorders

Treatment Resistant Major Depressive Disorder (TR-MDD)
Treatment-Resistant MDD (U.S. Opportunity)

15.7 million with Depression

7 million patients in treatment

4.6 million patients refractory* to 1st line

2.3 million patients refractory* to multiple lines

1% = $165 - 330 million

Improved Depressive Symptoms in PBA Patients treated with DM/Q

Avanir STAR data on file. All P values vs placebo. Mild Depressive Symptoms: BDI>10≤19; Moderate or Greater Depressive Symptoms: BDI≥18
Next Steps for Treatment Resistant MDD

- Initiate Phase II study H2 CY2014

- Target population
  - Patients with MDD that have insufficient response to conventional antidepressants

- Randomized, placebo controlled
  - AVP-786 or placebo adjunctive to other antidepressants

- Standard efficacy and safety endpoints used in registration trials

- Powered to demonstrate statistical and clinically meaningful differences
Pain

Acute Treatment of Migraine
AVP-825 is an investigational drug-device combination product utilizing a novel Breath Powered intranasal technology to deliver a low-dose of sumatriptan powder.
Transformational Nasal Technology

Breath Powered technology allows ideal intranasal targeting: Powder is delivered deep in nasal cavity where absorption is optimal without post-nasal drip or delivery to lungs.

Gamma-scintigraphy images from the same subject. Cumulative distribution during 32 minutes
White areas: 20% more of the max intensity; Orange Areas: 0-20% of the max intensity; Green Areas: no deposition
AVP-825: A Potential New Migraine Opportunity

### AVP-825:

- **Rapid Absorption**
- **Fast Pain Relief**
- **Low Systemic AEs**
- **Low Dose**
- **Easy and Convenient**

- Clinical profile may deliver on key unmet needs
- Large well-established market **but** high dissatisfaction
  - 1% share of the triptan market is worth $50-65 million
- Peak revenue between $150-200 million

AVP-825 is an investigational drug-device combination product utilizing a novel Breath Powered intranasal technology to deliver a low-dose of sumatriptan powder.
AVP-825: Meaningful Efficacy and Onset of Action

Headache relief begins to separate at 15 minutes, significant by 30 minutes:
Large effect size achieved despite modest sample size

* Defined as reduction from moderate (Grade 2) or severe (Grade 3) pain to none (Grade 0) or mild (Grade 1) pain

Source: TARGET Phase III data; AVP-825 is an investigational drug-device combination product utilizing a novel Breath Powered intranasal technology to deliver a low-dose of sumatriptan powder.
Finances & Milestones
Key Financial Metrics

3-months ending March 31, 2014 (Fiscal 2Q 2014)

NUDEXTA NET REVENUES: $24.4 million

TOTAL NET REVENUES: $26.9 million

TOTAL CASH BALANCE: $56.5 million
Multiple Catalysts over Next the 12 Months

- NDA Filing (AVP-825)
- ANDA Litigation Decision
- PBA Phase IV Interim Data ("PRISM II")

- LID Parkinson’s Phase II Data
- Agitation in Alzheimer’s Phase II Data
- IND Filing for AVP-786
- Initiate TR-MDD Phase II (AVP-786)
- PDUFA Date (AVP-825)
Important Information

About NUEDEXTA

NUEDEXTA is an innovative combination of two well-characterized components; dextromethorphan hydrobromide (20 mg), the ingredient active in the central nervous system, and quinidine sulfate (10 mg), a metabolic inhibitor enabling therapeutic dextromethorphan concentrations. NUEDEXTA acts on sigma-1 and NMDA receptors in the brain, although the mechanism by which NUEDEXTA exerts therapeutic effects in patients with PBA is unknown.

NUEDEXTA Important Safety Information

NUEDEXTA is indicated for the treatment of pseudobulbar affect (PBA). PBA occurs secondary to a variety of otherwise unrelated neurological conditions, and is characterized by involuntary, sudden, and frequent episodes of laughing and/or crying. PBA episodes typically occur out of proportion or incongruent to the underlying emotional state. Studies to support the effectiveness of NUEDEXTA were performed in patients with amyotrophic lateral sclerosis (ALS) and multiple sclerosis (MS). NUEDEXTA has not been shown to be safe and effective in other types of emotional lability that can commonly occur, for example, in Alzheimer’s disease and other dementias. NUEDEXTA and certain other medicines can interact, causing serious side effects. If you take certain drugs or have certain heart problems, NUEDEXTA may not be right for you. NUEDEXTA causes dose-dependent QTc prolongation. When initiating NUEDEXTA in patients at risk for QT prolongation and torsades de pointes, electrocardiographic (ECG) evaluation should be conducted at baseline and 3-4 hours after the first dose. The most common adverse reactions are diarrhea, dizziness, cough, vomiting, asthenia, peripheral edema, urinary tract infection, influenza, increased gamma-glutamyltransferase, and flatulence. NUEDEXTA may cause dizziness. These are not all the risks from use of NUEDEXTA. Please refer to full Prescribing Information at www.NUEDEXTA.com.

AVP-923 is an investigational product and not FDA approved.

AVP-825 is an investigational product and not FDA approved.

AVP-786 is an investigational product and not FDA approved.