

## Press Information

### **AFFIRIS ANNOUNCES AN EXTENSION OF ITS EXISTING ALZHEIMER'S DISEASE VACCINE DEVELOPMENT COLLABORATION WITH GLAXOSMITHKLINE triggering a Euro 3.5 Million payment to AFFIRIS**

**Vienna, 28. February 2011: AFFIRIS AG announced today significant progress in their collaboration with GlaxoSmithKline Biologicals (GSK) for the development of an active vaccination programme against Alzheimer's disease. While the lead vaccine candidate AD02 is currently in phase II clinical testing, two additional preclinical programmes have been completed successfully. The second programme was related to alternative vaccine candidates generated by AFFIRIS' AFFITOME® technology, including candidate AD03. Based on the promising preliminary results of this programme, GSK exercised its option for the alternative vaccine candidates which triggered a EUR 2.5 million payment to AFFIRIS. An additional EUR 1 million payment became due simultaneously for the successful completion of tests of alternative vaccine formulations.**

AFFIRIS announced today the successful completion of preclinical work packages and related payments of EUR 3.5 million from GSK to AFFIRIS. The two companies have been working together for more than two years on an active vaccination approach for the treatment of Alzheimer's disease. The collaboration is based on a license and option agreement announced in October 2008. The deal has a total potential value of up to EUR 430 million plus royalties. EUR 36 million have already been paid within the framework of this collaboration.

The co-founder and CEO of AFFIRIS, Dr. Walter Schmidt comments: "Our Alzheimer's vaccination programme is progressing very positively. Two vaccine candidates, AD01 and AD02, demonstrated satisfactory safety and tolerability profiles in phase I clinical trials and AD02 has already been moved forward into clinical phase II for efficacy testing. Now we have opened the pathway to alternative vaccine candidates such as AD03 and we are delighted that GSK awarded this achievement by exercising its related option. We welcome the opportunity to extend and further strengthen the collaboration between the two companies."

All three of AFFIRIS's Alzheimer's vaccine candidates are designed to induce antibodies targeting the beta-amyloid peptide that is believed to contribute significantly to the pathology of Alzheimer's. With AD03, the third of the candidates, AFFIRIS additionally targets modified beta-amyloid peptides with their putatively different toxicity profiles in humans.

On top of its diversified activities in the Alzheimer's field, AFFIRIS possesses a strong product pipeline including vaccine candidates for the treatment of Parkinson, Atherosclerosis,

Hypertension and various other diseases. Remarkably, AFFiRiS recently announced that its preclinical program for the development of a Parkinson vaccine has been awarded with substantial funding by the US-based Michael J. Fox Foundation.

### **Pipeline with Cash-flow**

The co-founder and CSO of AFFiRiS Dr. Frank Mattner comments on this early and successful establishment of the strong development pipeline: "Many biotech companies strive to establish a pipeline in order to minimise risk. Sometimes their endeavours fail due to technical reasons sometimes because of financial constraints. Our AFFITOME®-Technology allows us to avoid technical challenges that are relevant to our approach. This technology also delivers a whole pool of product candidates for each of our targets rather than a single entity thereby significantly increasing our likelihood of success."

About AFFiRiS AG (date February 2011):

On the basis of the company's own patent positions AFFiRiS develops tailor-made peptide vaccines for Alzheimer's disease, Atherosclerosis, Parkinson's disease, Hypertension and several other conditions with unmet medical need and attractive market sizes. Alzheimer's is the current lead indication. For the Alzheimer's vaccine program, a license and option agreement with GlaxoSmithKline was closed in October 2008, triggering an upfront payment of EUR 22.5 million. The contract envisages (milestone-dependent) payments of up to EUR 430 million. A first milestone payment of EUR 10 million was made in October 2009 followed by Euro 3.5 as announced today. AFFiRiS currently employs 80 highly-qualified staff at the Campus Vienna Biocenter in Vienna, Austria ([www.affiris.com](http://www.affiris.com)).

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