

Press Release – June 17, 2008

Lead Discovery Center Starts Operations

Supporting the development of novel medicines in Germany

Max Planck Innovation GmbH, the technology transfer agency of the Max Planck Society, announces today the opening of its new subsidiary, the Lead Discovery Center GmbH (LDC). It will be based in Dortmund, Germany, and intends to employ a staff of 15–20 experienced drug discovery scientists, project managers, and technical assistants by the end of 2008.

As an independent enterprise with an entrepreneurial outlook, it will take on promising projects from public research and advance them through the drug discovery process up to pharmaceutical leads suited for direct application in preclinical and clinical studies. It will focus on widespread diseases including cancer, diabetes, neurodegenerative diseases, cardiovascular and other conditions where current therapies have proven insufficient. Initial projects will be sourced from Max Planck institutes, but the LDC remains open to findings from other public research organizations or industry.

“We have been working intensely with industry experts and investors to come up with a new, commercially viable concept to support the development of novel medicines in Germany”, Matthias Stein-Gerlach, LDC Project Leader at Max Planck Innovation comments. „It is with great confidence that we now open the LDC and hand it over to the excellent starting team we have been able to assemble over the last months.”

LDC merges the fields of biology, medicinal chemistry, and pharmacology under the umbrella of professional project management. Using novel therapeutic targets arising from basic research, the LDC team will first identify chemical substances with the desired inhibiting or modulating effect, and then optimize these agents to create chemical leads for pharmaceutical use. Typical LDC development efforts will yield pharmacological agents that fulfill all the criteria of drug candidates attractive to the biopharmaceutical industry for in-licensing or co-development. Until LDC can generate its own revenues from agreements with industry, various sources, including project based funding from the Max Planck Society, government subsidies, and donations will finance the LDC, ensuring the company's sustained viability.

“In this way, the LDC provides for a new level of quality in early drug development,” Bert Klebl, CEO of the LDC says. “For the first time, we will be able to select the most promising findings from public research and develop them in line with international industry standards up to initial proof-of-concept without being limited by typical investment rules of capital markets. Because regular investment cycles are comparatively short and standard tools for the evaluation of risks and returns are inapplicable to early stages, many compelling projects have run out of money in recent years – regardless of their medical and commercial opportunity. The new, sustainable approach followed by the LDC will help overcome the bottle-neck in drug development, and I am excited to be part of it.”

The LDC forms an essential part of Max Planck Innovation's Drug Development Center (DDC) that was selected for the final round of the “BioPharma strategy

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competition for medicine of the future”, a support program of the German Ministry of Education and Research (BMBF).

Notes to editors

About Max Planck Innovation

Max Planck Innovation advises and supports scientists of the Max Planck Society in evaluating inventions and filing patent applications. Max Planck Innovation markets patents and technologies to industry and coaches founders of new companies based on research results from Max Planck Institutes.

Every year, Max Planck Innovation evaluates about 150 inventions, of which about half lead to the filing of a patent application. Since 2000, Max Planck Innovation advised about 35 spin-offs, closed more than 700 license deals and generated proceeds of more than 130 million Euros for inventors, institutes and the Max Planck Society. As a result, Max Planck Innovation is among the world's most successful technology transfer organizations.

Max Planck Innovation was founded in 1970 as Garching Instrumente GmbH and operated under the name of Garching Innovation from 1993 to 2006.

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