

Cytos Biotechnology receives a compensation of CHF 5 million from the Alzheimer's disease collaboration with Novartis as development of the vaccine candidate CAD106 is advanced to phase IIa

The vaccine candidate CAD106 for the treatment of Alzheimer's disease is advanced in clinical development by Novartis and a phase IIa study has been initiated. The study will be conducted in different European countries and in the US. A phase I study with CAD106 has been completed recently.

CAD106 is the subject of an exclusive licence agreement between Novartis and Cytos Biotechnology. Based on the clinical progress, Cytos Biotechnology will receive a compensation of CHF 5 million from Novartis. This compensation was accounted for as revenue in the second quarter 2008.

NIC002 development ongoing. Novartis to initiate phase II study with the vaccine candidate to treat nicotine addiction

Cytos Biotechnology has been informed by Novartis, the licensee of its vaccine candidate NIC002 for the treatment of nicotine addiction that a placebo-controlled phase II clinical trial is planned to begin shortly. The study performed by Novartis will evaluate the safety, tolerability and efficacy (i.e. abstinence from smoking) of a new NIC002 treatment regimen designed to yield high anti-nicotine antibody levels.

In a previous phase II clinical trial conducted by Cytos Biotechnology, an increase in long-term abstinence from smoking was observed in smokers who attained high antibody levels following vaccination. Subsequent clinical trials also performed by Cytos Biotechnology identified treatment regimens that yielded high antibody responses. In April 2007, Cytos Biotechnology entered into an exclusive global commercial license agreement with Novartis to develop, manufacture and commercialize NIC002. Under the terms of the agreement, Novartis is granted worldwide exclusive rights for NIC002 and is responsible for further clinical development, manufacturing and commercialization of the vaccine.

Upcoming event

Company presentation at the Sal. Oppenheim Healthcare Conference in Frankfurt am Main, Germany.

CEO Wolfgang A. Renner, PhD, will present the Company and its Immunodrug™ R & D programs at this conference taking place at the Hotel Rocco Forte Villa Kennedy in Frankfurt am Main, Germany, on September 2–3, 2008.