

Press Release

February 15th, 2007

KeyNeurotek AG and Max Planck Society sign licence and cooperation agreement for drug development

Magdeburg | Halle/Saale | Munich, February 15th, 2007 – KeyNeurotek AG, a biotechnology company focused on the development and marketing of drugs against autoimmune diseases and degenerative disorders of the central nervous system (CNS), has signed an exclusive licensing agreement with Max-Planck-Innovation GmbH, the technology transfer agency of the Max Planck Society. The license covers a method to identify drug candidates developed at the Max Planck Research Unit for Enzymology of Protein Folding (Halle/Saale).

In addition to the licensing contract, the partners signed an amendment to an already existing exclusive collaboration agreement for drug development in the field of FK506 binding proteins. The collaboration between KeyNeurotek AG and the Max Planck Research Unit for Enzymology of Protein Folding (Halle/Saale) covers the identification and optimization of drug candidates. The cooperation aims to develop novel drug candidates against selected protein targets for the treatment of acute and chronic diseases of the central nervous system such as stroke and Parkinson's disease. Last year, the partners were able to prove that the inhibition of FKBP38, a specific protein in the brain, considerably reduces the death of nerve cells following a stroke. In addition, endogenous repair mechanisms were stimulated in the brain.

FKBP38 belongs to the family of the so-called FK506-binding proteins, in short FKBP, a protein family discovered in the 1980s by Prof. Gunter Fischer of Martin Luther University Halle/Wittenberg, Germany. FK506-binding proteins are now being studied, among others, at the Max Planck Research Unit for Enzymology of Protein Folding headed by Prof Fischer. FKBP exhibit special enzymatic functions that are of central importance for the folding and functionality of proteins.

“We are very pleased with signing the licensing and collaboration agreements with such a renowned and internationally leading research institution,” **said Dr Frank Striggow, CEO of KeyNeurotek AG.** “The alliance ideally complements our activities and also reflects the matching of high-level research and economic development in Central Germany.”

About KeyNeurotek AG

KeyNeurotek, a privately held biotechnology company employing 26 people, was founded in 2000 in Magdeburg, Germany, one of the leading centres of neuroscience in Europe.

KeyNeurotek pursues a number of drug candidates in various preclinical and clinical stages. The most advanced compound, KN38-7271, a cannabinoid receptor agonist, is currently in an international Phase IIa trial in comatose patients with traumatic brain injury. At present, there is no effective therapy for these patients.

The company has unique functional and tissue-based high throughput screening platforms for compatible ex vivo and in vivo studies (TELOMICS™). Based on its know-how, KeyNeurotek develops innovative therapies for the treatment of various neurodegenerative diseases of the central nervous system, such as traumatic brain injury (TBI), stroke, and Alzheimer's disease.

The company has built a strong network with renowned local and international partners, including, among others, the Leibniz Association, the Max Planck Society and Fraunhofer Society, evotec, Schwarz Pharma AG, Monheim, and Bayer Healthcare AG, Leverkusen. KeyNeurotek has been awarded the Hugo-Junckers Innovation Award of the State of Sachsen-Anhalt in 2002 and 2004 and the Innovation Price of the German Industry in 2006.

About Max Planck Research Unit for Enzymology of Protein Folding

The Research Unit was founded in 1997 and locates on the Weinbergcampus in Halle/Saale. Here, basic research is aimed to explore the role of conformational dynamics controlling the biological activity of proteins. A Junior Research Group and an Independent Research group contribute to the work in this field. Using results of basic research specific targeting of misfolding by low molecular mass compounds is utilized to regain normal protein function in the cell and in organisms. Protein misfolding is believed to be associated with the development of cancer, age-related neuropathies, infections and genetic diseases. Chemical biology, molecular biology and cell biochemistry provide the methods that the laboratories of the Research Unit require for basic and applied research.

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 130 inventions, of which 80 to 100 lead to the filing of a patent application. In the last five years alone, Max Planck Innovation advised 28 spin-offs, closed more than 450 license deals and generated proceeds of more than 100 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 GmbH from 1993 to 2006.

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