

## Press Release

### Cellzome Announces Achievement of Second Milestone in Epigenetics Collaboration with GSK

**Heidelberg, Germany and Cambridge, UK- 8<sup>th</sup> February 2011** – Cellzome announced today that it has achieved the second milestone in its epigenetics alliance with GlaxoSmithKline. The milestone triggers a payment of an undisclosed amount from GSK and follows only two months after the first milestone was achieved.

The strategic collaboration in epigenetics was announced in March 2010 and gives GSK exclusive access to Cellzome's proprietary *Episphere*<sup>™</sup> technology in the emerging field of epigenetics as applied to immunoinflammatory disease. Under the terms of the agreement, the companies work together using Cellzome's *Episphere*<sup>™</sup> technology platform, to identify selective small-molecule drug candidates against targets from four different epigenetic target classes. The companies share operational responsibility for the programs until identification of drug candidates, at which stage GSK will assume responsibility for any further preclinical and clinical development and commercialisation.

Tim Edwards, CEO of Cellzome, said: "Achieving the second milestone in this collaboration in less than a year after its start demonstrates how well our technology is suited to address drug discovery for epigenetic targets. It also shows how well the scientists from Cellzome and GSK work together. "

Cellzome is eligible for milestone payments and tiered royalties for each programme in this epigenetic collaboration with GSK. Milestone payments over the course of the collaboration could reach over €475 million if all programmes under the alliance are successfully developed and commercialised.

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#### About Cellzome

Cellzome is a world leader in chemoproteomics, transforming the sciences of epigenetics and signal transduction into novel drug candidates in inflammatory diseases and oncology. The Company maintains the highest levels of scientific expertise and has active collaborations with the foremost academic laboratories around the world. Cellzome's technologies work with native proteins in a physiological setting to discover small molecule drugs targeting protein complexes that underlie diseases. The Company has a track record in delivering significant collaborations with top pharmaceutical companies including GlaxoSmithKline, Johnson & Johnson and Novartis. Cellzome is a privately-held international company located in Heidelberg, Germany and Cambridge, UK employing about 100 people. For more information please visit: [www.cellzome.com](http://www.cellzome.com)

### **About *Episphere*<sup>™</sup> and epigenetics**

*Episphere*<sup>™</sup> is a chemoproteomics technology for the discovery of novel drugs directed against targets involved in epigenetic regulation. The technology allows the screening and profiling of inhibitors of epigenetic targets in their native environment, directly in the lysate of cells and tissues, and can also differentiate between the complexes within which these targets operate.

The term epigenetics refers to heritable changes in gene expression and phenotype caused by mechanisms other than changes in DNA sequence. One major mechanism is the specific enzymatic modification of histone tails, which affects the packaging of DNA into chromatin and through that controls the transcription of specific genes. Enzymes, such as histone deacetylases (HDACs) or methyltransferases (HMTs) can change the modification of the histone tails and therefore change the 'histone code'. Dysregulation of these modifications is thought to play a central role in cancer and in chronic degenerative diseases like neurological and autoimmune disease. The enzymes which carry out these histone modifications are part of large multifunctional protein complexes, which represent attractive novel targets for drug discovery.