



## Press Release

This press release is intended for business journalists and analysts/investors.

### GlaxoSmithKline and Cellzome Announce Major Strategic Alliance

#### ***Kinobeats™* technology to identify a new generation of drug candidates for inflammatory diseases**

**London, United Kingdom, Philadelphia, Penn., Cambridge, United Kingdom and Heidelberg, Germany, 10<sup>th</sup> September 2008** - Cellzome Inc. and GlaxoSmithKline (LSE & NYSE: GSK) announce the signing of a worldwide strategic alliance to discover, develop and market novel kinase-targeted therapeutics to treat inflammatory diseases.

The alliance gives GSK access to Cellzome's significant expertise in identifying and developing selective kinase inhibitors and its proprietary *Kinobeats™* technology which, by screening compounds in a physiological setting, is designed to improve the predictability of these drug candidates' performance in clinical testing. Kinases are key molecular switches in cellular signaling events with a central role in many inflammatory responses and selective inhibitors offer a different approach to therapeutic intervention in diseases such as rheumatoid arthritis or multiple sclerosis.

Under the agreement GSK has exclusive options to license drug candidates from Cellzome's kinase programs directed against four identified targets, and three additional targets to be jointly identified by both parties. In the alliance, Cellzome will utilize its proprietary *Kinobeats™* technology to discover novel small molecule inhibitors of these targets, and then will develop the most promising product candidates through to completion of a clinical proof of concept trial, unless GSK elects to exercise its option earlier. Cellzome is eligible to receive success-based milestones from GSK as product candidates are advanced. Upon Cellzome's achievement of clinical proof of concept for a product candidate for a particular kinase target, GSK would have an exclusive option to license all product candidates from that program. GSK would then assume full responsibility for further clinical development and commercialization on a worldwide basis. Cellzome retains the right to continue the development and commercialization of drug candidates if GSK chooses not to exercise its option to that program.

Under the terms of the agreement, Cellzome will receive upfront payments of £14.4 million comprised of both cash and equity. Cellzome is eligible for up to £118 million per program in potential development, regulatory and commercial milestones and up to double digit royalties on net sales of products resulting from the alliance.

Jose Carlos Gutierrez-Ramos, Ph.D, Senior Vice President and Head of the Immuno-Inflammation Centre of Excellence for Drug Discovery of GSK said: "GSK is committed to becoming a world leader in immuno-inflammation drug discovery by finding transformative medicines through internal efforts and external collaborations. We are excited to be working with Cellzome to discover and develop improved approaches to existing biologic therapies which cannot access intracellular signaling mechanisms. Cellzome's *Kinobeats™* technology will provide a distinct advantage because it uses native kinases directly isolated from human cells and tissues."

Tim Edwards, CEO of Cellzome, said: "We are very pleased to begin a strategic alliance with GSK, one of the world's leading pharmaceutical R&D companies. This alliance is a significant endorsement of our leading *Kinobeats™* technology, programs and people. It is a major event in Cellzome's development, giving us the opportunity to broaden our pipeline and progress several kinase programs towards the clinic, ultimately for the benefit of patients."

-Ends-

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### **About Cellzome Inc.**

Cellzome is a privately-owned drug discovery company identifying a new generation of kinase-targeted drugs to treat inflammatory diseases. Its pipeline of small-molecule therapeutics is driven by *Kinobeads*<sup>™</sup>, a proprietary technology for screening and profiling kinases in relevant cells and tissues.

Cellzome is applying its distinctive *Kinobeads*<sup>™</sup> technology to the discovery and development of innovative small-molecule kinase inhibitors targeting key inflammatory mediators such as PI3K $\gamma$  and  $\delta$ , Zap-70, Jak3 and mTOR, as potential oral therapeutics for rheumatoid arthritis, multiple sclerosis, inflammatory bowel disease, psoriasis and asthma.

In addition to the GSK collaboration, Cellzome has an alliance with Johnson & Johnson focused on the discovery of novel medicines for the treatment of Alzheimer's disease.

Cellzome's holding company is domiciled in the US and it employs about 90 people at its two operating subsidiaries in Cambridge, UK and Heidelberg, Germany. To learn more about Cellzome, please visit the website: [www.cellzome.com](http://www.cellzome.com).

### **About GlaxoSmithKline (LSE & NYSE: GSK)**

GlaxoSmithKline - one of the world's leading research-based pharmaceutical and healthcare companies - is committed to improving the quality of human life by enabling people to do more, feel better and live longer. For detailed company information, see GlaxoSmithKline's website: [www.gsk.com](http://www.gsk.com).

### **Cautionary statement regarding forward-looking statements**

Under the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, GSK cautions investors that any forward-looking statements or projections made by GSK, including those made in this announcement, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Factors that may affect GSK's operations are described under 'Risk Factors' in the 'Business Review' in the company's Annual Report on Form 20-F for 2007.

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### **About Kinases**

Kinases are important enzymes because they are responsible for either activating or inhibiting proteins within cell signaling pathways. As a result of their importance, approximately 30% of current discovery and development spending focuses on kinases, especially in the fields of oncology, inflammation and metabolic diseases. Despite this level of interest and research, only 8 small molecule kinase inhibitors have so far reached the market, all of them targeting oncology indications.