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Cytos Biotechnology and Pfizer enter into a research, option and license agreement for certain novel vaccines for a defined number of human diseases.

Cytos Biotechnology is entitled to CHF 150 million in upfront and potential milestone payments as well as manufacturing technology transfer fees; in addition, it is eligible for research funding and royalties on net sales of products.

Schlieren (Zurich), Switzerland, August 15, 2008 – Cytos Biotechnology AG (SWX:CYTN) announced today that it has entered into an exclusive global research, option and license agreement with Pfizer Vaccines LLC (Pfizer) to research, develop, manufacture and commercialize novel vaccines for a defined number of human diseases.

After completion of the research programs and exercise of its options, Pfizer will acquire world-wide exclusive rights to commercialize certain vaccines, which are based on Cytos Biotechnology's Immunodrug™ technology and that will incorporate specific disease targets, which are outside the scope of Cytos Biotechnology's own programs. Cytos Biotechnology retains its rights to develop, manufacture and commercialize vaccines against different disease targets in the same human diseases. Preclinical and clinical development, manufacturing and commercialization of the vaccines will be the responsibility of Pfizer. In return, Cytos Biotechnology will receive an upfront payment of CHF 10 million from Pfizer and is eligible to receive up to CHF 140 million in pre-commercial milestone payments and manufacturing technology transfer fees. In addition, Cytos Biotechnology will receive research funding and royalty payments, which may reach a double digit percentage depending upon levels of annual net sales of products.

"The vaccine market, including therapeutic vaccines, represents an increasingly attractive segment of the healthcare market. This collaboration with Pfizer further establishes Cytos Biotechnology's Immunodrugs™ as the vaccines of choice for top-tier pharmaceutical companies and complements our ongoing collaboration with Pfizer Animal Health", comments Dr Mark Dyer, Executive Vice President Business Development of Cytos Biotechnology.

#### **About the Immunodrug™ technology**

Cytos Biotechnology's Immunodrug™ technology represents a versatile means to induce specific immune responses against disease-associated target molecules from a wide variety of sources, including the body's own as well as foreign molecules. The Immunodrug™ technology brings the targets of choice into a highly repetitive format by chemically attaching them onto the surface of virus-like particles. The resulting Immunodrugs™ mimic a virus through this repetitive and particulate structure and are able to induce potent antibody responses against the selected targets with the goal of modulating or interfering with an ongoing disease process.

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### **About Cytos Biotechnology**

*Cytos Biotechnology AG is a public Swiss biotechnology company that specializes in the discovery, development and commercialization of a new class of biopharmaceutical products – the Immunodrugs™. Immunodrugs™ are therapeutic vaccines intended for use in the treatment and prevention of common chronic diseases, which afflict millions of people worldwide. Cytos Biotechnology has established a diversified pipeline of Immunodrug™ candidates in various disease areas, of which five are currently in clinical development. The Immunodrug™ candidates are developed both in-house and together with Pfizer, Pfizer Animal Health and Novartis. Founded in 1995 as a spin-off from the Swiss Federal Institute of Technology (ETH) in Zurich, the company is located in Schlieren (Zurich) and currently employs 130 people. Cytos Biotechnology AG has been listed on the SWX Swiss Exchange (SWX:CYTN) since October 2002.*

This foregoing press release may contain forward-looking statements that include words or phrases such as “potential”, “will”, “may”, “the goal of”, “intend” or other similar expressions. These forward-looking statements are subject to a variety of significant uncertainties, including scientific, business, economic and financial factors, and therefore actual results may differ significantly from those presented. There can be no assurance that any other therapeutic entities will enter clinical trials, that clinical trial results will be predictive for future results, that therapeutic entities will be the subject of filings for regulatory approval, that any drug candidates will receive marketing approval from the U.S. Food and Drug Administration or equivalent regulatory authorities, or that drugs will be marketed successfully. Against the background of these uncertainties readers should not rely on forward-looking statements. The company assumes no responsibility to update forward-looking statements or adapt them to future events or developments. This document does not constitute an offer or invitation to subscribe or purchase any securities of Cytos Biotechnology AG.