



## **Press Release**

**August 3, 2005**

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### **Santhera and Takeda Establish Collaboration to Develop and Market Idebenone (SNT-MC17) in Neuromuscular Disease**

#### ***Idebenone (SNT-MC17) Will Be the First Treatment for Friedreich's Ataxia***

Liestal, Switzerland and Osaka, Japan, August 3, 2005 -- Santhera Pharmaceuticals AG ("Santhera") of Switzerland and Takeda Pharmaceutical Company Limited ("Takeda") of Japan announced today that they will collaborate to develop and commercialize Idebenone (SNT-MC17), a small molecule drug for the treatment of Friedreich's Ataxia ("FRDA"). The clinical development for FRDA is about to enter a Phase III clinical study in Europe and will enter a Phase III study in the US shortly thereafter. The product has orphan drug designation in the US and Europe.

Under the terms of the collaboration, Santhera will conduct all clinical development for regulatory approval in Europe and in the US. Takeda will support the development work and will obtain an exclusive license to market Idebenone (SNT-MC17) in the European Union and Switzerland. Santhera will in return receive an upfront payment of Euro 5 million, development milestones and royalties from Takeda. Full financial terms were not disclosed. Santhera will supply drug product to Takeda for Europe. In the US, Santhera plans to market Idebenone (SNT-MC17) on its own.

"We are pleased to be working with Santhera, a leader in neuromuscular drug research and development," said Yasuchika Hasegawa, President and Chief Operating Officer of Takeda. "Together with Santhera, we look forward to the successful development and commercialization of a medicine that will, for the first time, allow for the treatment of Friedreich's Ataxia, a life-threatening neuromuscular disease for which currently no pharmaceutical therapies exist."

"I am pleased to announce Santhera's first development and marketing partnership in this area with a company of the stature of Takeda," said Klaus Schollmeier, Ph.D., Chief Executive Officer of Santhera. "Santhera has already built significant R&D expertise in neuromuscular diseases. With the help of Takeda's European organization, we are now leveraging that strength to bring our lead product, a decisive therapy breakthrough, to patients. We are very excited to work with Takeda, who is the ideal partner for us to bring the product to the European market."

FRDA is a hereditary and disabling neuromuscular disorder that severely impacts quality of life and reduces patients' life expectancies substantially. Although FRDA is primarily a neurological disease, cardiac symptoms are well recognized to be a life-threatening complication of the disease. The most common cardiac manifestation is hypertrophic cardiomyopathy which ultimately causes death in the majority of FRDA patients.

It has been shown that Idebenone (SNT-MC17), a small molecule oral therapy, can improve mitochondrial function and/or reduce oxidative stress in muscle cells, heart cells and neurons. By protecting heart muscle cells from the oxidative stress that is mainly responsible for the deterioration of the heart muscle in FRDA, Idebenone (SNT-MC17) could offer the first therapy option which can prolong the lives of patients.

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**About Takeda**

Takeda, located in Osaka, Japan, is a research-based global company with its main focus on pharmaceuticals. As the largest pharmaceutical company in Japan and one of the global leaders of the industry, Takeda is committed to striving toward better health for individuals and progress in medicine by developing superior pharmaceutical products.

Takeda's four core therapeutic areas in R&D are:

- Franchise I: Life style-related diseases;
- Franchise II: Oncology & Urologic diseases;
- Franchise III: Central nervous system diseases; □ □
- Franchise IV: Gastroenterology diseases LCM

For further information, please visit [www.takeda.com/index-e.html](http://www.takeda.com/index-e.html)

**About Santhera**

Santhera Pharmaceuticals AG is a Swiss biopharmaceutical company founded in 2004 through a merger between Germany-based Graffinity Pharmaceuticals AG and Swiss-based MyoContract AG. Santhera is focused on the discovery, development and marketing of small molecule pharmaceutical products for the treatment of neuromuscular diseases and has a fully integrated platform for the discovery and development of drug candidates. The company, headquartered in Switzerland, has operations in Liestal, Switzerland (near Basel) and in Heidelberg, Germany, as well as a business development office in Boston, MA, USA. Santhera's investors comprise Merlin

Biosciences Limited, Oxford Bioscience Partners, NGN Capital, 3i Group plc, Carnegie Asset Management, The Novartis Venture Fund, Varuma AG, GIMV, Clariden Bank, The Dow Chemical Company, Heidelberg Innovation, TechnoStart, tbq, the Swiss Foundation for Research on Muscle Diseases, and private investors.

For further information, please visit [www.santhera.com](http://www.santhera.com).