

## **MediGene AG divests Oncolytic Herpes Simplex Viruses (oHSV) program to Catherex, Inc.**

***Corporate focusing continues  
MediGene to receive a 40% stake in Catherex***

**Martinsried/Munich, April 13, 2010.** The biotech company MediGene AG (Frankfurt, Prime Standard, TecDAX) announces that MediGene, Inc., its wholly owned subsidiary, has assigned its development program of oncolytic (cancer killing) herpes simplex viruses (oHSV), to Catherex, Inc., a private US company located in Philadelphia, Pennsylvania. In return, MediGene receives a 40% stake in Catherex, making MediGene the main shareholder of this newly founded company.

MediGene will support the future development of the oHSV technology by appointing two persons to the Supervisory Board of Catherex. In addition, should the NV1020 project be further developed by Catherex, MediGene would be entitled to further stock options or a one-off payment. Furthermore, should Catherex grant licenses for defined rights within the oHSV program to certain third parties, MediGene would be eligible to receive further payments. With immediate effect, no further expenses for the oHSV program will accrue to MediGene and by out-licensing this program, MediGene AG continues its strategic refocusing to increasingly concentrate on the field of oncology with a near-term emphasis on EndoTAG™.

MediGene has been developing oncolytic viruses for the treatment of various types of cancer, generating promising results in clinical trials in cancer patients. Specifically, MediGene presented positive results obtained in a phase I/II trial testing NV1020 in patients with colorectal carcinoma that had metastasized to the liver at the ASCO GI conference, and in a phase I/II trial testing G207 in patients with glioma at the 2009 ASCO Annual Meeting.

Dr. Uwe Michaelis, Vice President, Project Leader Strategic Investments of MediGene AG, commented: "We are delighted to know that the promising oHSV program is in good hands. As the main shareholder of Catherex, we fully support the company on its future road, and we will be able to directly participate in the success of its development. At the same time, licensing of this program represents an important step towards MediGene's focusing on our core activities."

Michael Christini, Chief Executive Officer of Catherex added: "Catherex is dedicated to the rapid and successful development of the oHSV program in a broad range of cancer indications. Our business team and founders represent the leading industry and scientific experts in this field and it is our objective to aggressively exploit the full potential of this technology. We have initiated private equity fundraising efforts with the expectation that multiple clinical programs will commence fully in 2011."

Based on positive clinical data obtained with the drug candidate EndoTAG™-1 for the treatment of pancreatic cancer, MediGene decided to focus its business activities. In this regard, MediGene had already sold the European licenses for the dermatological drug Oracea® to the pharmaceutical company Galderma Laboratories, Inc. and spun off the platform technology with monoclonal T-cell receptors (mTCR) into Immunocore Ltd. The AAVLP technology and the immunology product RhuDex® are also out-licensing candidates.

*This press release contains forward-looking statements representing the opinion of MediGene as of the date of this release. The actual results achieved by MediGene may differ significantly from the forward-looking statements made herein. MediGene is not bound to update any of these forward-looking statements. MediGene and EndoTAG™-1 are registered trademarks of MediGene AG,. Oracea® is a*



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**MediGene AG** is a publicly listed (Frankfurt, Prime Standard: MDG, TecDax) biotechnology company located in Martinsried/Munich, Germany, with subsidiaries in Oxford, UK and San Diego, USA. MediGene is the first German biotech company to have drugs on the market which are distributed by partner companies. It has several drug candidates in clinical development and possesses innovative platform technologies. MediGene focuses on clinical research and development of novel drugs with focus on oncology.

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