

Press Release, October 13, 2009

Solvias AG and SARcode Corporation Announce Chemical Development and GMP Manufacturing Agreement

BASEL, Switzerland - Solvias AG and SARcode Corporation have entered into an expanded agreement for the chemical development and manufacturing of SARcode's active pharmaceutical ingredient (API) SAR 1118. Solvias will provide ongoing process R&D support and deliver SAR 1118 for use in phase II clinical studies in its new GMP API manufacturing facility.

Solvias first became involved with SAR 1118 in 2006 when conducting initial process R&D studies, working on analytical and solid-state chemistry development, and supplying API for toxicology studies. Major process improvements that were implemented successfully during the development program allow cost-effective and efficient access to this chiral complex API today.

SAR 1118 is a potent novel small molecule antagonist of lymphocyte function-associated antigen-1 (LFA-1; CD11a/CD18; $\alpha\text{L}\beta\text{2}$) that can be targeted against a broad range of ocular inflammatory conditions in ophthalmology and dermatology. SAR 1118 topical Ophthalmic Solution is currently under investigation in Phase 2 study in Dry Eye disease and future development plans include a topical dermatologic formulation for atopic dermatitis.

"We have been working successfully with Solvias for the last three years and truly appreciate the professional performance, enthusiasm, and can-do attitude of Solvias' staff," said John Burnier, President of SARcode. "We look forward to this next phase of our collaboration."

"We are extremely pleased to have SARcode as our first customer in the new GMP facility. This represents an important milestone in the consistent realization of our long-term strategy to provide integrated development services for early drug development. SARcode's very positive audit of our processes and facilities confirms the high quality of our services and their acceptance in the pharmaceutical industry," stated Stephan Haitz, Executive Vice President of Solvias.

The newly constructed, SwissMedic-approved GMP kilolab facility complements the existing kilolab infrastructure and provides rapid, cost-effective manufacturing of materials for use in Phase I/IIa clinical programs. The facility is equipped with state-of-the-art 30L to 100L multipurpose reactors capable of running a wide range of reactions from 85°C to +160°C and includes a segregated finishing area.

About SARcode

SARcode is a privately held biopharmaceutical company focused on the development of best-in-class small molecule LFA-1 antagonists as novel nonsteroidal immunomodulators/anti-inflammatory agents for the treatment of T-cell mediated inflammatory diseases. For additional information on SARcode Corporation, please visit <http://www.sarcode.com>.

About Solvias

Solvias offers increased capacity and profound know-how for analytical and chemical development. Its experience and proven track record provides confidence that projects will be completed expertly and on time. With its services, products and technologies Solvias provides integrated solutions to the pharmaceutical and biopharmaceutical industry worldwide. The portfolio covers:

- Analytical Services
- Biopharmaceutical Analysis
- Solid-State Services: Polymorphism, Salts, and Crystallization
- Chemical Development and API Manufacturing up to phase II
- Catalysis
- Process Analytical Technology
- Patent and Search Services

Solvias operates with more than 300 specialists as a privately-held company located in Basel (Switzerland).

Further press releases are available on our website: solvias.com

Media Relations

Solvias AG
Dr. Hansjörg Walther
P.O. Box
4002 Basel
Switzerland
Tel. +41 61 686 61 65
Fax +41 61 686 61 00
info@solvias.com