

ACTIVAERO COOPERATES WITH BAYER HEALTHCARE IN THE DEVELOPMENT OF INHALED TREATMENTS

Gemünden, Germany, October 01, 2008 – Activaero GmbH, the world leader in controlled breathing technologies for inhaled therapeutic agents, today announced a licensing and option agreement with Bayer HealthCare AG on the development of inhaled treatments. Under the terms of the agreement, Activaero will receive an upfront payment and in case the option will be exerted subsequently milestone payments as well.

Dr. Gerhard Scheuch, Founder and CEO of Activaero commented: “This licensing deal represents a major milestone for Activaero and together with our scientific team, we look forward to supporting Bayer HealthCare throughout the upcoming development. We believe that pulmonary administration of drugs has a huge potential for the treatment of lung diseases and diseases which start in the lung. With this in mind, it will be exciting to develop innovative therapies with Bayer HealthCare, a world-wide leader in the pharmaceutical business for decades.”

Activaero is the world leader in controlled breathing technologies for inhaled therapeutic agents. With stand alone inhalation products and inhalation systems available for clinical trials and marketing partnerships, Activaero’s technologies allow for the most precise and efficient patient-tailored pulmonary delivery. Activaero currently has two products on the market, AKITA®, a patient-tailored controlled breathing system with a smartcard that records the patient dosing parameters, and Watchhaler™, a hand held delivery system tailored specifically to children. The Company also has available a range of technologies ideal for the controlled delivery of inhaled therapeutics in the clinical trial setting and tailored to specific partnerships (AKITA²®, LimiX™). Finally, Activaero works with partners on a consultancy basis in the development of ideal inhaled delivery systems and the logistics in clinical trials. Activaero’s technological approach has been validated repeatedly in the clinical setting. The Company is privately held and located in Gemünden (Wohra) and Munich in Germany and Dublin, Ohio in the USA.

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Activaero has been supported in the strategy, negotiation and process of this licensing transaction by Tytonis B.V. (www.tytonis.com).