



Press Release

for immediate distribution

Marburg/Germany 3rd of July, 2007

***sterna biologicals* wins second place in Science4Life Venture Cup contest 2007**

***sterna biologicals* is proud to announce that the company has won second place in Germany's most important business plan contest in the fields of biotechnology, life sciences and chemistry.**

Science4Life is an independent German initiative that offers assistance to founders of start-up companies and young entrepreneurs in the fields of biotechnology, life sciences and chemistry. It is co-sponsored by the county government of Hesse and Sanofi-Aventis, and is actively supported by more than 100 respected companies, institutions, and non-profit organizations. It's major activity is the annual business plan competition in the fields of life sciences and chemistry.

More than 200 start-up companies and teams of founders attended this year's contest for the best ideas and concepts in bringing innovative products and services to the marketplace. 47 detailed business plans entered the final round and were evaluated by scientific and business experts in the field.

The five best-ranked teams were invited to attend a 4 days high-class business founder workshop at the end of which they presented their business concepts in front of a jury with distinguished members from the fields of science, business and finance.

sterna biologicals is delighted that the company's plan to develop DNazymes as 3rd generation of antisense drugs for the treatment of chronic inflammatory diseases has been highly appreciated and honoured by the experts and the jury.

Holger Garn, the Chief Executive Officer of *sterna biologicals* commented: "We are very honoured that our company receives such a highly distinguished award, which recognizes the importance of addressing key targets at the most earliest stage of the disease development. This success, however, was also made possible by the professional assistance by Tytonis and its network partners Apis Pharma and TransformRx. We also want to congratulate the winners, SpheroTec GmbH from Munich!"



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About *sterna biologicals*:

sterna biologicals is a new biotech company focusing on the development of DNAzymes against key targets for the causative treatment of bronchial asthma, atopic dermatitis and rheumatoid arthritis.

Lead project is the development of a GATA3-specific DNAzyme for the treatment of moderate to severe allergic bronchial asthma. Follow-up projects will use the same compound for an alternative indication (atopic dermatitis) and develop another DNAzyme targeting Tbet for the treatment of rheumatoid arthritis.

The corporate goal of *sterna biologicals* is to develop these therapeutic DNAzymes from animal models to clinical phase II trials for specific high value markets. After this has been achieved *sterna biologicals* will out-license the particular product rights to a suitable marketing and distribution partner in return for upfront payments, license milestone payments and royalties.

The target markets for bronchial asthma, atopic dermatitis and rheumatoid arthritis currently represent a combined market value of more than € 13.7 billion and each has a significant growth potential over the next years. Peak sales for our lead product are expected to be above € 1.8 billion.

sterna biologicals's DNAzyme approach will have inherent advantages compared to other therapeutic strategies: Current therapeutic approaches to all chronic inflammatory diseases only mitigate clinical symptoms, while the DNAzyme approach results in an effect on the causative mechanisms of the disorder, because it intervenes at the root of the molecular pathway.

The efficacy of the GATA3 specific DNAzyme in the treatment of allergic bronchial asthma has already successfully been proven in validated animal disease models.

The major advantage of *sterna biologicals*' DNAzyme approach compared to first and second generation antisense therapies is that it directly cleaves the targeted mRNA sequences.

Further USP's are higher stabilities of our compounds and lower cost of goods compared to other antisense strategies.

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