

## **Press Release**

### **Lipid Therapeutics licenses European rights to its lead product, LT-02, to co-development partner Dr. Falk Pharma GmbH**

#### **Dr. Falk Pharma GmbH to initiate Phase III trial**

**Freiburg and Heidelberg, 7 March, 2012** – Dr. Falk Pharma GmbH and Lipid Therapeutics, a biotechnology company focused on novel treatments for inflammatory bowel disease, today announced that they have entered into a licensing agreement for the European rights to Lipid Therapeutics' lead product, LT-02, for ulcerative colitis (UC). The terms of the license include an upfront fee, milestones and royalties. Following a co-development and option-agreement in 2009, Dr. Falk GmbH will assume full responsibility for the further development and commercialization of LT-02 in Europe, with a Phase III induction trial in UC planned to start in the second half of 2012. Lipid Therapeutics is currently in discussions with potential development partners in the US.

LT-02 is a delayed release formulation of phosphatidylcholine designed to improve the barrier function of the mucosal layer of the colon. Data from a positive European Phase II trial conducted in 156 patients with UC will be presented at the Digestive Disease Week (DDW) conference in San Diego on 22 May 2012.

**Ursula Falk, CEO of Dr. Falk Pharma**, said: "We are pleased to exercise our option to license European rights to LT-02 based on the positive outcome of the recent Phase II trial. The novel mechanism of action, combined with an excellent safety profile, provides a new approach to treating UC patients who are poorly controlled on existing therapies."

**Dr. Gerhard Keilhauer, CEO of Lipid Therapeutics**, added: "Our agreement with Dr. Falk Pharma is an important step towards bringing LT-02 to patients suffering from UC. We highly value Dr. Falk's expertise in the gastrointestinal market. Lipid Therapeutics is now preparing to meet with the FDA to agree on a coordinated development pathway in the US and EU."

**Prof. Dr. Wolfgang Stremmel, Director Dept. Gastroenterology, University Hospital Heidelberg**, commented: "I am extremely excited that our research on the contribution of a

deficit in mucosal phosphatidylcholine to the pathogenesis of ulcerative colitis has led to the development of a novel treatment option which is now going into pivotal clinical trials.

**Ends**

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**About Ulcerative Colitis**

Ulcerative colitis is a chronic, relapsing inflammatory disorder that affects the mucosal lining of the large intestine. Clinical characteristics include rectal bleeding, diarrhea and abdominal pain. Worldwide more than 1 million people suffer from ulcerative colitis.

**About LT-02**

LT-02 is a novel delayed release formulation of phosphatidylcholine that augments the natural protective mucosal barrier in the lower gut. It is the first product candidate worldwide that targets the pathological changes in the barrier function of ulcerative colitis patients which are thought to be one of the main causes of underlying disease.

**About Lipid Therapeutics**

Lipid Therapeutics is a biopharmaceutical company focused on the development and commercialization of phospholipids and their use for the treatment of ulcerative colitis. Lipid Therapeutics was founded in 2008 by the EMBL Technology Fund to commercialize groundbreaking scientific work by Prof. Wolfgang Stremmel, Krehl University Clinic in Heidelberg. The company is headquartered in Heidelberg (Germany) and is financed through the EMBL Technology Fund and CD Ventures.

**About Dr Falk Pharma GmbH**

Dr. Falk Pharma GmbH is one of the most recognized companies worldwide in gastroenterology. Dr. Falk Pharma GmbH products are sold in more than 60 countries. The Falk Foundation, which is associated with the company, provides medical information via international symposia, forums, postgraduate courses and literature services. Over the past 45 years the Falk Foundation has sponsored more than 200 international Falk symposia and workshops in which over 100,000 researchers and physicians from 110 countries have come together to advance knowledge in gastroenterology and hepatology.