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POXEL SAS Set-up to Find Innovative Solutions for Metabolic Diseases Management

Lyon, France, April 22, 2009 - POXEL SAS is set-up in Lyon – France Poxel is a research integrated pharmaceutical Company (RIPCO), spun out from Merck Serono a division of Merck KGaA, Germany, following the decision of Merck Serono to no longer invest in diabetes research and development. It aims to advance promising assets for metabolic diseases (with a primary focus on Type 2 diabetes) from Research to Phase 2 Clinical Proof-of-Concept, before outlicensing these projects to major pharmaceutical companies.

Its pipeline consists of innovative projects with new mechanisms of action, with a combined activity on glucose metabolism and other cardiovascular risk factors (lipid disorders and obesity) and with an improved safety profile compared to currently available therapies.

Poxel has secured several programs from the Merck Serono pipeline. These include a first-in-class project, Imeglimin -which has already achieved its clinical proof-of-concept for the Type 2 diabetes monotherapy indication- and other projects from the Research until close to clinical development stages.

Poxel's management is composed of a tight and seasoned team of professionals who previously led the Merck Serono diabetes franchise from Research to Clinical & Commercialization. They have a proven track record in the pharmaceutical industry and extensive skills both in project management and technical expertise. The whole management team has an integrated strategic and operational view of the product value chain, from Research to Marketing, covering the complete product life cycle. Poxel's team will perform and coordinate all work required in the following areas: research, preclinical, clinical and business development, with a strong focus on metabolic diseases.

A focused and streamlined development of the company assets will ensure a successful out-licensing of those assets. All this provides Poxel with a significant competitive advantage.

Poxel's team will be advised by a highly regarded scientific Advisory Board in Endocrinology and Nutrition from the US and Europe. Poxel will start the development of its core assets, while seeking funding in order to create additional value from its unique pipeline. Neither Merck KGaA nor Merck Serono is shareholders of Poxel.

About Type 2 Diabetes:

Type 2 diabetes is defined by a failure of sensitive tissues to respond to insulin, a hormone

involved in glucose and fatty acid metabolism, Type 2 diabetes hence being known as non-insulin-dependent diabetes. 90% of diabetic patients in the world suffer from type 2 diabetes. In 2007, more than 220 million people suffered from Type 2 diabetes worldwide, including over 65 million patients in the US and Europe. It is predicted that more than 300 million patients will have this disease by 2025 (IDF).

The market is about € bn9.6 turnover in 2007, expected to reach € bn15 by 2016. Existing therapies on the market are dominated by few dominant product classes, but significant unmet needs remain.

About Poxel:

Poxel is a new RIPC0 that aims to advance promising assets for metabolic diseases from Research to Phase 2 Clinical Proof of Concept, before out licensing projects to pharmaceutical companies. Poxel will further develop its portfolio by considering all opportunities corresponding to its core domain of competencies.

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