



PRESS RELEASE

AVONTEC announces results of a multiple dose clinical phase I study with its drug candidate AVT-02 UE ointment after topical treatment in male healthy volunteers

Martinsried/Munich (Germany), June 18th, 2008. AVONTEC GmbH, a privately held biopharmaceutical company dedicated to the development of novel therapies for chronic inflammatory diseases, today announces the results of a monocenter, randomized, double-blind, placebo-controlled, intra-individual comparison study to evaluate the safety of AVT-02 UE ointment in male healthy volunteers.

This phase I study was designed to determine the safety and tolerability in 20 healthy male volunteers after 28 days of twice daily topical application of AVT-02 UE ointment.

The tolerability of AVT-02 UE ointment was rated separately by the investigator and the volunteer on a five point scale ranging from 1=very good to 5=very poor. At all visits, the tolerability at each test area of both active and placebo was rated as either "good" or "very good" by the investigator and subject, respectively.

Furthermore, skin physiology parameters, such as transepidermal water loss (TEWL), corneometry, sebumetry and measurement of the melanin and hemoglobin content, and laboratory values were assessed. No substantial changes of the skin physiology parameters and laboratory values were found throughout the study.

No serious adverse event (SAE) occurred during treatment with AVT-02 UE ointment.

Pharmacokinetic evaluation revealed that treatment with AVT-02 UE ointment in healthy volunteers is not associated with measurable blood concentrations of the active ingredient.

In summary, the excellent safety and tolerability of AVT-02 UE ointment was confirmed during 4-week treatment in this phase I study.

Dr. Thomas Schulze, CEO of AVONTEC, commented: "The results of this study are clearly encouraging with regards to our ongoing phase IIa studies in psoriasis and are supportive for our further clinical skin development program."

About AVT-02 UE

AVONTEC's drug candidate AVT-02 UE for inflammatory skin diseases contains a short, double-stranded oligonucleotide "decoy" that effectively inhibits STAT-1, a transcription factor shown to be strongly involved in the regulation of chronic inflammation. AVT-02 UE reduced inflammation in several pharmacological animal models and has already demonstrated statistically significant efficacy on relevant clinical endpoints in a pilot proof of concept Phase IIa study in psoriasis.

About psoriasis

Psoriasis is a chronic, meaning lifelong, inflammatory skin condition. There is currently no cure for psoriasis, which is fundamentally an overproduction in epidermal cells and is characterized by



outbreaks of skin inflammation interspersed by varying periods of remission. Psoriasis can have a particularly negative effect on quality of life, affecting a sufferer's physical, social, and psychological functioning. Prevalence of psoriasis is the highest of the autoimmune diseases. Thus, there is an obvious medical need for novel, safe and efficacious therapeutic concepts in psoriasis.

About AVONTEC

AVONTEC is a biopharmaceutical company specialized in the development of novel nucleic acid based therapeutic treatments targeting transcription factors. Transcription factors are the master switches of gene regulation, able to turn genes on and off with exquisite sensitivity. The molecules developed at AVONTEC are designed to specifically attenuate abnormal transcription factor signaling, thereby normalizing the underlying cause of the disease. AVONTEC develops these decoy ODNs as therapeutic agents to treat chronic inflammation. AVONTEC's lead programs, AVT-01 in asthma and AVT-02 in inflammatory skin diseases, have been successfully advanced into Phase IIa clinical trials that are expected to be completed within 2008. In addition, there are several candidates in the pipeline based on AVONTEC's core decoy technology. AVONTEC operates based on a lean business model with a seasoned management team experienced in clinical development.

Contact

AVONTEC GmbH
Fraunhoferstraße 15
D-82152 Martinsried
Germany

Dr. Thomas Schulze
Phone: +49 (0) 89 8565 - 1600
Fax: +49 (0) 89 8565 - 1620
E-Mail: t.schulze@avontec.de