

PRESS RELEASE

**NEW DATA PRESENTED ON DEBIOPHARM'S DEBIO-025 AT THE 11TH INTERNATIONAL
SYMPOSIUM ON HEPATITIS C VIRUS AND RELATED VIRUSES
IN HEIDELBERG, GERMANY**

LAUSANNE, SWITZERLAND – October 6, 2004 – Debiopharm S.A., the independent drug-development company specialising in oncology, endocrinology, CNS and niche diseases, today announced that, Jan Paeshuyse and Johan Neyts, Associate Professor, from the Belgian Rega Institute presented data at the 11th International Symposium on Hepatitis C Virus and Related Viruses held in Heidelberg, Germany, on the potent and selective inhibition effect of DEBIO-025 on the replication of the hepatitis C virus (HCV). Using the luciferase activity in Huh-5-2 cells, DEBIO-025 ($EC_{50} = 0.03 \pm 0.04 \mu\text{g/ml}$) showed to be about 10-fold more potent in an HCV 1b subgenomic replicon than cyclosporin A ($EC_{50} = 0.28 \pm 0.13 \mu\text{g/ml}$). This year, Debiopharm started phase I studies with DEBIO-025, a non-immunosuppressive cyclosporin analogue, which demonstrated a favourable toxicological profile and was well tolerated in healthy volunteers.

Previous preclinical studies performed within different academic laboratories (Scripps Research Institute, La Jolla, CA; Southern Research Institute, Frederick, MA; Gladstone Institute of Virology and Immunology, San Francisco, CA; University of Texas Medical Branch, Galveston, TX) showed that DEBIO-025 inhibited the replication of two viruses: HCV and human immunodeficiency virus (HIV). Its mechanism of action is mediated through binding to cyclophilin A, a host-cell protein. This protein is involved in the replication cycle of the HIV-1 virus. Its role in the HCV replication is still unknown, but has recently been postulated.

“We are extremely pleased with these results,” said Rolland-Yves Mauvernay, President and CEO of Debiopharm. “The mechanism of action of DEBIO-025 promises a new and unexpected target for two diseases with two very different viruses: HIV and HCV. It would be a dream come true if we managed to find effective therapies for those two life-threatening diseases.”

About HIV

HIV is the human immunodeficiency virus, a member of a group of viruses called retroviruses that causes AIDS. When a person is infected with HIV, the virus enters the body and multiplies primarily in the white blood cells. These are the immune cells that normally protect us from disease. The hallmark of HIV infection is the weakening of the immune system, leaving the individual vulnerable to opportunistic infections and other illnesses. The Joint United Nations Programme on HIV/AIDS (UNAIDS) estimates that there are now over 38 million people living with HIV or AIDS worldwide. Since the beginning of the epidemic, AIDS has killed nearly 19 million people worldwide.

About HCV

Hepatitis C is a liver disease caused by the infectious Hepatitis C virus (HCV). An estimated 4 million Americans and 170 million people worldwide are infected with HCV. The majority of these persons are unaware that they are infected because the disease is without symptoms until it is far advanced.

About Debiopharm

Debiopharm, founded in 1979 in Lausanne, Switzerland, focuses on evaluating compounds with promising *in-vivo* results in animals, to in-license, develop for global registration, and out-license to sales and marketing pharmaceutical partners. Debiopharm's major commercial successes to date are Eloxatin[®], one of Sanofi-Aventis' leading marketed products, Decapeptyl[®], the leading product of Ipsen in Southern Europe, and Trelstar[®], with combined sales estimated to be in excess of \$1.8bn in 2004.

Debiopharm is one of an established group of three complementary companies, Debiopharm, Debio R.P. and Debioclinic, with a successful track record in developing, registering and out-licensing innovative therapeutics. Debio R.P. is a leader in polymer-based controlled release technologies that allow certain drugs like proteins, peptides and anti-cancers to be delivered in customised, sustained-release formulation. From its FDA-inspected manufacturing facility in Martigny, Switzerland, Debio R.P. also conducts feasibility studies, formulation selection, optimisation, scale-up and cGMP manufacturing from clinical trial supplies to commercial scale. Debioclinic is a contract research organisation, specialised in oncology and dedicated to clinical development, providing regulatory, biometric and clinical support in line with cGCP.

For more information on Debiopharm, please visit our website at www.debio.com

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