

Basel, 25 March 2002

Roche Licenses Synthetic Erythropoiesis Protein from Gryphon Sciences

Roche and Gryphon Sciences (Gryphon), San Francisco, Calif., announced today that Roche has licensed all rights to Gryphon's Synthetic Erythropoiesis Protein (SEP), a synthetic protein made using Gryphon technology. SEP will be developed by Roche to treat the common conditions which cause anemia including the treatment of cancer with chemotherapy, and hemodialysis of patients suffering from chronic renal failure.

The drug, which has completed pre-clinical testing, has been shown to induce long lasting increases in the blood cell volume (hematocrit) of treated animals after only a single injection. The positive effects of treatment are long lasting and SEP appears to be safe and well tolerated. The drug is made using chemical protein synthesis to create the backbone of the molecule and incorporates well-defined polymers in order to increase the circulating half-life of the drug.

"This decision represents an important extension of our oncology and anemia portfolios and re-confirms our commitment to these therapeutic areas," comments Jonathan Knowles, Head of Global Pharma Research at Roche. "Patients affected by cancer or renal failure very often suffer from insufficient levels of red blood cells and SEP may become a major improvement for their therapy. Further, this agreement will strengthen our global position in this new generation of drugs for anemia. SEP is designed to be competitive with the very latest versions of anemia treatment."

Under the terms of the agreement, Roche will make up-front and milestone payments to Gryphon. Assuming all development milestones are achieved, the amount of this deal would be 155 million US dollars. Roche will also pay Gryphon royalties on product sales. Roche has received the exclusive, worldwide rights to develop, manufacture, market and sell SEP for all therapeutic indications. Further terms were not disclosed.

"Licensing our first synthetic protein drug to Roche is an important milestone for Gryphon", said Friedhelm Blobel, President and Chief Executive Officer of Gryphon Sciences. "This deal is an essential validation of our approach to producing a long list of performance-enhanced protein therapeutics."

About Gryphon Sciences

Gryphon Sciences produces protein therapeutics using two proprietary technologies. Gryphon's products combine chemically synthesized protein backbones with precision polymers to create potent therapeutics. The use of chemistry, rather than biology, allows the company to manipulate protein drugs in ways that were never before possible. Efficient-scalable processes with high yields make this a cost-effective way to manufacture valuable drugs. Gryphon Sciences is a private company located in South San Francisco, California. For more information visit www.gryphonsci.com.

About Roche

Headquartered in Basel, Switzerland, Roche is one of the world's leading research-oriented healthcare groups in the fields of pharmaceuticals, diagnostics and vitamins. Roche's products and services address prevention, diagnosis and treatment of diseases, thus enhancing well-being and quality of life.