



## **Phenomix Grants Chiesi Farmaceutici European Rights to Dutogliptin for Diabetes**

San Diego, Calif. and Parma, Italy – December 2, 2009 – Phenomix Corporation and Chiesi Farmaceutici today announced that they have entered into a definitive agreement to develop and commercialize dutogliptin (PHX1149) in Europe and additional territories including Brazil, Russia and all other members of the Commonwealth of Independent States (“CIS”), Turkey and Northern Africa. Dutogliptin is Phenomix’ proprietary orally administered, small molecule dipeptidyl-peptidase-4 (DPP-4) inhibitor currently undergoing Phase 3 clinical development in Type 2 diabetes mellitus.

Under the terms of the agreement, Chiesi will provide Phenomix with up to \$28 million in near-term cash and equity payments and up to \$163 million in total payments upon completion of certain development, regulatory and commercialization milestones. Phenomix will also be eligible for royalties on dutogliptin sales. Chiesi will be responsible for product development, regulatory approval and commercialization in its territories.

In October 2008, Phenomix and Forest Laboratories entered into a collaboration to co-develop and co-promote dutogliptin in the United States. Forest also has exclusive rights to develop and commercialize dutogliptin in Canada and Mexico.

“I am very pleased to be collaborating with Chiesi, an established pharmaceutical company with the commercial resources and dedication to make dutogliptin a success in Europe, Brazil, the CIS, Turkey and Northern Africa” said Laura Shawver, Ph.D., CEO of Phenomix Corporation. “Chiesi has a proven track record of development and commercial expertise in the primary care and cardiometabolic space and has the capabilities to bring dutogliptin to a much broader patient population.”

"Diabetes is a growing global problem. DPP-4 inhibitors offer a breakthrough in this therapeutic area and dutogliptin offers an opportunity for Chiesi to address an extreme

unmet medical need. Dutogliptin is the cornerstone of our growing cardiometabolic franchise and marks our commitment to make innovative treatments available to patients with Type 2 diabetes. We are excited to team-up with Phenomix to develop and commercialize dutogliptin to help the millions of patients in Europe and elsewhere who suffer with this disease,” said Alberto Chiesi, Chairman and CEO of Chiesi.

### **About Diabetes**

Diabetes is characterized by high levels of blood glucose due to inadequate production or action of insulin. It can lead to serious medical complications and death. Type 2 diabetes is the predominant form of diabetes, accounting for 90 to 95% of diagnosed cases. The disease affects more than 160 million people worldwide and rates are anticipated to increase in the coming years.

### **About Dutogliptin**

Dutogliptin is a small molecule inhibitor of the enzyme DPP-4. These inhibitors prevent DPP-4 from breaking down the incretin hormone glucagon-like peptide 1 (GLP-1), thereby increasing the levels of this hormone in the digestive tract and the blood. The increased levels of GLP-1 stimulate insulin production by the pancreatic beta cells and reduce glucagon production by the pancreas, both of which result in reduced blood glucose levels.

In a double-blind, randomized, 12-week, 422 patient Phase 2b clinical trial, dutogliptin met all primary and secondary endpoints, including statistically significant reductions in hemoglobin A1c (HbA1c) when administered once-daily in combination with metformin, a glitazone, or metformin and a glitazone for the treatment of Type 2 diabetes. The trial demonstrated dutogliptin’s excellent safety and tolerability profile. An ongoing two-year open label extension study continues to evaluate the long-term safety profile of the drug. Phenomix and partner Forest Laboratories are currently conducting several Phase 3 pivotal trials for registration in North America.

## **About Phenomix**

Phenomix ([www.Phenomix.com](http://www.Phenomix.com)) is a biopharmaceutical company focused on the discovery, development and commercialization of novel small molecule product candidates directed toward clinically validated targets in significant therapeutic markets. The company's internally discovered lead product candidate, dutogliptin (PHX1149), is a DPP-4 inhibitor in Phase 3 development as an oral, once-daily treatment for Type 2 diabetes. Phenomix is located in San Diego, California.

## **About the Chiesi Group**

The Chiesi Group is a research-focused international company developing added-value innovative pharmaceutical solutions to improve the quality of human life. Founded in Parma in 1935, Chiesi today operates globally through 23 direct affiliates, three manufacturing sites and four research laboratories (in Italy, France, the United Kingdom and the United States). The Group has over 3,200 employees and invests about 15% of its turnover in Research and Development. Chiesi's technologies and products are available in over 65 countries through a strategic alliance network of international pharmaceutical groups developed on both a global and local scale.

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