



Press Release

**Martinsried, Germany
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Avontec GmbH starts new research laboratory at Heidelberg University

Groundbreaking research into transcription factor technology continues – target indications include severe asthma and inflammatory skin diseases

On February 1, 2006, Avontec GmbH established its new research laboratory at Heidelberg University which is now fully operational. The laboratory is designed to inquire further into the mechanism of action of decoy oligonucleotides (ODNs) in treating chronic inflammatory diseases like asthma, psoriasis or rheumatoid arthritis. Decoy ODNs are short (app. 20 bp), double-stranded DNA molecules that target transcription factors, which play a pivotal role in the regulation of gene expression.

The research schedule agreed between Avontec and the hosting institute is based on a cooperation agreement with the Institute of Physiology and Pathophysiology at Heidelberg University headed by Avontec founder and Director of the Institute Professor Markus Hecker. It looks at an ambitious plan for a better molecular understanding of the action of decoy ODNs. In particular the experiments aim to provide evidence of the specific advantages of Avontec's decoy ODNs in terms of cellular uptake and biological efficacy. In the long run, Avontec expects to gain further insight into the molecular mechanism of action of this new drug class.

“Having the founder of Avontec, Professor Hecker and our strategic partners at AnGes on our side we are jointly leading the efforts to establish decoy ODNs as a novel drug class,” Avontec CEO Thomas Schulze points out. “We are also on the brink of validating a completely new target and of ploughing new ways to sustainable relief for patients suffering from chronic inflammatory diseases like severe asthma or inflammatory skin diseases,” Professor Hecker added.

In August, 2005, Avontec raised € 14.5 mn in its series B round of financing, led by an investment fund co-founded by AnGes MG, Osaka, Japan, and Nikko Principal Investments. Also investing were DVC Deutsche Venture Capital, BioMedinvest, Basel, Switzerland and KfW Banking Group as well as Avontec's series A investors.

For more information about Decoy ODN please refer to www.avontec.de or contact:

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