



PRESS RELEASE

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GRAFFINITY AND AMGEN ENTER INTO DRUG DISCOVERY RESEARCH AGREEMENT

HEIDELBERG, Germany — February 26, 2007 — Graffinity Pharmaceuticals GmbH announced today that it has entered into a research collaboration with Amgen, Thousand Oaks, California. Under the terms of the agreement, Graffinity will receive technology access fees and success payments for the generation of novel small molecule hits against a broad range of drug targets. Amgen will gain access to Graffinity's proprietary fragment-based drug discovery technology which uses chemical microarrays to screen for small molecule fragments that bind to a variety of drug targets which play a key role in major human diseases. The identification of novel modes of action and chemistry is a major focus of the collaboration. Financial details of the transaction were not disclosed.

Mathias Woker, Chief Business Officer of Graffinity, stated, "We are very pleased that Amgen has decided to partner with us. The novel chemistry that our technology can introduce into a medicinal chemistry program is one of the major reasons why fragments have become a new standard in drug discovery programs of large pharma and biotech companies. Graffinity offers one of the largest fragment libraries commercially available today with about 20,000 fragments and 90,000 lead-like structures."

Kristina Schmidt, CEO of Graffinity, remarked, "With launching the Amgen collaboration, which marks our third collaboration with a major life science company during the past 12 months, the Graffinity team has surpassed every expectation that our shareholders had at the beginning of 2006 when we created the new Graffinity in a management buyout that positioned Graffinity as one of the major players in the field of fragment based drug discovery."

About Graffinity Pharmaceuticals GmbH

Heidelberg, Germany based Graffinity Pharmaceuticals is a leader in the field of fragment based drug discovery. Utilizing its unique technology base, Graffinity is pursuing high-profile drug discovery collaborations with leading pharmaceutical and biotechnology companies worldwide. The Company employs a flexible business model which allows it to tailor programs to the specific needs of each partner and offers numerous benefits to its customers on a straightforward fee-for-service basis. Graffinity's proprietary fragment screening platform combines new chemistry approaches, physics, information technology and microsystems

technologies to screen drug targets for its clients. Critically important is the combination of chemical microarrays of drug fragment libraries with a proprietary method for the standardized, label-free detection of compound-protein interactions utilizing SPR imaging. Graffinity's approach allows to evolve small organic molecules identified in screening into highly specific lead-like structures in subsequent steps. Graffinity's rapid and scalable drug discovery method explores a rich chemical universe to find the compounds that will be needed to develop drugs against the wealth of targets already available or about to be discovered by genomics. The company has established collaborations with pharmaceutical and biotechnology partners including Boehringer Ingelheim, Eli Lilly, Genentech, Pfizer and Serono.

Graffinity's unique fragment based discovery platform was invented in 1998, and has been in routine industrial use since 2002 in screening more than 55 drug targets.

For more information, please visit www.graffinity.com.

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