



PRESS RELEASE

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GRAFFINITY ENTERS INTO DRUG DISCOVERY RESEARCH COLLABORATION WITH GENENTECH

HEIDELBERG, Germany — October 15, 2009 — Graffinity Pharmaceuticals GmbH announced today that it has entered into a drug discovery research collaboration with Genentech, Inc, a wholly-owned member of the Roche Group (SIX: RO, ROG; OTCQX: RHHBY). With this collaboration Genentech will gain access to Graffinity's proprietary, fragment-based drug discovery technology.

Under the terms of the agreement, Graffinity will receive technology access fees and optional payments for follow-up chemistry for the generation of novel, small molecule hits against a number of drug targets. Financial details of the transaction were not disclosed.

Mathias Woker, Chief Business Officer of Graffinity, stated, "We are very pleased that Genentech has decided to partner with us in fragment-based drug discovery. This marks our second collaboration with Genentech, and we think that this new agreement demonstrates how attractive Graffinity's very large fragment library and rapid surface plasmon resonance (SPR) screening technology are."

Kristina Schmidt, CEO of Graffinity, remarked, "Our label-free, biophysics-based screening technology has shown to be an important element for companies which choose to work with us. With the help of this technology we enable partners, such as Genentech, to explore drug targets that would remain white spaces on the map of drug discovery, if researchers were limited to other conventional high-throughput screening techniques."

About Graffinity Pharmaceuticals GmbH

Heidelberg, Germany based Graffinity Pharmaceuticals is a leader in the field of small molecule fragment based drug discovery. The company pursues high-profile drug discovery collaborations with leading pharmaceutical and biotechnology companies worldwide. Graffinity 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 fragment screening platform combines chemical microarrays

with a proprietary method for the standardized, label-free detection of compound-protein interactions via SPR imaging. The company's rapid and scalable drug discovery technology explores a rich chemical universe to identify drug fragments which address challenging drug targets. With its 110,000-compound library that contains 23,000 true fragments, Graffinity possesses one of the most diverse fragment libraries. During the past three years Graffinity has established collaborations with pharmaceutical and biotechnology partners including Amgen, AstraZeneca, Boehringer-Ingelheim, Elan, Pfizer and Rigel. Graffinity's unique fragment based discovery platform was invented in 1998, and has been in routine industrial use since 2002 in screening more than 85 drug targets.

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

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