



Domain Therapeutics and Merck Serono Announce an Agreement to Develop Drugs for Parkinson's Disease

Merck Serono to develop Domain Therapeutics' mGluR4 allosteric modulators

Strasbourg, France, January 17, 2011 - Domain Therapeutics today announced that an exclusive development and licensing agreement with Merck Serono, a division of Merck KGaA, Darmstadt, Germany, was signed to develop metabotropic glutamate receptor 4 (mGluR4) Positive Allosteric Modulator (PAM) drugs targeting Parkinson's disease and other neurodegenerative diseases.

Domain Therapeutics will contribute optimized compounds that have been developed from its proprietary chemical series. Under the terms of the agreement, the company will receive EUR 2 million in upfront payment and research funding, and is eligible for up to EUR 132 million in milestones for the first two products, as well as undisclosed royalties.

"This agreement is a validation of Domain Therapeutics' business model of addressing difficult GPCRs and partnering compounds, with a significant deal, at an early stage of development," said Pascal Neuville, CEO, Domain Therapeutics. "Merck Serono is known to set very high standards for the compounds it is licensing and this deal is a demonstration of the quality of our work. We anticipate that this agreement will enable us to sign further deals of this kind."

"We are pleased to have the opportunity to work with Domain Therapeutics, which has developed great expertise in the GPCR area," said Bernhard Kirschbaum, Executive Vice President for Global Research and Development at Merck Serono. "This partnership with Domain Therapeutics reflects our long-term commitment to develop new treatments for neurodegenerative diseases."

mGluR4 is a glutamate receptor, member of the G-Protein Coupled Receptor (GPCR) family and is believed to be a potential therapeutic target for Parkinson's disease. Allosteric modulation of mGluR4 receptors is thought to exert regulatory activity on glutamate-mediated neurotransmission.

About Domain Therapeutics S.A.

Domain Therapeutics is a biopharmaceutical company located in Strasbourg, France, dedicated to the discovery and early development of small molecules targeting G-coupled Protein Receptors (GPCRs), one of the most important classes of drug targets. Domain Therapeutics discovers allosteric modulators for GPCRs such as lipidic and peptidic receptors, which are difficult to address. The company's pipeline is composed of new chemical entities, ranging from hits to optimized leads for leading indications such as schizophrenia, Parkinson's disease, and diabetes.

mGluR4 PAMs of Domain Therapeutics were discovered in the course of the ARAMIS project, in association with Prestwick Chemical Inc and two academic laboratories of Strasbourg University and supported by a grant of the French Government (DGCIS), Alsace Region and Strasbourg City area. ARAMIS was one of the first collaborative projects of Alsace BioValley competitiveness cluster.

For more information, please visit www.domaintherapeutics.com

About Merck Serono

Merck Serono is the biopharmaceutical division of Merck KGaA, Darmstadt, Germany, a global pharmaceutical and chemical company. Headquartered in Geneva, Switzerland, Merck Serono discovers, develops, manufactures and markets prescription medicines of both chemical and biological origin in specialist indications. In the United States and Canada, EMD Serono operates as a separately incorporated affiliate of Merck Serono.

Merck Serono has leading brands serving patients with cancer (Erbix®[®], cetuximab), multiple sclerosis (Rebif®[®], interferon beta-1a), infertility (Gonal-f®[®], follitropin alfa), endocrine and metabolic disorders (Saizen®[®] and Serostim®[®], somatropin), (Kuvan®[®], sapropterin dihydrochloride) as well as cardiometabolic diseases (Glucophage®[®], metformin), (Concor®[®], bisoprolol), (Euthyrox®[®], levothyroxine). Not all products are available in all markets.

With an annual R&D expenditure of over € 1bn, Merck Serono is committed to growing its business in specialist-focused therapeutic areas including neurodegenerative diseases, oncology, fertility and endocrinology, as well as new areas potentially arising out of research and development in rheumatology.

About Merck

Merck is a global pharmaceutical and chemical company with total revenues of € 7.7 billion in 2009, a history that began in 1668, and a future shaped by approximately 40,000 (including Merck Millipore) employees in 64 countries. Its success is characterized by innovations from entrepreneurial employees.

Merck's operating activities come under the umbrella of Merck KGaA, in which the Merck family holds an approximately 70% interest and free shareholders own the remaining approximately 30%. In 1917 the U.S. subsidiary Merck & Co. was expropriated and has been an independent company ever since.

For more information, please visit www.merckserono.com or www.merck.de

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