

PRESS RELEASE

SYNAIRGEN PLC

('Synairgen' or the 'Company')

Synairgen Announces Successful Outcome of Phase I Clinical Study of Inhaled Interferon Beta

Southampton, UK - 12th June 2007: Synairgen plc (LSE:SNG), the drug discovery company focused on asthma and COPD, today announces the successful outcome of its first Phase I clinical study for inhaled interferon beta ('IFNß'), which the Company is developing as a potential treatment for asthma and chronic obstructive pulmonary disease ('COPD').

36 allergic non-asthmatic volunteers received inhaled IFNß or placebo at 3 different dose levels, using two different modes of delivery to the lung by inhalation. The aim of this study was to assess the safety of inhaled IFNß in a population of allergic volunteers who have some of the features of allergic asthma, but do not have hyper-reactive airways, a feature that is characteristic of asthma.

"We were pleased to see that within the dosage range we believe will be efficacious, inhaled IFNß was well tolerated and the numerous biological and physiological tests that we applied in the study did not show any adverse biological effects. In the study we also took the opportunity offered by the delivery device to optimise its application for IFNß delivery to the lungs," said Prof. Ratko Djukanovic, who was Principal Investigator for the trial.

Following the successful conclusion of this study (SG003) Synairgen has discussed the ensuing development programme with the regulatory authorities, with a view to commencing one further Phase I study of INFß in asthmatic volunteers prior to undertaking the Phase IIa proof of concept study.

Richard Marsden, Managing Director of Synairgen, said, "This is an important milestone for Synairgen's lead programme. By studying the drug in allergic, rather than "normal", volunteers we set a higher threshold for success in the trial than would normally be the case, building a strong foundation for us to advance the programme."

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Notes for Editors

Synairgen

Synairgen is a drug discovery company founded by Professors Stephen Holgate, Donna Davies and Ratko Djukanovic, focused on identifying and out-licensing new pharmaceutical products which address the underlying causes of asthma and chronic obstructive pulmonary disease. Synairgen is listed on AIM (LSE:SNG).

For more information about Synairgen please see www.synairgen.com.

Interferon Beta ('IFN_') in rhinovirus-induced asthma and COPD exacerbations Synairgen is investigating a novel application of inhaled IFN_ to reduce cold virus-induced exacerbations in both asthma and COPD. This virus is a major trigger for the worsening of both asthma symptoms (with up to eight out of ten asthma related emergency department visits being associated with these viral infections) and COPD exacerbations (up to 60% of all COPD exacerbations are preceded by the common cold). Currently there are limited satisfactory treatments available to address either of these significant unmet needs.

Asthma statistics

- There are approximately 20 million asthmatics in the USA¹
- The economic cost to the USA is \$16 billion per year¹
- Asthma accounts for 1,900,000 emergency department visits per year in the USA¹
- The cost of emergency department visits and in-patient care in relation to asthma in the USA is \$4.1 billion¹
- Up to 80% of asthma exacerbations which result in emergency department visits are associated with RV infections²
- 50% of the total cost of the asthma is apportioned to 10% of the asthmatic population with the severest disease³

COPD statistics

- COPD is the 4th leading cause of death in the USA: 122,283 (2003)⁴
- The economic cost to the USA of COPD is \$37.2 billion⁵
- Direct health expenditure on COPD in the USA is \$20.9 billion (asthma \$11.5 billion)⁵
- Research by the SUPPORT investigators estimated the average cost of a hospitalisation for a severe COPD patient to be \$7,100⁶
- The global market for COPD drugs is forecast to increase from \$4 billion to \$7 billion by 2010⁷

Information about common colds and rhinovirus (RV)

- Adults get an average of two to four colds per year, mostly between September and May⁸
- Young children suffer from an average of six to eight colds per year⁸
- Asthmatics have similar upper respiratory tract (nose and throat) symptoms as non-asthmatics⁹
- Asthmatics frequently suffer lower respiratory tract (the airways in the lung) infections⁹

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