



PRESS RELEASE

SYNAIRGEN PLC
(‘Synairgen’ or the ‘Company’)

Synairgen Announces Exclusive Licence And Supply Agreement For A Novel Formulation Of Interferon-Beta

Southampton, UK – 28 September 2007: Synairgen plc (LSE:SNG), the drug discovery company focused on asthma and COPD, today announces it has signed an exclusive agreement with the Rentschler Group (‘Rentschler’) for the licence and supply by Rentschler of a patent-protected novel formulation of Interferon-beta (‘IFN-beta’) for the treatment of respiratory diseases by inhalation.

In addition to supplying IFN-beta, Rentschler, a specialist international developer and manufacturer of biopharmaceuticals, will work in collaboration with Synairgen on the next stages of its proprietary development programme. In return, Rentschler will be paid milestone payments dependent upon Synairgen taking on a commercial partner for the product. Further financial details have not been disclosed.

This agreement with Rentschler supports Synairgen’s lead programme to develop an inhaled formulation of the drug to help asthmatics and COPD sufferers fight off the debilitating effect of common cold viral infections, which trigger a significant proportion of hospitalisations related to these respiratory diseases. Building on a successful Phase I safety study, which was completed this year, Synairgen anticipates commencing a safety study of inhaled IFN-beta in asthma early in 2008.

Richard Marsden, Managing Director of Synairgen, said:

“We are delighted to have Rentschler on board as a collaborative partner with enormous expertise in the manufacture and development of biological products. Following on from our successful first Phase I study, this agreement adds significant value to our lead programme. The exclusive licence of a proprietary formulation of IFN-beta, which offers advantages over other currently available formulations, complements our own intellectual property relating to its use in asthma and COPD. With Synairgen and Rentschler working together on this programme, we are well placed to attract a commercialisation partner.”

Ends

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Notes for Editors

About 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.

About Rentschler

The Rentschler Group is based in Laupheim, Germany. Its biotechnology division, Rentschler Biotechnologie GmbH, is an international full-service contract manufacturer with in excess of 300 employees, and has more than 30 years of experience in the development, production and approval of biopharmaceuticals in compliance with international GxP standards. Regulatory advice and fill & finish are part of the company's service range. As a pioneer in the development and production of biopharmaceuticals, Rentschler was the first company in the world to gain market authorisation for an interferon-containing drug. In 2006, Rentschler announced an investment program of €50 million for the expansion of its production systems. Its first new 500 litre system went into operation in mid-2007. For more information, please see www.rentschler-biotechnologie.de and www.rentschler.de.

Interferon Beta ('IFN-beta') in rhinovirus-induced asthma and COPD exacerbations

Synairgen is investigating a novel application of inhaled IFN-beta 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 22 million asthmatics in the USA(1)
- The economic cost to the USA is \$19.7 billion per year(2)
- Asthma accounts for 1,770,000 emergency department visits per year in the USA(1)
- The cost of emergency department visits and in-patient care in relation to asthma in the USA is \$4.7 billion(2)
- Up to 80% of asthma exacerbations which result in emergency department visits are associated with RV infections(3)
- 50% of the total cost of the asthma is apportioned to 10% of the asthmatic population with the severest disease(4)

COPD statistics

- COPD is the 4th leading cause of death in the USA: 118,171 (2004)(5)
- The economic cost to the USA of COPD is \$42.6 billion(2)
- Direct health expenditure on COPD in the USA is \$26.7 billion (asthma \$14.7billion)(2)
- Research by the SUPPORT investigators estimated the average cost of a hospitalisation for a severe COPD patient to be \$7,100(6)
- The global market for COPD drugs is forecast to increase from \$4 billion to \$7 billion by 2010(7)

Information about common colds and rhinovirus ('RV')

- Adults get an average of two to four colds per year, mostly between September and May(8)
- Young children suffer from an average of six to eight colds per year(8)
- Asthmatics have similar upper respiratory tract (nose and throat) symptoms as non-asthmatics(9)
- Asthmatics frequently suffer lower respiratory tract (the airways in the lung) infections(9)

References

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6. Connors AF Jr et al. Outcomes following acute exacerbation of severe chronic obstructive lung disease. The SUPPORT investigators. *Am J Respir Crit Care Med* 1996; 154:959-967
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