

Basel, 16 May 2001

Paradigm shift in management of infections

Roche Diagnostics and Innogenetics enter into an exclusive strategic alliance in rapid molecular microbiology

Roche Diagnostics and the Belgian biotechnology company Innogenetics N.V. entered into an exclusive licensing and co-development agreement to develop and market a new range of rapid microbiology tests with Innogenetics spacer technology for Roche's PCR based analytical platforms.

The agreement provides Roche and Innogenetics with a unique portfolio of products and marketing opportunities in the field of molecular microbiology and gives Innogenetics access to Roche's worldwide marketing strength. It leverages Innogenetics' research and development base as well as its extensive know-how in microbiology, and provides for better valorization of its Intellectual Property. Roche will be able to further exploit its proprietary PCR technology, instrumentation skills and expertise in the research, laboratory diagnostics and Point-of-Care market by acquiring exclusive access to a growing portfolio of microbiology related intellectual property and tests. Under the terms of the agreement, Roche will pay to Innogenetics an upfront fee of 10 million Euros, substantial development milestone payments over the coming years, additional R & D funding and royalty payments.

The ultimate goal of Roche and Innogenetics is to change the paradigm of microbiology testing. The products issued from the collaboration of both companies will revolutionize the management of infections in hospitals by ultimately enabling rapid microbiological bedside diagnosis. The speed, sensitivity and specificity provided by nucleic acid based methods will permit the identification of microorganisms and of potential mechanisms of resistance within few hours instead of days; thereby providing physicians with critical actionable results for an efficient therapy in a timely manner.

Innogenetics holds a broad intellectual property portfolio in molecular microbiology and particularly in patents and know-how to exploit the spacer region of microorganism DNA. In the scientific literature this region is described as an important target for monitoring and identification of bacteria. In the current partnership, Roche acquires a worldwide exclusive license from Innogenetics for the exploitation of these patents in the field of bacteriology and mycology. In addition, Roche and Innogenetics enter into a co-development for a number of clinically relevant microbiological parameters, where Roche obtains worldwide exclusive sales and marketing rights for the products issued from the collaboration.

Manfred Baier, Head of Roche Diagnostics Lab Network: "The planned product portfolio from this alliance will allow the diagnosis of potential bacterial infections in such a short time frame, that physicians can treat their patients with a far better adjusted therapy for these critical situations. We will achieve this revolution of medical technology through the integration of our proprietary PCR technology with Innogenetics' spacer technology and their broad know-how in the field of microbiology."

"Roche's commercial strength and commitment in the field of molecular diagnostics represents a unique opportunity for Innogenetics to leverage its know-how and Intellectual Property position on a broad scale. The objective is clearly to change the paradigm of clinical microbiology testing and to become the market leader in rapid molecular microbiology. The combination of strengths from both partners is unique. We are pleased and proud of Roche's decision as it represents a recognition of our capabilities by the world's leader of diagnostics," said Ph. Archinard, CEO of Innogenetics.

Innogenetics N.V. (www.innogenetics.com), founded in 1985, is a Belgian-based biotechnology company engaged in the research, development and marketing of diagnostic products for human diseases, and in the discovery and development of therapeutic products and vaccines. Innogenetics is listed on the NASDAQ EUROPE (INNX), the pan-European stock market for growth companies.

Headquartered in Basel, Switzerland, Roche is one of the world's leading research-oriented healthcare groups in the fields of pharmaceuticals, diagnostics and vitamins. Roche's innovative products and services address needs for the prevention, diagnosis and treatment of disease, thus enhancing people's well-being and quality of life. Roche has approximately 65,000 employees and sells its products in over 170 countries. Through the company's Diagnostics Division, innovative testing products and services are made available to physicians, patients, hospitals and laboratories worldwide.