

April 5, 2002

Press Release

Dear Sir or Madam,

Researchers from The Genetics Company, together with the University of Zurich, Switzerland, have succeeded in elucidating the functional interplay of key elements of the WNT-pathway, a cellular signal transduction cascade closely associated with human cancers, particularly colon cancer. Parts of this work, which could potentially offer breakthrough treatment options for this disease, are published in the April 2002 issue of CELL, one of the most highly rated scientific journals in the field.

Please find enclosed our press release. Thank you for your kind consideration.

For further information please contact:

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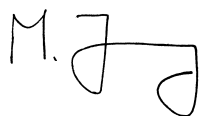
<http://www.the-genetics.com>

CELL

<http://www.cell.com>

*) Kramps, T., Peter, O., Brunner, E., Nellen, D., Froesch, B., Chatterjee, S., Murone, M., Züllig, S. and Basler, K. (2002). Wnt/Wingless signaling requires BCL9/Legless-mediated recruitment of Pygopus to the nuclear b-Catenin-TCF complex.

Sincerely,



Mario Jenni
Co-Founder, Chief Operating Officer

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The Genetics Company and the University of Zurich, both Switzerland, shed new light on a key cellular mechanism associated with colon cancer.

Researchers from The Genetics Company, together with the University of Zurich, Switzerland, have succeeded in elucidating the functional interplay of key elements of the WNT-pathway, a cellular signal transduction cascade closely associated with human cancers, particularly colon cancer. Parts of this work, which could potentially offer breakthrough treatment options for this disease, are published in the April 2002 issue of CELL, one of the most highly rated scientific journals in the field.

Colon cancer is, next to smoking-related cancers, responsible for the highest incidence of cancer-related deaths. No suitable drug targets hitherto had been identified in the WNT signal transduction pathway, the deregulation of which is known to be associated with 85 percent of all colon carcinomas.

In collaboration with researchers from the University of Zurich, The Genetics Company scientists now have been able to exploit a fly (*Drosophila*) model of colon cancer to identify and characterize two novel genes, *legless* and *pygopus*, whose products play essential and specific roles in the control of the activity of this important pathway.

The joint team could unravel in detail the functional interplay of the corresponding human homologs with other key mediator proteins of the WNT-pathway, such as beta-catenin and TCF, which are believed to be decisively involved in the induction of tumorigenic signals.

These findings now allow for a better understanding of the aberrant physiological processes in colon cancer and offer several new options for future therapy of this disease.

Moreover, these data once more exemplify that due to the stunning conservation of key biological processes in organisms as different as the fly and man, *Drosophila* can serve as a most relevant functional *in vivo* system for the analysis and understanding of human diseases..

The Genetics Company is a world leader in high-throughput in vivo drug discovery and functional genomics ("Invonomics™"), with its business focus on the research and development of human and animal pharmaceuticals.

Using the fruit fly and mouse as model systems, the company has compiled powerful technologies to identify and validate novel drug targets as well as pharmacologically active small compounds and therapeutic proteins for the treatment of a wide range of diseases.

A research alliance has been established with Intervet GmbH (Wiesbaden, Germany), a top 3 company in animal healthcare and a subsidiary of Akzo Nobel, to identify novel targets that may lead to the development of novel anti-parasites.

The Genetics Company was founded in 1998 by Michel Aguet, Konrad Basler, Ernst Hafen and Mario Jenni, and currently employs a total staff of 26 (thereof 17 PhDs and MScs). It operates at a 1'500 m² facility close to Zurich, Switzerland.

For more information on The Genetics Company, please visit the company's website at <http://www.the-genetics.com>.

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