

PRESS RELEASE

ProtAffin AG appoints Dr Mike Bartley as Chief Development Officer

26th September 2011, Graz, Austria and Oxford, UK: ProtAffin AG, a biotechnology company developing a novel class of next-generation biopharmaceuticals for respiratory disease, inflammation and oncology, today announced that it has appointed Dr. Mike Bartley to the Management Board as Chief Development Officer. In this role, Dr. Bartley will lead the preclinical and clinical development activities at ProtAffin.

Prior to joining ProtAffin, Dr. Bartley worked for 10 years at Pfizer Inc. in the UK as a Senior Project Leader for pre-clinical and clinical projects. He most recently led early clinical-stage projects in respiratory diseases at Pfizer, taking several anti-inflammatory candidates with novel mechanisms of action into the clinic. Dr. Bartley studied at Imperial College London and was awarded a PhD by Queen Mary College London, before joining ICI (Zeneca, Syngenta) agrochemicals, where he led projects in many R&D areas, several of which progressed to product launch.

Jason Slingsby, CEO of ProtAffin commented:

“We are very pleased to attract an experienced senior product developer of Dr. Bartley’s calibre to the company. His experience gained at leading pharmaceutical companies significantly strengthens our preclinical and clinical development expertise. His background is ideally suited to bringing PA401, our IL-8 decoy product for neutrophilic lung diseases including COPD, into clinical development in 2012, marking our transition into a development-focussed biotechnology company.”

– ENDS –

Notes to Editors:

About ProtAffin AG

ProtAffin AG is a European biotechnology company developing a novel class of next-generation biopharmaceuticals for respiratory disease, inflammation and oncology. The Company’s lead product, PA401, is a decoy IL-8 protein in preclinical development for lung diseases where neutrophils cause chronic lung damage, including COPD. PA401 has demonstrated differentiated pharmacology compared to competitors in preclinical models of COPD and will enter Phase 1 studies in mid 2012.

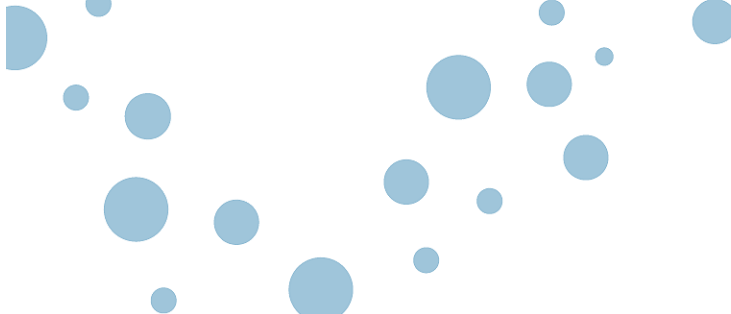
ProtAffin’s novel class of biopharmaceuticals are glycan-binding decoy proteins based on human chemokines and other protein families. The second pipeline program is a decoy MCP-1 which blocks macrophage infiltration, with lead molecules demonstrating strong efficacy in preclinical models of multiple sclerosis, cardiovascular disease and ophthalmology.

The Company has generated a broad product pipeline using its proprietary CellJammer[®] discovery technology, an efficient engine for the discovery of novel biologics applicable to over 500 glycan-

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binding proteins identified by the Company. ProtAffin's decoy proteins displace the glycan-bound gradient of inflammatory proteins that drive inflammatory cascades, leading to superior down-regulation of protein activity. The CellJammer® discovery technology is also being applied to a number of targets in the field of oncology. ProtAffin has raised €18 million in venture funding from an international consortium of leading European and North American investors and is located in Austria and the UK. For more information on ProtAffin, please visit www.protaffin.com.

About PA401

ProtAffin's lead anti-inflammatory product is PA401, a modified form of the human chemokine IL-8. Human IL-8 (CXCL8) is a chemokine produced by macrophages and other cells and its primary function is the induction of chemotaxis in neutrophils. PA401 acts as a potent, targeted anti-inflammatory protein preventing the infiltration of neutrophils which are a hallmark of many acute and chronic respiratory diseases including chronic obstructive pulmonary disease (COPD).

By binding to glycans that drive the infiltration of neutrophils in inflammation with a higher affinity than wild-type IL-8, PA401 can prevent wild-type IL-8 from activating neutrophils and inhibit the events that would normally lead to chronic lung inflammation. PA401 is in preclinical development for COPD and related respiratory indications. COPD represents the 4th leading cause of death in the western world and is an underserved \$10bn to \$20bn pharmaceutical market.

A patent encompassing PA401 and other IL-8 variants was granted in the USA and EU in 2009. PA401 is a novel biopharmaceutical product in preclinical development representing a huge commercial opportunity by addressing the significant unmet medical need in respiratory diseases where chronic neutrophilic infiltration is present, including COPD, exacerbations of COPD and cystic fibrosis. PA401 has also been granted Orphan Drug designation in the US and EU for the "prevention of delayed graft function after solid organ transplantation".

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