



Press Release

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Genentech and AC Immune: Exclusive License Agreement

AC Immune, Ltd. enters into an Exclusive Global License Agreement and Research Collaboration with Genentech, Inc. for Development of Anti-beta-amyloid Antibodies for the Potential Treatment of Alzheimer's Disease and other human Diseases.

Ecublens/Lausanne, Switzerland, December 7, 2006 – AC Immune, Ltd., a Swiss Biotech Company developing innovative therapies against Alzheimer's Disease, today announced that it has entered into an exclusive global license agreement and research collaboration with Genentech, Inc. for the development of anti-beta-amyloid antibodies for the potential treatment of Alzheimer's Disease and other human diseases. Beta-amyloid constitutes an important target for disease-modification of Alzheimer's disease and AC Immune has developed conformation-specific antibodies against this protein generated by its SupraAntigen™ Technology.

Under the terms of this agreement, Genentech will make an upfront payment to AC Immune, with the potential for a total of over \$300 million in payments upon successful completion of clinical and regulatory milestones for Alzheimer's and additional applications. Upon commercialization of a product, Genentech will pay AC Immune royalties on net sales of AC Immune's antibodies in the field of Alzheimer's or other human applications. Genentech will also provide funding for a multi-year collaborative research program and will cover all development and clinical costs of the lead antibody and subsequent antibody candidates.

"Out-licensing one of our lead programs to Genentech achieves a major business objective for the company and represents a significant milestone in the 3-year history of AC Immune", said Prof. Andrea Pfeifer, CEO of AC Immune Ltd. "Genentech is an excellent, and our preferred, collaborator for the antibody program due to its expertise in development and commercialization of antibodies".

“The terms of the deal will provide AC Immune with a solid financial basis beyond the next three years to develop other programs at full speed”, said Dr. Armin Mäder, CFO of AC Immune.

AC Immune’s proprietary SupraAntigen™ Technology resulted in the development of an anti-beta-amyloid antibody program with a selected lead antibody, which has been shown to be highly active in animal disease models for Alzheimer’s disease. The lead antibody is conformation-specific and induced the proposed transition from an insoluble to the soluble form of the plaque forming beta-amyloid protein. This event directly correlated with memory improvement.

“AC Immune’s technology has proven very effective for the generation of conformation-specific antibodies that have potential for the treatment of conformational diseases”, said Dr. Andreas Muhs, CSO of AC Immune.

“We are thrilled that Genentech has taken such an interest in our Alzheimer’s antibody program”, said Martin Velasco, Chairman of the Board of AC Immune. “We are hopeful that in collaboration with Genentech we may develop a potential treatment for Alzheimer’s disease for the benefit of millions of patients worldwide”.

About AC Immune

AC Immune is a privately held company focusing on the development of therapies against Alzheimer’s disease, a so-called conformational disease. AC Immune is using its proprietary immunology platform to develop active and passive immunotherapies, i.e. vaccine and monoclonal antibodies, against Alzheimer’s disease, directly reducing the toxic beta-amyloid plaques in the brain. AC Immune’s proprietary immunology platform technology brings the ability to generate conformation-sensitive antibodies for passive and active immune therapies. The company’s products are in the preclinical stage and the first product will enter clinical Phase I in 2007.

The company was founded in February 2003 in Basel, Switzerland and is located in the Science Park, PSE, on the Campus of the Swiss Federal Institute of Technology in Ecublens/Lausanne, Switzerland.

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