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PRESS RELEASE

Clinical Update – Debio 025 in Hepatitis C
- Presentation of Phase IIa Efficacy Results -

Lausanne, Switzerland - April 28, 2008 - Debiopharm Group (Debiopharm), a global independent biopharmaceutical development specialist focusing on serious medical conditions, particularly oncology, presented positive efficacy results of a phase IIa study with Debio 025, a selective cyclophilin (Cyp) inhibitor with a potent *in-vitro* and *in-vivo* anti-hepatitis C (HCV) effect. Data indicates that Debio 025 shows an important additive anti-HCV effect when co-administered with pegylated Interferon (Peg-IFN) alpha-2a to treatment-naïve HCV patients. Debiopharm presented these findings at the 43rd Annual Meeting of the European Association for the Study of the Liver, in Milan, Italy.

The double-blind, placebo-controlled study investigated different dose regimens of Debio 025 in combination with alpha-2a Peg-IFN 180 µg/week in treatment naïve chronic HCV mono-infected patients. Ninety patients were randomised to receive either of the following treatment regimens during 29 days: Peg-IFN with placebo; Peg-IFN with Debio 025 200 mg/day; Peg-IFN with Debio 025 600 mg/day; Peg-IFN with Debio 025 1000 mg/day; and Debio 025 1000 mg/day.

In patients with genotypes 1 and 4, at day 29, the HCV-RNA reduction was -4.6 log10 IU/mL in the Peg-IFN with Debio 025 600 mg/day arm, and -4.8 log10 IU/mL in the Debio 025 1000 mg/day arm. This was significantly different ($p < 0.05$) from the Peg-IFN with placebo, as well as the Debio 025 1000 mg/day monotherapy arms, in which the reduction in viral load was respectively -2.49 and -2.20. In these two arms, at day 29, the proportion of subjects with undetectable viral load was 25%. This number increased to 66% in the Peg-IFN with Debio 025 1000 mg/day group.

"To obtain these exciting results after an administration period of only one month is promising and demonstrates that Debio 025 will be a breakthrough in the treatment of HCV infections," said Kamel Besseghir, CEO of Debiopharm S.A. "This unique mechanism of action is the first alternative treatment to classic HCV therapies."

Debio 025
Debio 025 is a synthetic first-in-class Cyp inhibitor, being tested in humans as a potential anti-HCV drug. Debio 025 binds strongly to Cyp, host cell proteins thought to confer a replication advantage to HCV. Its potent inhibitory activity on the HCV replication was shown in preclinical studies.

Previous results of a phase Ib study demonstrate that Debio 025 monotherapy for 15 days induced a strong anti-HCV effect (3.6 $\log_{10}$ reduction) in HIV-1/HCV co-infected patients. *(Hepatology, Vol. 47, No 3, 2008, Flisiak et al. "The Cyclophilin Inhibitor Debio-025 Shows Potent Anti-Hepatitis C Effect in Patients Coinfected with Hepatitis C and Human Immunodeficiency Virus).*

About HCV
HCV is the most prevalent liver disease in the world and is considered by the World Health Organization as an epidemic. Because HCV can infect a patient for decades before being

discovered, it is often called the "silent" epidemic. Studies suggest that over 200 million people worldwide are infected with HCV, an overall incidence of around 3.3% of the world's population. In the US alone, nearly 4 million people are or have been infected with HCV and of these, 2.7 million have an ongoing chronic infection, the majority being between 40 to 60 years old. A fourfold increase in the number of adults diagnosed with chronic HCV infection is projected from 1990 to 2015, since most persons with chronic HCV infection have yet to be diagnosed but are likely to come to medical attention in the next decade.

About Debiopharm Group
Debiopharm Group is a global biopharmaceutical development specialist that in-licenses promising biologics and small molecule drug candidates. Debiopharm develops its products for global registration and maximum commercial potential for out-licensing to pharmaceutical partners for sales and marketing.

Debiopharm independently funds the worldwide development of all of its products while providing expertise in pre-clinical and clinical trials, manufacturing, drug delivery and formulation, and regulatory affairs.

Founded in 1979 and headquartered in Lausanne, Switzerland, Debiopharm has developed three products with global combined sales in excess of $2.65 billion in 2007.
For more information on Debiopharm Group, please visit: www.debiopharm.com.

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