



ABLYNX IDENTIFIES NOVEL NANOBODIES[®] ACHIEVING FIRST MILESTONE IN PROCTER & GAMBLE COLLABORATION

GHENT, Belgium, 13 December 2006 – Ablynx, the pioneer in the discovery and development of Nanobodies[®] has announced that its collaboration agreement with Procter & Gamble Pharmaceuticals Inc. (P&GP), a division of The Procter & Gamble Company, has reached a first milestone, establishing the potential of Ablynx' Nanobody[®] technology for possible new treatments in the musculoskeletal category.

The unique and patented Nanobody[®] technology has been used to rapidly identify a highly diverse and potent panel of Nanobodies[®] against one of the targets exclusive to the collaboration, triggering an undisclosed milestone payment.

Hennie R. Hoogenboom, PhD, Chief Scientific Officer at Ablynx, said:

“We are very pleased to have achieved this important milestone, demonstrating progress in a very exciting area of research and validating the effectiveness of our Nanobody[®] technology platform. It demonstrates that our technology can deliver novel Nanobodies[®] against therapeutically relevant targets extremely quickly, highlighting its commercial value.”

Kevin E. Driscoll, PhD, Director New Technology Development at P&GP added:

“We are delighted with the progress of the collaboration. Ablynx has proven an excellent partner, successfully identifying novel Nanobodies[®] with potential to develop into therapeutics for the treatment of musculoskeletal diseases.”

As part of this on-going collaboration Ablynx is responsible for discovering Nanobodies[®] that meet an agreed product profile. P&GP is responsible for the pre-clinical and clinical development of Nanobodies[®], as well as the commercialization of any resulting drug products.

Ablynx' strategy is to build a diverse and broad portfolio of therapeutic Nanobodies[®] based on strategic partnerships as well as on its own internal discovery pipeline. In addition to the collaboration with P&GP, Ablynx has ongoing research collaborations and significant, multi-target partnerships with several other major pharmaceutical companies, including Wyeth Pharmaceuticals, Novartis, Centocor (J&J), and Kirin Brewery.

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About Ablynx - www.ablynx.com

Ablynx is a biopharmaceutical company engaged in the discovery and development of Nanobodies[®], a novel class of therapeutic proteins based on single-domain antibody fragments, for a range of serious and life-threatening human diseases. Ablynx is developing a portfolio of Nanobody[®]-based therapeutic programs in a number of major disease areas, including inflammation, thrombosis, oncology and Alzheimer's disease. Already Ablynx has generated Nanobodies[®] against more than hundred different disease targets. The company and its collaborators have obtained positive *in vivo* efficacy data from pre-clinical studies in five major therapeutic programs in four disease areas. Importantly, in advanced pre-clinical studies, Ablynx has shown *in vivo* the absence of any detectable immunogenicity for its Nanobody[®] development candidates. Today, three of these programs are in advanced preclinical development, and Ablynx expects to have progressed its first program into clinical trials by first part of 2007.

Ablynx has ongoing research collaborations and significant, multi-target partnerships with several major pharmaceutical companies, including Wyeth Pharmaceuticals, Novartis, Centocor (J&J), Kirin Brewery and P&G Pharmaceuticals. Ablynx is building a diverse and broad portfolio of therapeutic Nanobodies[®] through these collaborations as well as through its own internal discovery programs.

Nanobody[®]-based therapeutics represent a major commercial opportunity as they combine the beneficial features of conventional antibodies, with desirable properties of small-molecule drugs. Because they are derived from naturally-occurring heavy-chain antibodies, Nanobodies[®] have unparalleled stability and can be administered in a variety of ways (injected, orally, in sprays or creams), thus overcoming the delivery issues associated with full-sized antibodies, that can only be delivered by injection. In addition, because of their unique structure they can also address therapeutic opportunities that are beyond the reach of conventional antibodies or their fragments, for example targeting epitopes such as receptor clefts, enzyme active sites and viral canyon sites. Nanobodies[®] manufactured in micro-organisms also presents a significant cost advantage in comparison to production methods for conventional antibodies.

Ablynx holds the dominant patent position in the field of Nanobodies[®]. It has exclusive and worldwide rights to more than forty families of granted patents and pending patent applications, including the patents covering the basic structure, composition, preparation and uses of Nanobodies[®] (the 'Hamers patents') which have been granted in major territories including the US, Europe and Japan. All products, including therapeutics, that contain Nanobodies[®] are covered by these patents.

Headquartered in Ghent, Belgium, Ablynx has raised over €70 million (over US\$87,5 million) from a strong investor consortium including Abingworth Management (UK), Alta Partners (USA), Biotech Fund Flanders (Belgium), Gilde Investment Management (The Netherlands), GIMV (Belgium), KBC (Belgium), Sofinnova Partners (France), and SR One (USA). Basic Nanobody[®] patents were contributed by its founding institutions VIB and VUB (Vrije Universiteit Brussel).

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