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**AXELAR RECEIVES FINANCING FOR A PHASE I/II CLINICAL TRIAL ON CANCER PATIENTS WITH THE NEW ANTI-CANCER DRUG AXL1717**

STOCKHOLM, SWEDEN - Axelar AB today announced that the company has received financing from Östersjöstiftelsen (the Foundation for Baltic and East European Studies) and Karolinska Development AB to perform a Phase I/II clinical trial with the insulin-like growth factor-1 (IGF-1) receptor inhibitor AXL1717 on cancer patients.

Globally more than 12 million people are diagnosed with cancer every year. Cancer is causing the death of about 8 million people per year. Although a number of cancer drugs successfully have been launched over the last decade, many cancers still lack an effective therapy. This, together with the fact that many treatments still result in severe side effects, highlight the strong medical need for new and alternative anti-cancer therapies.

The IGF-1 receptor is a promising target for treatment of cancer, since the IGF-1 receptor is crucial for the survival and growth of cancer cells. In contrast, the IGF-1 receptor is not necessary for growth of normal cells.

AXL1717 is a targeted small-molecule IGF-1 receptor inhibitor with no effect on the important and almost identical insulin receptor. AXL1717 may therefore provide a new treatment option for patients with incurable cancer. Pre-clinical data show an extraordinary anti-tumor efficacy, including tumor extermination, in animal models for a wide range of human cancers such as breast and prostate cancers, malignant melanoma, multiple myeloma, glioblastoma, and sarcoma. In addition, AXL1717 has shown a favorable preclinical tolerability profile and the medication is given orally.

“I am very pleased that we have received the funding that allows us to start a clinical trial with AXL1717 in cancer patients” says Johan Harmenberg, CEO of Axelar AB. “Targeting cancer cells with AXL1717 instead of conventional cytotoxic chemotherapy is a new and exciting treatment alternative.”

“Thanks to Axelar’s advanced research on IGF-1 receptor inhibitors, their potential use in cancer and other diseases, combined with the promising pre-clinical results, we see this as a very interesting investment opportunity”, says Per-Olof Edin, Director of Finance at Östersjöstiftelsen.

***For more information, please contact:***

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***About Axelar AB***

Axelar AB is a Swedish biotech company that was founded in 2003 by Professor Magnus Axelson, Professor Olle Larsson and Karolinska Institutet Innovations AB. The company focuses its activities on research related to IGF-1 receptor inhibitors and their applications in different important human diseases such as cancer, psoriasis, atherosclerosis, restenosis after angioplasty, and macula degeneration.

***About Östersjöstiftelsen***

Östersjöstiftelsen (The Foundation for Baltic and East European Studies) was established in 1994 by the Swedish government. In January 2007, the endowment's market value was approximately SEK 7.1 billion. The Foundation is governed by a Board appointed by the Swedish government.

***About Karolinska Institutet Innovation AB and Karolinska Development AB***

KI Innovations provides the means for researchers at the Karolinska Institutet and other Nordic universities to develop their research results commercially. KI Innovations manages and finances the first steps of the development process. [www.karolinskainnovations.ki.se](http://www.karolinskainnovations.ki.se)

Karolinska Development commercializes Nordic life science innovation. Early stage investment enables value building through long term lead investor position, from seed stage to the market. [www.karolinskadevelopment.com](http://www.karolinskadevelopment.com)