



Boehringer Ingelheim and Funxional Therapeutics announce acquisition of Funxional's FX125L and the somatotaxin portfolio to treat inflammation

Ingelheim, Germany and Cambridge, UK – 23 July 2012 - Today, Boehringer Ingelheim, one of the world's leading pharmaceutical companies, and Funxional Therapeutics, a clinical-stage, asset-centric, private company, announced an agreement under which Boehringer Ingelheim will acquire the global rights to Funxional Therapeutics' FX125L compound and somatotaxin programme. FX125L is a small molecule to treat a broad range of inflammatory diseases and was recently studied in a Phase 2 clinical trial in patients. Boehringer Ingelheim will be responsible for all further research, development and commercialisation of FX125L. Financial details of the transaction were not disclosed.

"Boehringer Ingelheim is delighted to add another promising compound to its development pipeline of drugs for the treatment of respiratory disease, one of its most important therapeutic areas", said Prof. Klaus Dugi, Corporate Senior Vice President Medicine, "by acquiring the Funxional Therapeutics programme, we are looking forward to bringing a potential new therapy to patients, for instance those suffering from Asthma and COPD."

David Grainger, Founder and CSO of Funxional Therapeutics commented: "We are very pleased that the future development of FX125L and the somatotaxin programme will be now driven forward by Boehringer Ingelheim. They are a very impressive organisation and their people have the necessary knowledge, skills and experience to successfully develop FX125L."

Funxional Therapeutics was founded by David Grainger with initial investment from Index Ventures and Novo A/S in 2006. Ventech led the Series B financing. Index Ventures' partner and Chairman of the board, Michele Ollier said: "This acquisition is further validation of Index's business model and we congratulate the team who have delivered first class science and developed a very exciting molecule. They have done an extraordinary job of building this company."

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Notes for Editors:

About Somatotaxins

The **somatotaxins** are a new class of anti-inflammatory small molecules that exploit a new pathway discovered by FXT. This novel pathway is acting through the type-2 somatostatin receptor involved in the resolution of inflammation, and disrupted in chronic inflammatory diseases including asthma, COPD and rheumatoid arthritis. FXT's portfolio of somatotaxins exploit this pathway to deliver broad and potent anti-inflammatory activity, with different compounds optimised for topical, parenteral and oral delivery.

About Funxional Therapeutics

Funxional Therapeutics Ltd (FXT) is a privately held, clinical stage pharmaceutical company based in Cambridge, UK.

FXT's focus is on novel anti-inflammatory therapies that exploit a new pathway discovered by FXT. The lead product (FX125L, an orally available, once-daily small molecule which belongs to the new class of somatotaxins) has completed several Phase I studies in the USA. Attractive efficacy compared to existing therapeutic options, together with a adequate safety profile and dosing convenience, all position FX125L for clinical and commercial differentiation, with the potential eventually to become the first line therapy in major inflammatory diseases. Funxional Therapeutics was founded in 2005 based on intellectual property developed by Dr David Grainger and his colleagues at Cambridge University, in collaboration with Ipsen, a global specialty-driven pharmaceutical company targeting debilitating diseases in neurology, endocrinology, uro-oncology and hemophilia. Index Ventures and Novo A/S provided first round funding to initiate research and development activities. Further funding was led by Ventech.

About Boehringer Ingelheim

The Boehringer Ingelheim group is one of the world's 20 leading pharmaceutical companies. Headquartered in Ingelheim, Germany, it operates globally with 145 affiliates and more than 44,000 employees. Since it was founded in 1885, the family-owned company has been committed to researching, developing, manufacturing and marketing novel medications of high therapeutic value for human and veterinary medicine.

As a central element of its culture, Boehringer Ingelheim pledges to act socially responsible. Involvement in social projects, caring for employees and their families, and providing equal opportunities for all employees form the foundation of the global operations. Mutual cooperation and respect, as well as environmental protection and sustainability are intrinsic factors in all of Boehringer Ingelheim's endeavors.

In 2011, Boehringer Ingelheim achieved net sales of about 13.2 billion euro. R&D expenditure in the business area Prescription Medicines corresponds to 23.5% of its net sales.

For more information please visit www.boehringer-ingelheim.com

Contacts:

Julia Meyer-Kleinmann
Director Corporate Communications
Boehringer Ingelheim GmbH
Ingelheim, Germany
T: +49 6132 77 8271
press@boehringer-ingelheim.com

Geoffrey Race
Functional Therapeutics LTD
Cambridge, UK
T: +44 (0)7968 961275
geoff.race@functionaltherapeutics.com

College Hill
Sue Charles / Jayne Crook
T: +44 (0)20 7866 7862
FXT@collegehill.com