



## **Newron and Merck Serono to Broaden Collaboration on New Therapies for Central Nervous System Diseases**

**Milan, Italy, March 31, 2011** – Newron Pharmaceuticals S.p.A. (“Newron”), announced today that they have entered into an agreement that broadens the scope of the collaboration with Merck Serono, a division of Merck KGaA, Darmstadt, Germany. The two companies are already collaborating on the development of safinamide in Parkinson’s disease.

Under the terms of the agreement, Newron will receive a development license for two Merck clinical-stage compounds, pruvanserin and sarizotan. Merck will retain buy-back options for each compound upon completion of proof of concept trials. Should these options be exercised by Merck, Newron will have a co-development option. No further financial terms are disclosed.

Pruvanserin and sarizotan are highly selective compounds for specific serotonin or dopamine receptors and modulate the activity of these neurotransmitters in the brain. Both compounds exhibit pharmacological properties and have clinical data that support further evaluation and development. Newron will assess the potential of these compounds in additional preclinical experiments prior to initiating proof of concept studies in central nervous systems (CNS) diseases.

Dr. Ravi Anand, Newron’s Chief Medical Officer, stated: “This agreement is an excellent opportunity for Newron to expand its development pipeline with innovative compounds within Newron’s field of expertise.”

“We are very pleased to continue building our relationship with Newron,” said Dr. Bernhard Kirschbaum, Executive Vice President for Global Research and Development at Merck Serono, “We believe that this expanded collaboration will leverage Newron’s strong expertise in the early-stage development of compounds targeting CNS indications.”

### **About Newron Pharmaceuticals**

Newron Pharmaceuticals S.p.A. ([www.newron.com](http://www.newron.com)) is a biopharmaceutical company focused on novel therapies for diseases of the Central Nervous System and pain. Phase III trials of safinamide are currently ongoing for the treatment of Parkinson’s disease (PD). As per the agreement signed with Newron in 2006, Merck Serono, a division of Merck KGaA, Darmstadt, Germany, has exclusive worldwide rights to develop, manufacture and commercialize the compound in PD, Alzheimer’s disease, and other therapeutic applications. Newron is currently evaluating the further clinical development of ralfinamide for pain and psychiatric diseases. Newron’s additional projects are at various stages of preclinical and clinical development, including HF0220 for neuroprotection and NW-3509 for the treatment



of schizophrenia. Newron is headquartered in Bresso, near Milan, Italy. The company is listed at SIX Swiss Exchange, trading symbol NWRN.

**About Merck Serono**

Merck Serono is the biopharmaceutical division of Merck KGaA, Darmstadt, Germany, a global pharmaceutical and chemical company. Headquartered in Geneva, Switzerland, Merck Serono discovers, develops, manufactures and markets prescription medicines of both chemical and biological origin in specialist indications. In the United States and Canada, EMD Serono operates as a separately incorporated affiliate of Merck Serono.

Merck Serono has leading brands serving patients with cancer (Erbix<sup>®</sup>, cetuximab), multiple sclerosis (Rebif<sup>®</sup>, interferon beta-1a), infertility (Gonal-f<sup>®</sup>, follitropin alfa), endocrine and metabolic disorders (Saizen<sup>®</sup> and Serostim<sup>®</sup>, somatropin), (Kuvan<sup>®</sup>, sapropterin dihydrochloride) as well as cardiometabolic diseases (Glucophage<sup>®</sup>, metformin), (Concor<sup>®</sup>, bisoprolol), (Euthyrox<sup>®</sup>, levothyroxine). Not all products are available in all markets.

With an annual R&D expenditure of over € 1bn, Merck Serono is committed to growing its business in specialist-focused therapeutic areas including neurodegenerative diseases, oncology, fertility and endocrinology, as well as new areas potentially arising out of research and development in rheumatology.

**About Merck**

Merck is a global pharmaceutical and chemical company with total revenues of € 9.3 billion in 2010, a history that began in 1668, and a future shaped by more than 40,000 employees in 67 countries. Its success is characterized by innovations from entrepreneurial employees. Merck's operating activities come under the umbrella of Merck KGaA, in which the Merck family holds an approximately 70% interest and free shareholders own the remaining approximately 30%. In 1917 the U.S. subsidiary Merck & Co. was expropriated and has been an independent company ever since. For more information, please visit [www.merckserono.com](http://www.merckserono.com) or [www.merck.de](http://www.merck.de)

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### **Important Notices**

This document contains forward-looking statements, including (without limitation) about (1) Newron's ability to develop and expand its business, successfully complete development of its current product candidates and current and future collaborations for the development and commercialisation of its product candidates and reduce costs (including staff costs), (2) the market for drugs to treat CNS diseases and pain conditions, (3) Newron's anticipated future revenues, capital expenditures and financial resources, and (4) assumptions underlying any such statements. In some cases these statements and assumptions can be identified by the fact that they use words such as "will", "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "target", and other words and terms of similar meaning. All statements, other than historical facts, contained herein regarding Newron's strategy, goals, plans, future financial position, projected revenues and costs and prospects are forward-looking statements.

By their very nature, such statements and assumptions involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described, assumed or implied therein will not be achieved. Future events and actual results could differ materially from those set out in, contemplated by or underlying the forward-looking statements due to a number of important factors. These factors include (without limitation) (1) uncertainties in the discovery, development or marketing of products, including without limitation negative results of clinical trials or research projects or unexpected side effects, (2) delay or inability in obtaining regulatory approvals or bringing products to market, (3) future market acceptance of products, (4) loss of or inability to obtain adequate protection for intellectual property rights, (5) inability to raise additional funds, (6) success of existing and entry into future collaborations and licensing agreements, (7) litigation, (8) loss of key executive or other employees, (9) adverse publicity and news coverage, and (10) competition, regulatory, legislative and judicial developments or changes in market and/or overall economic conditions.

Newron may not actually achieve the plans, intentions or expectations disclosed in forward-looking statements and assumptions underlying any such statements may prove wrong. Investors should therefore not place undue reliance on them. There can be no assurance that actual results of Newron's research programmes, development activities, commercialisation plans, collaborations and operations will not differ materially from the expectations set out in such forward-looking statements or underlying assumptions.

Newron does not undertake any obligation to publicly up-date or revise forward looking statements except as may be required by applicable regulations of the SIX Swiss Exchange where the shares of Newron are listed.

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