Delphi Genetics grants Merck License for the use of the StabyExpress™ system

Brussels, Belgium, October 8, 2012 - Delphi Genetics SA ("Delphi") has announced today a broad licensing agreement with a subsidiary of Merck & Co., Inc., known as MSD outside the United States and Canada, for the use of the StabyExpress™ technology, which allows high yield, cost effective protein expression without the use of antibiotics.

Under the agreement, Merck receives a non-exclusive license to use the StabyExpress™ technology for protein expression in research and product development. In exchange, Delphi is eligible to receive milestone payments associated with the development of Merck product candidates that utilize the StabyExpress™ technology, as well as royalties on sales of such products. The financial details of the agreement were not disclosed.

Cédric Szpirer PhD, Delphi Genetics Founder and CEO, explained: “This is Delphi's first broad-based licensing agreement that covers potential use of the StabyExpress™ technology for protein based product in the areas of human and animal health.”

Guy Hélin, CBO, added: “This is the third licensing agreement that we have announced with a world leading healthcare company. The non-exclusive nature of this agreement enables us to consider similar collaborations with other strategic partners, including partners in other fields than biopharma production.”

Delphi also has licensing agreements with Sanofi-Pasteur, announced in June 2009, and with GSK, announced in September 2010.

About StabyExpress™

StabyExpress™ technology can be applied to any industrial protein production process that involves bacterial fermentation. Biopharmaceutical production represents a rapidly growing market and its share of the overall medication market today is estimated at 15%. Moreover, the technology is consistent with the recommendations of the FDA and the EMA with regard to the elimination of Antibiotic Resistance Genes in protein production processes for both human and veterinary uses. Currently, Antibiotic Resistance Genes are used as selection markers for the design of the majority of the genetic systems enabling protein production. The technology is also usable to produce DNA vaccines in order to avoid completely the use of antibiotics resistance genes from DNA cloning to DNA production.
About Delphi Genetics SA

Founded at the end of 2001, Delphi Genetics develops more effective products and technologies for genetic engineering and for protein expression in bacteria by using its unique expertise in the field of plasmid stabilisation systems. Delphi Genetics’ patented StabyExpress™ technology increases the recombinant protein production output without the use of antibiotics, which is the traditional approach. In January 2012, together with academic and Biotech key-players, Delphi Genetics announced its participation in a research project during the next 3 years for the development of DNA vaccines using the technology. Other research projects are under way to adapt the technology to mammalian cells and yeast.

For further information, please visit our website: www.delphigenetics.com

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