

Press Release

4SC AG: patient treatment in phase IIa clinical trial completed

Planegg-Martinsried, Germany, 08 October 2007 - German drug discovery and development company 4SC AG (Frankfurt, Prime Standard), based in Martinsried near Munich, announced today that the last patient was released from the current phase IIa clinical trial according to plan. With this event, the so-called "in-life-phase" of this study with the drug candidate SC12267 for the treatment of rheumatoid arthritis has been completed as scheduled.

In the three-tiered and placebo-controlled study, about 120 patients were given two doses of SC12267 per day over a three month period and tested for tolerance and clinical efficacy. The study was carried out in 13 centres across Germany, Poland and Serbia. The study results are expected for this quarter.

About Rheumatoid Arthritis:

Rheumatoid Arthritis is a chronic inflammatory joint disease that afflicts 0.5 - 1% of the population; women are three times more likely to get arthritis than men are. In the late stage of the disease, irreversible damage to joint cartilage and bones occurs. Causes of this disease are genetic as well as autoimmune factors. Besides pain-relieving medicines, so-called disease-modifying medicines (DMARDs = disease modifying anti-rheumatic drugs) can be used in treatment. These drugs are used to induce a healing process.

They differ from other groups of drugs used in the treatment of rheumatoid diseases, since only they are able to stop or reduce damage caused from chronic inflammation to the joint cartilage or bone. In the most favourable cases, some DMARDs can also induce repair of damage to joints and provide support for the repair of changes that have already occurred.

About SC12267:

SC12267 is a new type of small molecular active agent from the class of DMARDs used for treatment of autoimmune diseases such as rheumatoid arthritis or multiple sclerosis. The substance works as a highly selective inhibitor in the biosynthesis of pyrimidine, which inhibits the proliferation of fast proliferating cells, in particular the important lymphocytes used for immune response. The drug candidate originates in 4SC AG's own research pipeline. In prior preclinical and clinical studies, an outstanding potency and favourable pharmacokinetic characteristics could already be observed in animal testing, and a tolerable dosage without relevant side effects on test subjects was determined.

About 4SC AG:

4SC AG (ISIN DE0005753818) has been listed in the Prime Standard of Frankfurt Stock Exchange since 15 December 2005. Founded in 1997 and now with a staff of 61, the company develops novel drug candidates for inflammatory diseases and cancer using a cheminformatics based technology platform. Traditional high throughput screening of therapeutic agents has been transferred from the lab to the computer. Thus, the company offers substantial cost and time advantages as well as increased success rates in drug development. 4SC AG uses its patented technology platform to create a sustainable product pipeline for active agents that are developed in early clinical phases ("proof of concept") and subsequently result in upfront and milestone

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payments as well as participation in sales generated by out-licensed products to the pharmaceutical industry. There are currently six projects in the pipeline. The first project on the treatment of rheumatoid arthritis is currently undergoing clinical phase IIa. Four other product candidates are in preclinical development and another project is in the research stage. Furthermore, the company has its technology platform in co-operation projects with biotech and pharma companies and is already generating initial revenues.

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