



## NicOx receives €5 million milestone payment from Merck & Co. for antihypertensive collaboration

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January 18, 2007. Sophia Antipolis, France. [www.nicox.com](http://www.nicox.com)

**NicOx S.A.** (Eurolist: COX) today announced it has achieved the first milestone in its agreement with Merck & Co., Inc. in the antihypertensive field, resulting in a €5 million milestone payment to NicOx. The milestone was linked to the initiation of Good Laboratory Practice (GLP) toxicology studies on the first development candidate that was recently selected by the two companies. This milestone represents an important step towards the future initiation of clinical development on this compound.

**Michele Garufi, Chairman and CEO of NicOx**, declared: *"We are very pleased by the rapid selection of the first development candidate with Merck and are eager to move this antihypertensive compound into clinical development. The selection and advancement of this compound is a testament to the excellent joint research conducted by NicOx and Merck and once again highlights the potential of our nitric oxide-donating technology to generate safe and effective new product candidates for human health."*

NicOx and Merck have been working together in a major collaboration since March 2006, which is focused on the development and commercialization of new antihypertensive drugs using NicOx' proprietary nitric oxide-donating technology for the treatment of high blood pressure, complications of hypertension and other cardiovascular and related disorders. NicOx and Merck have selected the first nitric oxide-donating compound as a candidate for development. The companies have now entered a new stage of the collaboration by initiating Good Laboratory Practice (GLP) compliant toxicology studies (see NOTE 1), which are expected to provide data needed for the submission of an Investigational New Drug (IND) procedure with the US Food and Drug Administration (FDA) (see NOTE 2). Merck is responsible for the funding and performance of the development of this compound going forward.

Under the terms of the agreement, Merck has the exclusive right to develop and commercialize antihypertensive compounds using NicOx' proprietary nitric oxide-donating technology for the treatment of systemic hypertension. NicOx has the option to co-promote products that result from the agreement on a fee-for-detail basis to specialist physicians in the United States and certain major European countries. In addition, Merck will pay NicOx industry standard royalties on the sales of all products that result from the agreement. To date NicOx has received €14.2 million from Merck in connection with this agreement, including the €5 million milestone payment announced today, and stands to receive €274 million in further potential milestone payments.

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**NOTE 1:** Good Laboratory Practice (GLP) refers to a set of standards and procedures used to guarantee the quality and integrity of experimental data and results from non-clinical studies conducted in laboratories. The IND-enabling toxicology studies being conducted by NicOx and Merck represent a standard collection of tests that are used to assess the safety of new chemical entities in preparation for an IND.

**NOTE 2:** Filing of an Investigational New Drug (IND) application with the US Food and Drug Administration (FDA) is necessary for obtaining approval to conduct clinical trials in humans in the United States. An IND file contains information on preclinical toxicology and pharmacology studies in animals (collectively known as IND-enabling studies), in addition to details of the manufacturing of the compound and information prepared for future clinical investigators.

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NicOx (Bloomberg: COX:FP, Reuters: NCOX.PA) is a product-driven biopharmaceutical company dedicated to the development of nitric oxide-donating drugs to meet unmet medical needs. NicOx is targeting the therapeutic areas of pain and inflammation and cardio-metabolic disease. Resources are focused on two lead compounds, naproxinod (formerly HCT 3012); in phase 3 development for the treatment of osteoarthritis, and NCX 4016, in phase 2 for type 2 diabetes.

NicOx has strategic partnerships with some of the world's leading pharmaceutical companies, including Pfizer Inc. and Merck and Co., Inc.

NicOx S.A. is headquartered in Sophia-Antipolis, France, and is a public company listed on the Eurolist of Euronext Paris (segment: Next Economy).



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*The elements included in this communication may contain forward-looking statements subject to certain risks and uncertainties. Actual results of the company may differ materially from those indicated in the forward-looking statements because of different risks factors described in the company's document de reference.*

**CONTACTS:**

**NicOx: Karl Hanks • Manager of Corporate Relations and Market Analysis • Tel +33 (0)4 97 24 53 42 •**

**[hanks@nicox.com](mailto:hanks@nicox.com) • [www.nicox.com](http://www.nicox.com)**

Investors in the United States - Burns McClellan: Lisa Burns • [lburns@burnsmc.com](mailto:lburns@burnsmc.com) / Laura Siino • [lsiino@burnsmc.com](mailto:lsiino@burnsmc.com) •  
Tel +1 212 213 0006

Financial Dynamics: Jonathan Birt • Tel +1 212 850 56 34 • [jbirt@fd-us.com](mailto:jbirt@fd-us.com) / Julia Phillips • Tel +44 (0)20 7831 3113 •  
[julia.phillips@fd.com](mailto:julia.phillips@fd.com)