



Press release

Bionest Partners Outline Winning Pathways for BioPharma Companies in Oncology

Paris, France and New York, USA. 14 November 2007 - Bionest Partners, a provider of tailored advisory and management services to life science companies, has today announced the publication of the second edition of its annual study on the future of the oncology market.

Entitled "**Up or Out in Oncology**", the report provides a detailed overview of the oncology market and an insight into how it is expected to develop over the next five years. As part of the report, the authors provide advice to bio-pharmaceutical companies on how to develop and sustain a profitable business in oncology.

Frédéric Desdouts, Managing Partner at Bionest and one of the authors of the report said: "*This report should help life-science industry players gain an insight into the future development of the oncology market and a better understanding of the challenges they might face in the future. The report provides an overview of the competitive landscape and identifies the key elements to developing winning strategies in this highly diverse market.*"

Bionest's report highlights the complex and dynamic nature of this market. The oncology space is made up of over twenty-five different markets, resulting in a multitude of tumors and tumor grades for which a wide range of therapeutic treatments are available, each one demonstrating various levels of efficacy. In addition, the oncology market is expected to grow at twice the pace of the global pharmaceutical market, reaching global sales of US\$92 billion in 2011. This growth is fuelled mainly by an increasing number of molecules in development: at the end of 2006, over 650 oncology drugs were in late stage clinical trials, making up 30% of all compounds across the industry.

Based on an in-depth review of oncology pipelines and interviews with top executives and key opinion leaders, Bionest Partners identified the main challenges that oncology players are likely to face in the future as:

- **Drug development will become more and more difficult and risky** (e.g. from entry into Phase I to launch, the average probability of success across all oncology areas today is just 3.5%).
- **Sustaining high prices will be tough** - payers will increasingly require efficacy evidence based on head-to-head trials and patient stratification if they are to continue to accept the cost of treatments.
- **The threat from generics will become a reality for several blockbuster drugs** - several high selling brands will face drastic sales erosion.

Bionest's report highlights key strategic, operational and financial issues that oncology players will have to manage in order to develop competitive positioning. The report concludes that the oncology landscape will be significantly reshaped by 2012:

- Roche is set to remain the leading oncology player but will be strongly challenged by up and coming competition
- Novartis, Pfizer, GSK and to a lesser extent J&J, Bayer Schering Pharma, Celgene and Amgen appear as the most promising challengers.
- According to Bionest's analysis, competitiveness of sanofi-aventis, AstraZeneca and Bristol-Myers Squibb within the oncology field remains unclear.

To request a copy of the report, please contact Stephane Parnis at sparnis@bionest.com

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About Bionest Partners

Bionest Partners provides advisory and management services to help biotechnology, specialty

pharmaceutical, large pharmaceutical companies, medical device companies and their shareholders maximize the value of their assets. The company offers a hands-on approach, and its areas of expertise include management consulting (strategy, organization, marketing, due diligence, surrogate management), corporate finance (out-licensing, in-licensing, mergers and acquisitions, private placement and IPO support), and entry into Europe assessment strategy (go-it-alone/partnering, management support, launch plan). The company, based in Paris and New York, has a broad customer base ranging from biotech start-ups to large and established companies, as well as investment funds. For example, Bionest has worked with Pfizer, Sanofi Aventis, GSK, Novartis, Bayer Schering Pharma, J&J, Merck&Co, Millennium, Idenix, Stallergenes, Innate Pharma, Genfit, Jubilant, Axa Private Equity, Blackstone, Candover. Bionest has a strong and growing team of consultants as well as a network of associate members whom it deploys to address specific client assignments.

For more information see www.bionest.com

Contacts

Bionest Partners:

Stéphane Parnis, PhD
Practice Leader,
T:+33 158 05 14 21
F:+33 158 05 14 09
M:+33 627 95 49 01
Email : sparnis@bionest.com

Northbank Communications (media relations):

Gemma Price, Holly Griffiths, Katja Stout
Phone : +44 (0)20 7268 3002
Email : bionest@northbankcommunications.com