

## **POSITIVE RESULTS IN FIRST CLINICAL STUDY WITH ANTI DIABETES COMPOUND KB3305**

**Karo Bio's compound, KB3305, for treatment of type 2 diabetes, shows robust and predictable pharmacokinetics and the subjects are well exposed without serious adverse events in the first phase I clinical study.**

The incidence of type 2 diabetes is increasing rapidly and there is a need for improved pharmaceuticals with new mechanisms of action. KB3305 is a first in class liver selective glucocorticoid antagonist that has shown excellent efficacy and safety in several preclinical models for type 2 diabetes. This novel mechanism of action for improvement of glycemic control has the potential to become an important contribution to the treatment since hepatic glucose production is elevated in patients with type 2 diabetes. In addition to glucose lowering, KB3305 also lowers other important risk factors for type 2 diabetics such as LDL-cholesterol, triglycerides and free fatty acid levels in plasma.

New and improved pharmaceutical formulations have been developed for KB3305 and a phase I/IIa program was initiated in December 2007. The program is conducted in three parts. In the first part of the program, single ascending doses have been given to healthy volunteers. The dosing of subjects has now been successfully completed. KB3305 shows linear pharmacokinetics and the subjects are well exposed. No serious adverse events have been recorded. The Single Ascending Dose study will be followed by a Multiple Ascending Dose study. In the third part of the program, the compound will be given repeatedly to patients with type 2 diabetes. This study design will provide preliminary data on efficacy and safety in the target population. The entire phase I/IIa study is anticipated to be completed during 2008.

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**About Karo Bio**

*Karo Bio is a drug discovery and development company specializing in nuclear receptors for the development of novel pharmaceuticals.*

*The Company has a strong project portfolio with innovative molecules that primarily targets metabolic diseases such as diabetes, atherosclerosis and dyslipidemia. In all of these areas there are significant market opportunities and a need for new pharmaceuticals with new mechanisms of action. Karo Bio intends to bring selected compounds within niche therapeutic areas into late stage clinical development and, potentially, to the market. In addition to pursuing niche opportunities, Karo Bio*

*continues to develop compounds aimed at treatment of broad patient populations to clinical proof of concept before out-licensing.*

*In addition to the proprietary projects, Karo Bio has three strategic collaborations with international pharmaceutical companies for development of innovative therapies for the treatment of common diseases.*

*Karo Bio is listed on the OMX Nordic Exchange Stockholm AB since 1998 (Reuters: KARO.ST).*

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