

## **Karo Bio achieves first milestone in Pfizer collaboration**

**STOCKHOLM, 5 September 2013 – The collaboration between Karo Bio AB and Pfizer Inc. has successfully resulted in a significant achievement within the RORgamma project triggering the first milestone payment to Karo Bio. The purpose of the collaboration is to develop drugs for treatment of autoimmune diseases.**

“The teams from Karo Bio and Pfizer have enjoyed an excellent interaction and relationship which has helped meet this goal. This achievement clearly demonstrates the value Karo Bio brings to its partners in the area of nuclear receptor drug discovery”, says Karo Bio’s CEO Per Bengtsson.

The collaboration that started in December 2011, aims to discover and develop novel small molecule RORgamma modulators for the treatment of autoimmune diseases. The nuclear hormone receptor RORgamma is a novel attractive target for the treatment of autoimmune diseases like rheumatoid arthritis, multiple sclerosis and psoriasis. RORgamma directly controls the production and secretion of the cytokine IL-17, a major contributor to inflammation. The receptor’s key role in driving disease pathology has been implicated in clinical trials using monoclonal antibodies that neutralize IL-17 activity.

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**About Karo Bio**

Karo Bio is a pharmaceutical company focused on the research and development of innovative drugs for large medical needs. The world-leading knowledge of nuclear receptors as target proteins for the development of pharmaceuticals and the related mechanisms of action, is utilized as a foundation for developing novel, more effective and safer pharmaceuticals. The company runs drug development projects mainly within the therapeutic areas neuropsychiatry, inflammation, autoimmune diseases and cancer. The company has a number of strategic agreements and collaborations with international pharmaceutical companies. Karo Bio is based in Huddinge, Sweden, has 42 employees and is listed on NASDAQ OMX Stockholm.

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