



T R A N S F O R M

pharmaceuticals, inc.

TRANSFORM AND UNIVERSITY OF SOUTH FLORIDA ANNOUNCE COLLABORATION TO IMPROVE DRUG PERFORMANCE THROUGH CO-CRYSTALS

*- Pharmaceutical Co-crystals Create New Opportunities for Product Enhancement
- Topic discussed in an article appearing in Chemical Communications*

Lexington, MA – August 11, 2004 – TransForm Pharmaceuticals, Inc. (TransForm) today announced a major collaborative effort with University of South Florida (USF) in Tampa, FL in the design and discovery of pharmaceutical co-crystal structures to enhance drug properties. Pharmaceutical co-crystals, a newly recognized category of small molecule pharmaceutical physical forms, can impact the physical-chemical properties of a drug by improving properties such as solubility, dissolution rate, stability and processing. A review of the field of pharmaceutical co-crystals entitled “*Crystal Engineering of the Composition of Pharmaceutical Phases. Do Pharmaceutical Co-crystals Represent a New Path to Improved Medicines?*” is currently available on-line at www.rsc.org and will appear in print in Chemical Communications, a publication of the Royal Society of Chemistry, in Issue 17 scheduled to publish on September 7, 2004.

The review highlights new avenues to enhance poorly soluble drugs and to expand the range of development choices. Over half of today’s product candidates in development and many major marketed products could significantly benefit from enhanced solubility. “Poor dissolution can prevent or impede development, or significantly decrease the clinical and commercial value of a drug, by compromising bioavailability or speed of onset,” stated Dr. Colin Gardner, TransForm’s Chief Scientific Officer.

In a related development, TransForm announced that the company signed a license agreement with USF. The USF agreement, sponsored by the Department of Chemistry chaired by Professor Michael Zaworotko, Ph.D., provides TransForm access to new technology and product opportunities by allowing exclusive rights to any new pharmaceutical co-crystal forms discovered at USF. “The value of bringing academic research together with industrial research will be significant for the field of crystal engineering in terms of rapidly advancing new pharmaceutical product candidates,” commented Zaworotko. “By teaming up with scientists at TransForm, we can bring the best academic research to the forefront of pharmaceutical innovation and drug development,” concluded Zaworotko. In addition, under the terms of the agreement, TransForm and USF have consolidated their early intellectual property and will combine intellectual property on their ongoing research. Financial terms of the agreement were not disclosed.

“This is an exciting collaboration which strengthens TransForm’s internal proprietary product development efforts by using novel co-crystals to identify new and/or improved forms of drugs,” commented Paul Goldenheim, M.D., TransForm’s President. TransForm has filed for broad intellectual property on co-crystal engineering as well as on specific drug compounds that it plans to develop internally or out license based on strategic fit.

Background on Co-Crystals and Crystal Engineering

A co-crystal form is a combination of two or more distinct solid compounds arranged to create a unique crystalline form, the properties of which are often superior to those of each of the separate entities. Crystal forms are considered the best physical form for ensuring stability of a drug and have been shown to enhance critical properties such as dissolution rate and processing capability.

“Crystal engineering of pharmaceutical solids, such as the exploration of co-crystals, represents an exciting emerging area of research and provides a unique opportunity to enhance marketed products or to pursue compounds which had otherwise been deemed non-developable,” said Christopher Walsh, Ph.D., Professor of Biological Chemistry and Molecular Pharmacology at Harvard Medical School and TransForm Board Member. “I believe that co-crystals will open new avenues for marketed drugs and new development compounds that could benefit from improved physical properties and bio-performance,” continued Walsh.

About TransForm Pharmaceuticals

TransForm Pharmaceuticals is reinventing the pharmaceutical industry’s approach to form and formulation, with physical chemistry and novel high-throughput platform technologies, powered by state-of-the-art informatics and a scientific and managerial team with deep experience in pharmaceuticals. TransForm uses these capabilities to optimize drug form and/or formulations and increase the clinical and commercial value of pharmaceutical products across the entire spectrum of pharmaceutical development – from early stage to lifecycle management. In research and development, TransForm is working with partners such as ALZA Corporation, a member of the Johnson & Johnson family of companies; and Lilly to help them make better candidate selection decisions and reduce attrition, development time and cost. For later stage and marketed products, TransForm is working with partners such as Johnson & Johnson and Abbott to enhance the lifecycle management of its products by rapidly discovering novel forms and/or formulations that improve bioavailability, broaden intellectual property protection, and enable new indications. TransForm is a privately held emerging specialty pharmaceutical company. More information on TransForm can be found at: www.transformpharma.com.

For more information, please contact:

TransForm Pharmaceuticals, Inc.

Barbara Carter

781/674-7834

#####