

## **MOUNTAIN VIEW PHARMACEUTICALS GRANTS WORLDWIDE LICENSE FOR LONG-ACTING MULTIPLE SCLEROSIS DRUG**

Menlo Park, CA -- January 19, 2005 -- Mountain View Pharmaceuticals, Inc., announced today the execution of a License and Commercialization Agreement with Schering AG, Germany, for PEG-Interferon-beta-1b.

Mountain View Pharmaceuticals, Inc. ("MVP") has developed a long-acting polymer conjugate of interferon-beta-1b and, under this agreement, grants to Schering AG the exclusive worldwide right and license, under MVP technology, to develop and commercialize its poly(ethylene glycol) ("PEG") conjugates of interferon-beta-1b.

Schering AG (NYSE: SHR, FSE: SCH), a global pharmaceutical company with headquarters in Berlin, Germany, currently markets interferon-beta-1b as Betaseron® and Betaferon®, indicated for the treatment of multiple sclerosis.

Multiple sclerosis ("MS") is a chronic disease of the central nervous system that afflicts approximately 400,000 people in the United States and between one million and 2.5 million people worldwide, according to the National Multiple Sclerosis Society.

The current worldwide market for multiple sclerosis treatments exceeds \$4 billion, and it is estimated that only half of all MS patients who might benefit from pharmaceutical treatment currently receive such therapy.

"We are especially pleased to have signed this agreement with Schering AG, the first company in the world to have introduced an interferon-beta product for the treatment of MS," said Jean M. Bellin, Chief Executive Officer of MVP.

"Working with the pioneer in this field gives us added confidence that MVP's technology will contribute to improving the lives of patients with this progressively incapacitating disease," added Dr. Merry R. Sherman, President of MVP.

### About Mountain View Pharmaceuticals, Inc. (MVP)

Founded in November 1995, MVP is a private company engaged in the research and development of long-acting polymer conjugates of therapeutic proteins.

MVP's proprietary technology, referred to as "Rational PEGylation<sup>SM</sup>," is a next-generation PEGylation strategy that enhances the safety, efficacy and duration of action of therapeutic proteins with proven activities.

Rational PEGylation<sup>SM</sup> involves the selective attachment of PEG to a single site that is distant from the regions of regulatory proteins that interact with cell membrane receptors. This strategy provides an improved yield of nearly homogeneous preparations that function much more effectively than the products of first-generation PEGylation.

MVP's combinatorial approach and unique expertise enable the rapid, cost-effective optimization of the chemistry of attachment, as well as the size, structure and the number of strands of PEG.

In addition to the site-specific coupling of PEG, MVP has invented a proprietary polymer with an improved immunologic profile, trademarked PharmaPEG®.

MVP's novel PEGylation technology is broadly applicable to enzymes, therapeutic viruses, polypeptide hormones, growth factors and cytokines, of which interferon-beta-1b is an important example.

MVP's technology is protected by a strong intellectual property estate of four issued US patents, corresponding issued patents in Europe and several other countries, and seven families of pending patent applications in the US and about 20 other countries.

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