



# PRESS RELEASE

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## **Tranzyme Pharma Enters Into Strategic Drug Discovery Collaboration with Bristol-Myers Squibb**

**RESEARCH TRIANGLE PARK, N.C.** (December 8, 2009) – Tranzyme Pharma today announced that it has entered into a strategic collaboration agreement with Bristol-Myers Squibb Company (NYSE: BMY) to discover, develop and commercialize novel macrocyclic compounds directed against targets of interest to Bristol-Myers Squibb.

The collaboration will deploy Tranzyme's proprietary drug discovery technology, Macrocyclic Template Chemistry (MATCH™), to identify and develop new drug candidates for multiple targets in diverse therapeutic areas.

Under the terms of the agreement, Tranzyme will be primarily responsible for early lead discovery, and Bristol-Myers Squibb will take primary responsibility for optimizing the identified lead compounds. Bristol-Myers Squibb will be solely responsible for completing preclinical and clinical development of all products arising from the collaboration, and for their commercialization globally.

Bristol-Myers Squibb will provide an upfront payment of \$10 million and an additional \$3 to \$6 million in research funding to Tranzyme for an initial two-year term. Tranzyme will receive further funding if the agreement is extended beyond the initial term. In addition, Tranzyme is eligible to receive development and regulatory milestones and tiered royalties for each product resulting from the collaboration. Total milestone payments under the agreement, excluding royalties, could reach up to approximately \$80 million for each target program.

The goal of the collaboration is to explore the molecular chemistry space accessed by MATCH™ to discover novel bioactive macrocycles. These macrocycles represent a distinct and underexplored compound class that displays favorable characteristics exhibited by large biomolecules, such as high potency and selectivity, while maintaining the benefits typically associated with small molecule drugs, such as high oral availability and low cost of goods.

“We are excited to be joining forces with Bristol-Myers Squibb; we believe they will be an ideal partner to exploit the versatility of our proprietary chemistry,” said Vipin K. Garg, PhD, Tranzyme’s President and CEO. “In addition to Tranzyme’s current focus on gastrointestinal and metabolic disease targets, MATCH™ has broad applicability in the treatment of other diseases that involve hormones, peptides, ion channels or protein-protein interaction pathways.”

### **About Tranzyme Pharma**

Tranzyme Pharma is a late stage biopharmaceutical company developing novel small molecule macrocyclic drugs for both acute care (hospital-based) and chronic indications with significant unmet medical need. The Company's pipeline is derived from its proprietary MATCH™ technology and targets two validated GPCR drug targets, ghrelin and motilin.

For more information on Tranzyme, please visit: [www.tranzyme.com](http://www.tranzyme.com).

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