



PRESS RELEASE

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DIAGENIC TO PROVIDE MCI BIOMARKERS FOR MERZ PHARMACEUTICALS

Agreement covers both development of patient stratification test and future drug development option

OSLO. – June 23, 2009 –DiaGenic ASA (OSL:DIAG) today announced that it has signed an option agreement with Merz Pharmaceuticals GmbH, an innovative developer of drugs for treatment of illnesses in neurology and psychiatry, to gain access to biomarkers for Mild Cognitive Impairment (MCI), increasingly considered a transitional stage to Alzheimer's disease. The biomarkers are intended to be used to identify patients with MCI prone to converting to Alzheimer's disease for inclusion into Merz' clinical trial programs. Merz will also receive an option for non-exclusive rights to further biomarkers under the terms of the agreement. Financial details were not disclosed.

"This agreement with Merz is a major milestone in DiaGenic's development, marking both further recognition of our blood-based gene expression diagnostic concept and a new market area," said DiaGenic CEO Erik Christensen, M.D., Ph.D., "We have already successfully identified biomarkers of prodromal Alzheimer's disease. The agreement with Merz will enable us to accelerate our ongoing multicenter study by recruiting additional sites. There is a growing consensus that using biomarkers will be critical in order to accelerate development of Alzheimer's drugs, especially those with disease-modifying or preventive therapeutic

effects. We look forward to working with Merz to provide further evidence. In general, patient stratification for clinical trials using biomarkers is a rapidly growing sector and we feel we are poised to make a significant contribution,” concludes Christensen.

One of the new sites will be the University of California, Davis and Prof. Charles DeCarli, Director of Alzheimer's Disease Center commented: “We are very pleased to take part in this very exciting research and I strongly believe in the utility of DiaGenic technology using peripheral gene expression to identify biomarkers for CNS disorders:”

Merz' goal is to offer novel therapeutic options of additional benefit to the patients by developing innovative new drugs within Merz' main area of expertise, the treatment of CNS disorders. Dr. Martin Zügel, CEO of Merz Pharmaceuticals GmbH, explains: “There is an urgent need for biomarkers that can accurately identify MCI converters. We have identified DiaGenic's technology as being one of the front-runners in this area. The partnership with DiaGenic for biomarker development should lead to improved clinical trial recruitment and, thus, support Merz' endeavours in reaching our ambitious goal of bringing Alzheimer drugs to the patient, thus responding to currently unmet medical needs.”

About Alzheimer's disease

Alzheimer's disease is a chronic neurodegenerative disorder. In its early stages, it impairs cognitive function, causing memory loss, language deterioration, and reduced ability to process visual information, delusional thinking and poor judgment. As the disease progresses, cerebral deterioration severely compromises basic cognition and daily function. At a more advanced stage of the illness, the increasing loss of independence leads to an increased need for supervision and possibly even full long-term care. Alzheimer's dementia, clearly the most devastating of neurodegenerative diseases, poses a global public health challenge and will continue to do so for generations to come. The Alzheimer's Association estimated two years ago that 4.5 million Americans and 15 million people worldwide suffer from Alzheimer's disease. These figures are projected to nearly triple that number by 2050 due to the ageing of populations in the developed world.

About Merz Pharmaceuticals GmbH

Merz Pharmaceuticals researches, develops, produces and distributes innovative pharmaceutical products in the areas of neurology and psychiatry as well as in aesthetic dermatology and metabolism. In the area of Alzheimer's research, Merz Pharmaceuticals has achieved a leading position with the first active ingredient worldwide for the treatment of moderate to severe Alzheimer's disease. The company is headquartered in Frankfurt am Main, Germany. To learn more about Merz, visit www.merz.com.

About DiaGenic ASA

DiaGenic is an innovative Norwegian biotechnology company that seeks to create value for patients, partners, and investors by developing new and more patient friendly methods for early detection of

diseases. DiaGenic is currently a world leader in analyzing gene expression signatures related to disease in easily available clinical samples such as peripheral blood. This unique method is based on the principle that even when a disease is localized at a specific part of the body, secondary responses, which are also characteristic of the disease, can be measured in other parts. Significant potential in numerous diseases such as breast cancer and Alzheimer's disease has been identified. The company has been granted patents in the U.S. and Europe. DiaGenic is listed on the Oslo Stock Exchange. For more information visit www.diagenic.com

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