

## **Acetylon Pharmaceuticals Announces Completion of \$27 Million Series B Round of Private Investor Financing**

- Funds Will Support Phase I/II Study of ACY-1215, the First Clinical Trial of a Class II-Selective Next Generation HDAC Inhibitor -

- Acetylon CEO Walter Ogier to Participate on a Start-up Finance Panel at the BIO International Convention -

**BOSTON, June 29, 2011** – Acetylon Pharmaceuticals, Inc. announced today that it has completed a \$27 million Series B Preferred equity investment round of financing. The proceeds will be used in part to fund the advancement of the Company’s lead drug candidate ACY-1215 – a next-generation Class II-selective histone deacetylase (HDAC) inhibitor – into Phase I/II clinical testing for patients with relapsed and relapsed-refractory multiple myeloma. The funds were raised largely from private individuals, including the previous participants in the 2009 Series A financing as well as new investors. The Series B funding complements \$4.9 million in funding from The Leukemia & Lymphoma Society announced earlier this quarter in support of clinical development of ACY-1215, the first Class II-selective therapeutic HDAC6 inhibitor candidate. Acetylon has made rapid progress from the initiation of lead optimization in 2009 to IND allowance in 2011 and anticipates US hospitals participating in the Phase I/II clinical trial of ACY-1215 to begin enrolling patients over the next several months.

“We are very pleased to have been able to raise now a total of \$40 million from private investors as well as non-profit and Federal grant sources dedicated to helping us bring our lead drug candidate, ACY-1215, into clinical trials for patients with multiple myeloma and other cancers,” said Walter C. Ogier, President and Chief Executive Officer and co-founder of Acetylon Pharmaceuticals, Inc. “We also plan to use a portion of the new Series B financing for the preclinical advancement of our additional selective HDAC inhibitor drug candidates for non-cancer disease indications including autoimmune and other inflammatory diseases and to bolster our discovery pipeline.”

Mr. Ogier will participate on a panel discussing start-up biotech funding today at the BIO International Convention in Washington, DC. The session titled, “[Starting Up Biotechs in the New Normal World](#),” will be moderated by Lynn Yoffee, Managing Editor of BioWorld Today, and takes place from 10:00 AM to 11:30 AM in room 149 AB of the Walter E. Washington Convention Center.

Acetylon is applying its scientific expertise to the development of small molecule HDAC inhibitors that build upon the proven therapeutic potential of HDAC inhibition but are differentiated by enhanced enzyme target selectivity. The Company believes that its newly selective HDAC inhibitors may reduce or eliminate the debilitating and sometimes life-threatening side effects associated with the current generation of HDAC inhibitors. These drug

candidates may also extend the utility of HDAC inhibition to patients suffering from a broad range of critical diseases such as cancers, inflammatory/autoimmune and neurodegenerative disorders, and infectious diseases such as malaria.

Blood cancers such as multiple myeloma are characterized by successive genetic mutations resulting in rapid cell proliferation and excess production of intracellular proteins. ACY-1215 selectively inhibits the intracellular enzyme HDAC6, leading to inactivation of the “aggresome” pathway for degradation of damaged proteins. The resultant accumulation of excess waste protein in malignant cells triggers programmed cell death, called “apoptosis,” in stressed cancer cells, with little or no effect on normal cells. Currently available HDAC inhibitor drugs non-selectively target multiple HDAC enzymes including those of Class I, resulting in dysregulated expression of numerous genes in normal cells as well as cancer cells. Side effects commonly associated with non-selective HDAC drugs include gastrointestinal dysfunction, lowered blood platelet levels and risk of hemorrhage, and profound fatigue as well as potential for severe cardiac complications. Selective inhibition of HDAC6 is expected to reduce or eliminate these often-severe side effects associated with non-selective HDAC inhibition, and may enable the development of optimized treatment regimens including maximally effective combination drug therapies.

#### **About Acetylon Pharmaceuticals, Inc.**

Acetylon Pharmaceuticals, Inc. is applying its unique capabilities to discover and develop next-generation, highly selective small molecule drugs to realize the therapeutic potential of HDAC inhibition to treat cancer, autoimmune and other diseases, while reducing the side effects common to this class of drugs. The Company is located in Boston and is based on technology initially developed at the Dana-Farber Cancer Institute and at Harvard University.  
[www.acetylon.com](http://www.acetylon.com)

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