



For Release

**Hadasit, Hadassah Medical Organization and Brigham and Women's Hospital
Announce the Successful Phase I Study Results of a
New Orally Administered Drug for Autoimmune Diseases**

The new drug demonstrated to be safe in healthy subjects and showed no adverse side effects.

Jerusalem, Israel and Boston, Massachusetts, April 16, 2008 --- Hadasit, the technology transfer company of Hadassah Medical Organization in Jerusalem, and Brigham and Women's Hospital (BWH), a teaching affiliate of Harvard Medical School, announced today the successful results of a Phase I study of a new orally administered drug for immune mediated diseases such as diabetes, Crohn's disease, psoriasis, multiple sclerosis, and liver diseases. The trial was announced in January 2008.

The treatment was found to be safe, with no adverse side effects. It was also shown to have a clear modulatory effect on the immune system. Data demonstrated that there was an increase in the regulatory cells that control the immune response in the body. In addition, there was a decrease in the cytokines that induce inflammation. The results enabled the clinical team to identify the mechanism of the effects as well as to determine which cells in the immune system are involved in the process of defense.

"Any time you go from pre-clinical to clinical you never know what you are going to see. First, to our pleasant surprise, we were able to modulate the immune system in exactly the way we wanted. Secondly, the fact that we observed the same results in the Phase I clinical study as those in the animal studies is very exciting. We know that the new drug works in animals, so, based on our findings in healthy patients, we now have the confidence to test the drug in humans with disease. Finally, when a monoclonal antibody is administered intravenously, which is the way they are given in medicine, the body has been known to rebel by building immunity to it. This was not the case with the orally administered drug," said Dr. Howard L. Weiner, Robert L. Kroc Professor of Neurology at Harvard Medical School, Director of the Partners Multiple Sclerosis Center at Brigham and Women's Hospital and a pioneer in the fields of oral tolerance and oral administration of the monoclonal antibody.

The Phase I trial, which included 18 healthy male subjects, in their 20's and 30's, investigated dosing, safety and the immunological effects of the drug, which was given orally, once daily, for a week. The study was conducted at the Hadassah Hospital, Jerusalem. The drug is based on Monoclonal Antibody (Anti-CD3) and a Glyco Lipid given separately and together.

“This was one of the most complicated studies ever performed on human beings to show that immune modulatory effects can be achieved based on the concept of oral tolerance and oral dosing . We now have a proof of concept that the therapy is safe in humans and that it can affect the immune system. Also impressive is how our joint team completed the Phase I study at lightning speed. We are looking forward to continuing our association with Harvard and BWH and to commencing the next round of trials, at BWH and at Hadassah’s new Clinical Research Center in Ein Kerem, which is now fully operational,” said Dr. Rafi Hofstein, CEO of Hadasit.

Phase II studies are anticipated to begin during the second half of 2008. Indications under consideration include multiple sclerosis, Hepatitis C, Diabetes Type II and fatty liver disease.

About Hadasit

Hadasit (www.hadasit.co.il), the Technology Transfer Company of Hadassah Medical Organization (HMO) in Jerusalem, Israel, promotes and commercializes HMO’s continuously generated intellectual property (IP) and R&D capabilities. IP generated by HMO has already gained global recognition due to Hadasit’s successful enterprising of Hadassah’s biomedical technology, including novel therapeutics, diagnostics and devices. For additional information or to schedule an interview, please contact Marjie Hadad, Media Liaison, Hadasit, at +972-54-536-5220 or e-mail marjie@netvision.net.il.

About Brigham and Women’s Hospital

Brigham and Women's Hospital (BWH) is a 747-bed nonprofit teaching affiliate of Harvard Medical School and a founding member of Partners HealthCare, an integrated health care delivery network. BWH is committed to excellence in patient care with expertise in virtually every specialty of medicine and surgery. The BWH medical preeminence dates back to 1832, and today that rich history in clinical care is coupled with its national leadership in quality improvement and patient safety initiatives and its dedication to educating and training the next generation of health care professionals. Through investigation and discovery conducted at its Biomedical Research Institute (BRI), BWH is an international leader in basic, clinical and translational research on human diseases, involving more than 860 physician-investigators and renowned biomedical scientists and faculty supported by more than \$416 M in funding. BWH is also home to major landmark epidemiologic population studies, including the Nurses' and Physicians' Health Studies and the Women's Health Initiative. For more information about BWH, please visit www.brighamandwomens.org. Contact Kevin C. Myron at kmyron@partners.org or call 617-534-1605.

About Harvard Medical School

Harvard Medical School has more than 7,500 full-time faculty working in 11 academic departments located at the School's Boston campus or in one of 47 hospital-based clinical departments at 18 Harvard-affiliated teaching hospitals and research institutes. Those affiliates include Beth Israel Deaconess Medical Center, Brigham and Women's Hospital, Cambridge Health Alliance, Children's Hospital Boston, Dana-Farber Cancer Institute, Forsyth Institute, Harvard Pilgrim Health Care, Hebrew SeniorLife, Joslin Diabetes Center, Judge Baker Children's Center, Immune Disease Institute, Massachusetts Eye and Ear Infirmary, Massachusetts General

Hospital, McLean Hospital, Mount Auburn Hospital, Schepens Eye Research Institute, Spaulding Rehabilitation Hospital, and VA Boston Healthcare System. For more information please visit <http://hms.harvard.edu/hms/home.asp>

About Hadassah University Medical Center

The Hadassah University Medical Center is a state-of-the-art medical center incorporating all medical and surgical sub-specialties. With a 750 beds tertiary care referral hospital at Ein Kerem and a 300 bed community hospital on Mt. Scopus, Hadassah University Medical Center in Jerusalem conducts half of the hospital research in Israel. The flagship of Hadassah, the Women's Zionist Organization of America, which laid the foundation of Israel's medical infrastructure, initiated and maintains educational programs and youth institutions, and is the main supporter of The Hadassah Medical Center, which is committed to excellence in health care, medical research and medical education. Together with the Hebrew University, Hadassah runs five academic schools of medical professions. Hadassah treats everybody, regardless of race, religion, gender, ethnicity or political persuasion, and provides medical services to nearly one million people annually. www.hadassah.org.il