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AGTC and JDRF announce partnership to develop gene therapy for diabetic eye disease

May 16, 2006 – The Juvenile Diabetes Research Foundation has joined in a partnership with AGTC (Applied Genetic Technologies Corp.) and Genzyme Corporation to develop a gene therapy treatment to potentially prevent blindness resulting from diabetic retinopathy.

JDRF, the leading charitable funder of research leading to a cure for type 1 diabetes and its complications, announced today that it will provide milestone-driven payments of up to \$1 million to the project over two years, based on the research achieving specific technical milestones. The funding will allow the companies to broaden their joint efforts in ocular diseases to include products to treat this debilitating condition.

Ocular diseases are common complications of diabetes, with diabetic retinopathy the most common and the most serious. Most individuals with type 1 diabetes will ultimately develop symptoms of retinopathy, which is a progressive disease that destroys small blood vessels in the retina, eventually causing vision problems. There are no products currently on the market for treating diabetic retinopathy.

“This partnership provides an excellent opportunity to accelerate the progress of potential treatments for diabetic retinopathy from discovery through development,” said Dr. Richard A. Insel, M.D., Executive Vice President for Research at JDRF.

JDRF funds research across a range of scientific areas, including beta cell regeneration, immunology, islet cell replacement, complications, genetics, and technological innovations and therapeutics. The AGTC/Genzyme partnership is a part of the foundation’s innovative Industry Discovery and Development Partnership program, through which JDRF partners with pharmaceutical, biotech, and medical device businesses looking to develop drugs, treatments, technologies, and other therapeutics leading to a cure, reversal, or prevention of type 1 diabetes and its complications.

“We are extremely pleased to have this opportunity to work with the JDRF and to help them reach their goal of improving the lives of people with diabetes,” said Sue Washer, President and CEO of AGTC. “This funding demonstrates JDRF’s commitment to research and the clarity of their long-range vision in working with scientists in industry as well as academia.”

She added: “We believe that the chronic and progressive nature of diabetic retinopathy, as well as the advantages of delivering the treatment within a very precise location, make it a strong candidate for a gene therapy approach. This research will help establish the foundation of such an approach.”