



CONTACT:

Sarah Kurz
301-354-2650

**MACROGENICS BEGINS GLOBAL PHASE 2/3 PROTÉGÉ STUDY
IN RECENT-ONSET TYPE 1 DIABETES MELLITUS**

Three Independent Clinical Trials Initiated with Teplizumab Manufactured at MacroGenics

ROCKVILLE, MD. August 2, 2007. MacroGenics, Inc. announced today that its Protégé trial is actively enrolling adults and children ages 8 to 35 with recent-onset type 1 diabetes. The global Phase 2/3 clinical trial will evaluate the safety and efficacy of three teplizumab dosing regimens administered at the start of the study and again at six months in individuals who are up to 12 weeks from their diagnosis of type 1 diabetes. “The initiation of the pivotal Protégé study is an important milestone for MacroGenics and for the type 1 diabetes research community,” stated Dr. Scott Koenig, President and CEO of MacroGenics. “It is also notable that teplizumab is the first CD3 monoclonal therapy targeting type 1 diabetes to reach this stage of clinical development.”

Specifically, the Protégé study will assess the ability of teplizumab to inhibit the autoimmune attack that destroys insulin-producing pancreatic beta cells in individuals with type 1 diabetes. If teplizumab is effective and has the ability to preserve or protect beta cells of the pancreas, patients may require less injected insulin and their blood glucose levels may be easier to control. Other research has shown that greater control of blood glucose levels can lead to better long-term health outcomes for patients with type 1 diabetes.

Dr. Koenig also commented, “We are pleased to announce that Dr. Kevan Herold of Yale University and Dr. Bernhard Hering of the University of Minnesota are leading additional teplizumab studies in type 1 diabetes.” The AbATE and Delay studies, led by Dr. Herold, are evaluating the safety and efficacy of teplizumab in patients who have had the disease for up to one year. Dr. Hering is evaluating the use of teplizumab as an induction therapy in pancreatic islet cell transplantation.

Additional information regarding the studies is listed in the table below.

Teplizumab Clinical Trials		
Study	Brief Description	Additional Information
Protégé trial	Global Phase 2/3 trial for patients with recent-onset type 1 diabetes mellitus (≤ 12 weeks from symptoms) ages 8-35 with treatment at the start of the study and again at six months	www.protegediabetes.com www.clinicaltrials.gov (search for Protégé)
AbATE trial	Led by Dr. Kevan Herold of Yale University, this Phase 2 trial, funded by the Immune Tolerance Network and NIAID, will evaluate patients with recent-onset type 1 diabetes mellitus (≤ 6 weeks from diagnosis) ages 8-30 with treatment at the start of the study and again at one year	www.abatetrial.org www.clinicaltrials.gov (search for NCT00129259)
Delay Study	Led by Dr. Kevan Herold of Yale University, this Phase 2 trial funded by NIDDK is for patients ages 8-30 with type 1 diabetes mellitus within 4-12 months of diagnosis	www.clinicaltrials.gov (search for NCT00378508)
Pancreatic islet cell transplantation with teplizumab induction therapy	Led by Dr. Bernhard Hering of the University of Minnesota, this Phase 2 trial funded by NIDDK is enrolling patients less than 40 years old who have been insulin dependent for more than 5 years	www.clinicaltrials.gov (search for NCT00265473)

About Teplizumab

Teplizumab, also called MGA031 and hOKT3-gamma-1 (Ala-Ala), is a humanized monoclonal antibody engineered to alter the function of the T lymphocytes that mediate the destruction of the insulin-producing beta cells of the islets of the pancreas. Teplizumab binds to an epitope of the CD3-epsilon chain expressed on mature T cells and by doing so, may modulate the immunologic response that causes disease.

About Type 1 Diabetes

Type 1 diabetes is an autoimmune disease in which the body's immune system attacks and destroys the insulin-producing beta cells of the pancreas. The symptoms associated with type 1 diabetes can appear suddenly and leave a person dependent on injected insulin for life. The disease carries the constant threat of devastating complications such as heart and kidney disease, nerve damage and blindness. Although diagnosis most often occurs in childhood and adolescence, the disease can strike adults as well. Individuals with type 1 diabetes must test their blood sugar four or more times per day and take multiple insulin injections daily or continually infuse insulin through a pump. While trying to balance insulin doses with their food intake and daily activities, people with this form of diabetes must always be prepared for serious hypoglycemic (low blood sugar) and hyperglycemic (high blood sugar) reactions, both of which impact quality of life and can be life threatening. This balance is especially difficult to achieve in children and young adults who are very active physically.

About MacroGenics, Inc.

Founded in 2000, MacroGenics is a private, venture-backed biotechnology company headquartered in Rockville, Maryland that focuses on the development, manufacture, and commercialization of immunotherapeutics for autoimmune disorders, cancer and infectious diseases. The company's proprietary Fc engineering technology offers ways of improving antibody function, such as enhancing the antibody's ability to eliminate cancer cells, cells that contribute to autoimmune disorders, or those

infected with certain pathogens. The company is developing first-in-class product candidates from its autoimmunity, oncology and infectious disease portfolios. For more information about MacroGenics, please visit www.macrogenics.com.

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