

Bristol-Myers Squibb Signs Exclusive Option Agreement to Acquire Galecto Biotech AB and its Novel Galectin-3 inhibitor in Development for Idiopathic Pulmonary Fibrosis

(NEW YORK and COPENHAGEN – November 3, 2014) - [Bristol-Myers Squibb Company](#) (NYSE: BMY) and Galecto Biotech AB today announced that the companies, together with the Galecto shareholders, have entered into an agreement that provides Bristol-Myers Squibb the exclusive option to acquire Galecto Biotech AB and gain worldwide rights to its lead asset TD139, a novel inhaled inhibitor of galectin-3 in Phase 1 development for the treatment of idiopathic pulmonary fibrosis (IPF) and other pulmonary fibrotic condition. Total aggregate payments in agreement have the potential to reach \$444 million, which includes the option fee, an option exercise fee and subsequent clinical and regulatory milestone payments.

“Delivering innovative medicines that halt or slow the progression of fibrotic diseases is a key part of our R&D strategy and long-term growth,” said [Francis Cuss](#), MB BChir, FRCP, executive vice president and chief scientific officer, Bristol-Myers Squibb. “TD139 provides Bristol-Myers Squibb an opportunity to advance the company’s fibrosis development program with the addition of a promising compound that has the potential to modulate multiple disease pathways.”

“Galecto has, in close collaboration with our founders, managed to demonstrate the importance of galectin-3 as an anti-fibrosis target,” said [Hans Schambye](#), MD PhD, CEO of Galecto Biotech. “We have confirmed the anti-fibrotic activity of our lead compound, TD139, in several preclinical models and now taken the compound into clinical testing in healthy volunteers followed by patient studies in early 2015.”

“Partnering with Bristol-Myers Squibb validates what we have created in Galecto, and will allow us to advance TD139 and our portfolio of other galectin modulators for several important human conditions,” said [Magnus Persson](#), MD PhD, Chairman of Galecto.

Galectin-3 is a protein which binds to carbohydrate structures in the body, and plays a central role in various types of fibrosis. By targeting and inhibiting the protein’s binding ability, galectin-3 inhibitors represent a promising approach to treat diseases that exhibit galentin-3 expression such as IPF, a chronic, progressive form of lung disease characterized by the scarring of lung tissue for which there are limited treatment options. TD139 is a highly potent, specific inhibitor of the galactoside-binding pocket of galectin-3 formulated for inhalation, which enables direct targeting the fibrotic tissue in the lungs, while minimizing systemic exposure.

Bristol-Myers Squibb is developing an early stage fibrosis portfolio that includes BMS-986020, a lysophosphatidic acid 1 (LPA1) receptor antagonist in development for the treatment of IPF, and is working to identify additional targets to prioritize for future development.

Under terms of the agreement, BMS can exercise the option to acquire Galecto at any time following the execution of the transaction agreement but no later than sixty days following completion of the Phase 1b trial. The companies have agreed on pre-clinical studies and a Phase 1 development plan that will be executed by Galecto AB during the option period.

About IPF

IPF (Idiopathic Pulmonary Fibrosis) is a progressive, irreversible, ultimately fatal lung disease characterized by restriction in lung capacity, due to scarring of the lung tissue. IPF is an orphan indication that affects between 200,000 and 300,000 in the Western world. Currently, only limited treatment options are available, so IPF remains a very substantial unmet medical need.

About Galecto Biotech AB

Galecto Biotech is focused on developing novel drugs for the treatment of fibrosis, inflammation and other serious human diseases. The company's products target galectins or galactoside binding lectins, which are a group of proteins shown to be involved in many disease processes. Galecto Biotech's high potency Galectin Modulators may open new treatment possibilities for many patients. The company is led by top-level scientists and biotech executives. Galecto Biotech is funded by Novo Seeds, MS Ventures*, Sunstone Capital and SEED Capital. Galecto Biotech is located in Copenhagen, Denmark, with close proximity to the founders' research groups. *MS Ventures is the strategic, corporate venture arm of the biopharmaceutical division of Merck KGaA, Darmstadt, Germany

About Bristol-Myers Squibb

Bristol-Myers Squibb is a global biopharmaceutical company whose mission is to discover, develop and deliver innovative medicines that help patients prevail over serious diseases. For more information, please visit www.bms.com or follow us on Twitter at <http://twitter.com/bmsnews>.

Bristol-Myers Squibb Forward-Looking Statement

This press release contains "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995 regarding the research, development and commercialization of pharmaceutical products. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change any of them, and could cause actual outcomes and results to differ materially from current expectations. No forward-

looking statement can be guaranteed. Among other risks, there can be no guarantee that the investigational compounds discussed in this release will be successfully developed or approved for any of the indications described in this release or that we will exercise our option to acquire Galecto. Forward-looking statements in this press release should be evaluated together with the many uncertainties that affect Bristol-Myers Squibb's business, particularly those identified in the cautionary factors discussion in Bristol-Myers Squibb's Annual Report on Form 10-K for the year ended December 31, 2013 in our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. Bristol-Myers Squibb undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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