

FOR RELEASE September 28

Pieris Signs Broad Collaboration with Sanofi-Aventis and Sanofi Pasteur to Develop Anticalin Therapeutics

Freising-Weihenstephan, Germany, September 28, 2010—

Pieris AG announced today the signature of a collaboration and license agreement with both Sanofi-Aventis and Sanofi Pasteur, the vaccines division of the sanofi-aventis Group (EURONEXT: SAN and NYSE: SNY), under which Pieris will apply its proprietary Anticalin technology to discover novel Anticalin drugs against multiple targets, with further development undertaken by Sanofi-Aventis and Sanofi-Pasteur. The collaboration will initially involve two targets nominated by Sanofi-Aventis and Sanofi-Pasteur, and includes the option for four additional targets.

Anticalins are a novel generation of targeted therapeutics and are sourced from Pieris' proprietary libraries. They have the potential to overcome some of the constraints of monoclonal antibodies, thereby allowing novel therapeutic approaches.

“This multi-year collaboration underscores our strategy of developing a broad pipeline of therapeutic Anticalin drug candidates comprising partnered programs in addition to our proprietary drug portfolio,” noted Stephen Yoder, CEO of Pieris. “The opportunity to collaborate with a pharmaceutical company of sanofi-aventis’ caliber is an exciting step as we continue to demonstrate the diverse applicability of the Anticalin technology.”

“Sanofi-Aventis’ basic objective of finding new solutions to address patients’ needs is furthered in this collaboration by exploiting innovative technology which focuses on some of the fundamental mechanisms of disease processes,” commented Leopold Berteau, VP of the Scientific Core Platform, Biologics Center at sanofi-aventis. “Pieris’ Anticalin technology will allow sanofi-aventis to take a more comprehensive approach to developing targeted therapeutics, as we believe the Anticalin technology will complement our existing suite of more conventional technologies.”

Under the terms of the agreement, Pieris will receive € 3.5 million in an upfront payment for the first two targets, committed research funding and payments for the achievement of research, preclinical, regulatory and commercial milestones. Overall, the agreement could encompass for Pieris, per each product resulting from the collaboration, up to € 26.5 million in development milestones for the first therapeutic application and € 18 million in commercial milestones. Further milestones would be received by Pieris with respect to the same product in the case of development of that product in additional therapeutic applications. Payments will also include tiered royalties on sales of products resulting from the collaboration. Sanofi-Aventis and Sanofi Pasteur will have exclusive marketing rights worldwide for all such products.

About Sanofi-Aventis

Sanofi-Aventis, a leading global pharmaceutical company, discovers, develops and distributes therapeutic solutions to improve the lives of everyone. sanofi-aventis is listed in Paris (EURONEXT: SAN) and in New York (NYSE: SNY).

Sanofi Pasteur, the vaccines division of Sanofi-Aventis Group, provided more than 1.6 billion doses of vaccine in 2008, making it possible to immunize more than 500 million people across the globe. A world leader in the vaccine industry, Sanofi Pasteur offers the broadest range of vaccines protecting against 20 infectious diseases. The company's heritage, to create vaccines that protect life, dates back more than a century. Sanofi Pasteur is the largest company entirely dedicated to vaccines. Every day, the company invests more than EUR 1 million in research and development. For more information, please visit: www.sanofipasteur.com or www.sanofipasteur.us.

About Pieris

Pieris AG is an independent biotechnology company advancing its proprietary Anticalin[®] technology to create safer, more efficacious and more convenient protein therapeutics. Exclusive to Pieris, Anticalin-based drugs promise to address high-unmet medical needs and expand the therapeutic potential of current targeted approaches. Pieris' pipeline ranges from its lead compound (anti-VEGF, oncology), which entered the clinic in the first half of 2010, to multiple Anticalins in preclinical development. Pieris will commercialize Anticalin therapeutics through strategic partnerships, involving both its proprietary pipeline and its *de novo* drug discovery capabilities. Apart from today's announced deal, its most recent partnership is with Allergan, Inc. (NYSE: AGN), focusing on novel treatments for eye diseases. Privately held, Pieris has been funded by premier biotechnology-focused venture capital, including lead investors OrbiMed Advisors and Global Life Science Ventures.

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