FOR IMMEDIATE RELEASE

Pieris Presents Preclinical Data for PRS-080 Hepcidin Antagonist Anticalin® Program at ASH Annual Meeting

--Breadth of Pharmacokinetic Data Points to Tunable Half-life for Platform--

San Diego, CA, USA, December 13, 2011 — Pieris AG presented novel preclinical *in vitro* and *in vivo* data for its PRS-080 Anticalin hepcidin antagonist in an oral presentation at the American Society of Hematology Annual Meeting, the company announced today. In a presentation entitled "Discovery and Preclinical Characterization of a Novel Hepcidin Antagonist with Tunable PK/PD Properties for the Treatment of Anemia in Different Patient Populations", the results demonstrated Pieris' PRS-080's ability to increase the serum iron levels in preclinical models by binding the hepcidin target with high affinity and specificity, while offering the flexibility of a tunable pharmacokinetic (PK) and pharmacodynamic (PD) profile.

"These studies in multiple preclinical species and models demonstrate the high level of control offered by the Anticalin approach in combination with PEGylation to create 'fit for purpose' PK/PD profiles that can match specific target biology across different patient populations," stated Laurent Audoly, Ph.D., Chief Scientific Officer of Pieris. "In particular, the clear relationship between PEG formats and the resulting PK/PD profile for several PRS-080 variants tested in animal models provides an extremely encouraging basis for a rapid advance toward the clinic and creates a portfolio of molecules adapted for different hepcidin-dependent diseases."

The presentation at ASH included several *in vivo* animal studies of PRS-080's sub-nanomolar potency in binding hepcidin, which is a small peptide that plays a pivotal role in the regulation of iron levels in the blood. In addition, Pieris researchers documented reliable drug half-life levels dependent on the size of the PEGylated compound. In several preclinical models, a single dose of four different formulations of PRS-080 showed clear correlation between the PEGylation size and the pharmacokinetic properties. Based on these data and the clinical experience from a recently completed Phase I trial with a separate compound, PRS-050, Pieris researchers predict a high level of confidence in defining the best half-life profile for treating anemia in patients. The lead PRS-080 program candidate is projected to enter human clinical trials in the first half of 2013.

Hepcidin is a liver-derived peptide that regulates iron homeostasis in the blood. Produced in response to iron overload and inflammation, hepcidin decreases iron absorption. When over-expressed, the peptide is associated with the development of anemia, often the result of chronic kidney disease, cancer, cancer treatments such as chemotherapy, and other inflammatory diseases.

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Anticalins are therapeutic proteins derived from human lipocalins, rationally engineered to solve for the pharmacological and pharmaceutical limitations of both protein and non-protein based drug platforms.

About Pieris

Pieris AG is an independent, clinical-staged biotechnology company advancing its proprietary Anticalin® technology to create differentiated drugs that are safer and more effective than conventional approaches. 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, PRS-050 (anti-VEGF, oncology) that recently completed a Phase I clinical trial, to multiple Anticalins in preclinical development across a range of therapeutic areas. The company has four ongoing discovery and development collaborations: Daiichi Sankyo, Takeda San Francisco, the Sanofi Group and Allergan. Privately held, Pieris has been funded by premier biotechnology-focused venture capital, including lead investors OrbiMed Advisors and Global Life Science Ventures. For more information, please visit: www.pieris-ag.com.

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