

Sunesis to Acquire Clinical-Stage, Anti-Cancer Compound from Bristol-Myers Squibb

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SNS-032 Expands Sunesis' Pipeline of Novel Anti-Cancer Therapeutics

South San Francisco, California, April 28, 2005 – Sunesis Pharmaceuticals, Inc. announced today that it has obtained worldwide development and commercialization rights to BMS-387032 (now SNS-032), a targeted small molecule anti-cancer compound from Bristol-Myers Squibb Company (NYSE: BMY). SNS-032 is a novel cyclin dependent kinase (CDK) inhibitor that induces cell-cycle arrest and apoptosis. This clinical-stage compound is the third cell-cycle inhibitor in Sunesis' proprietary oncology portfolio.

Under the terms of the agreement, Bristol-Myers Squibb will receive an up-front equity stake of \$8 million in Sunesis. Sunesis will make a series of additional milestone payments of up to \$29 million in cash and equity based on the successful development and approval for the first indication and formulation of SNS-032. Additional development and commercialization milestones could total up to \$49 million in cash and equity. Sunesis will also make royalty payments based on net sales. In return, Sunesis will receive an exclusive, worldwide license to SNS-032 and future CDK inhibitors derived from related intellectual property.

“We believe that CDK is an excellent therapeutic target for cancer therapy and SNS-032, in particular, fits well with our overall strategy to advance a diversified pipeline of novel anti-cancer therapeutics with potential to improve current treatment standards,” said Daniel Swisher, CEO of Sunesis. “In preclinical studies, SNS-032 has demonstrated anti-tumor activity in multiple solid and hematological tumor models. In 2005, we intend to commence a new Phase I clinical trial in patients with advanced solid tumors and relapsed lymphoid malignancies.”

About SNS-032

Cytotoxic agents, including many cell-cycle inhibitors, remain the front-line standard of care in many cancers. SNS-032 is a novel aminothiazole small molecule cell-cycle modulator that targets the cyclin-dependent kinases CDK2, CDK7 and CDK9, thus halting the uncontrolled cell division characteristic of cancer. Preclinical studies have shown that SNS-032 induces cell-cycle arrest and apoptosis across multiple cell lines.

In Phase I trials, SNS-032 displayed promising pharmacologic properties and safety consistent with that of other cytotoxic anti-cancer molecules. Preclinical studies have shown that SNS-032 has activity in cancer models of solid tumors and hematologic malignancies.

SNS-032 is a small molecule that is currently administered by IV infusion, but also has the potential for being developed as an oral medication. In addition, the compound has the potential to be used as either a single agent or as part of a combination drug regimen. Sunesis intends to commence new Phase I clinical trials of SNS-032 administered by IV as a single agent and in combination with leading cancer therapies to evaluate the compound's safety, tolerability and pharmacokinetic properties in humans to establish optimal dosing regimens for Phase II clinical testing.

About Sunesis' Other Oncology Programs

Sunesis has built a portfolio of preclinical and development stage product candidates in oncology focused on novel pathways and targets, including inhibiting cell-cycle and survival signaling. Sunesis is currently conducting Phase I clinical trials for its lead compound, SNS-595, a cell-cycle modulator that acts on proliferating cancer cells by inducing cell-cycle arrest and apoptosis, or cell death. In addition, Sunesis' Aurora kinase inhibitor program is undergoing preclinical evaluation and, in cooperation with Biogen Idec, Sunesis is developing novel small molecule inhibitors of Raf and other oncology kinases.

About Sunesis Pharmaceuticals

Sunesis is a clinical-stage biopharmaceutical company focused on the discovery, development and commercialization of small molecule therapeutics for oncology, inflammatory diseases and other unmet medical needs. Sunesis has built a product candidate portfolio through internal discovery and acquisition of novel cancer therapeutics. Sunesis is advancing its product candidates through in-house research and development efforts and strategic collaborations with leading pharmaceutical and biopharmaceutical companies. For further information, visit www.sunesis.com.

Forward-Looking Statements

This press release contains forward-looking statements concerning Sunesis Pharmaceuticals' and its product development plans, including plans to commence and conduct preclinical studies and clinical trials. Sunesis may not be successful in such plans.

Statements in this press release regarding Sunesis Pharmaceuticals' business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. Forward-looking statements can be identified by, among other things, the use of forward-looking language, such as "anticipate," "believe," "could," "estimate," "expect," "future," "intends," "may," "plans," "should," "seeks," "potential," "will," or the negative of those terms, or other variations of those terms of comparable language, or by discussions of strategy or intentions. A number of important factors could cause actual results to differ materially from those projected or suggested in the forward-looking statements including, but not limited to, the ability of Sunesis to: (i) discover product candidates, (ii) successfully conduct preclinical studies and clinical trials of product candidates, (iii) obtain regulatory approval of any product candidates and (iv) obtain and enforce intellectual property rights. These statements speak only as of the date of this press release and the company assumes no obligation or responsibility to update or revise the statements.

CONTACT:

Eric Bjerkholt,
CFO of Sunesis Pharmaceuticals, Inc.,
+1-650-266-3717

Media and Investors

BCC Partners
Karen L. Bergman or Michelle Coral
650.575.1509 or 415.794.8662