**XBiotech Announces Launch of Study to Treat Pyoderma Gangrenosum (PG)**

**PR Newswire**
**AUSTIN, Texas, Jan. 16, 2014**

AUSTIN, Texas, Jan. 16, 2014 /PRNewswire/ -- XBiotech announced today that it has launched a Phase II study to treat a rare but debilitating disorder, Pyoderma Gangrenosum (PG). This study is based on efficacy seen with anti-IL-1α therapeutic antibody in previous dermatological clinical studies such as psoriasis and acne. PG is expected to be considered an "orphan indication" by the FDA, facilitating expedited clinical development to market.

Dr. Armand Cognetta, lead clinical investigator for the phase II study, which will be conducted at Florida State University Division of Dermatology, remarked "While Pyoderma Gangrenosum is fascinating to most dermatologists, managing these patients can be quite challenging. They often suffer a great deal and require months of close follow up and high risk immunosuppressive medications to heal. We believe that anti-IL-1α therapy may ultimately serve as a safe and effective alternative to corticosteroids and infliximab in these patients."

**ABOUT PYODERMA GANGRENOSUM (PG)**

PG is an inflammatory skin disorder that causes tissue necrosis and results in severe, painful ulcers, most commonly on the legs. PG is considered a rare condition, affecting approximately 1 in 100,000 persons, but can be devastating to those afflicted. In approximately 50% of cases, PG occurs secondary to an underlying disease such as inflammatory bowel disease, systemic arthritis, haematological diseases and malignancies. Historically, treatments for PG have varied from simple wound dressing to use of corticosteroids as well as immunosuppressant drugs. Therapy may also consist of drugs to treat the underlying disease. The prognosis of PG remains unpredictable, despite the use of current therapies.

The inflamed, ulcerated skin lesions characterized by PG are heavily infiltrated with neutrophils in the absence of infectious stimuli. While the exact pathogenesis of PG is unknown, an altered innate immune response is believed to play a role in the disease process. IL-1α is a key cytokine that drives sterile inflammation, in particular wound healing responses, and is also present in keratinocytes where it is thought to stimulate and propagate inflammation in response to tissue damage. IL-1α is therefore expected to play a key role in the pathogenesis of inflammatory dermatoses, such as PG.

**ABOUT XBIOTECH**

XBiotech is leading the commercialization of biological therapies—including the discovery and development of True Human™ antibodies. The Company's lead product candidate—in Phase III
clinical studies—represents a novel, breakthrough treatment for advanced colorectal cancer. XBiotech has also developed manufacturing technology to reduce infrastructure needs, lessen capital requirements and reduce lead times for biological drugs, ushering in a new era for cost and development efficiency in the biopharmaceutical industry.

Contact:
Information:
Ashley Otero
XBiotech
info@xbiotech.com
512.386.2930

SOURCE XBiotech