



Stelis Biopharma and Pieris Forge Alliance for Novel Anticalin[®] Therapeutics in Ophthalmology

--Collaboration foresees multiple first-in-class drug candidates--

Bangalore, India and Freising, Germany, December 17, 2013 – Stelis Biopharma (formerly Agila Biotech), a subsidiary of Strides Arcolab Limited, focused on biotherapeutic drug development and bio-manufacturing, and Pieris AG, a next generation therapeutic protein R&D company, announced the initiation of a long-term collaboration for clinical development and commercialization of multiple novel Anticalin[®]-based protein therapeutics worldwide, primarily focusing on ophthalmology. The alliance deploys the synergies of Pieris' innovative drug discovery and early development capabilities with Stelis' strong bio-manufacturing and clinical development expertise. Under the terms of the agreement, Pieris will advance each collaborative program through in vivo proof of concept, at which stage Stelis will be responsible for drug manufacturing and advancing the molecule through a first-in-human clinical study. Following positive clinical data, the parties will co-develop programs under a joint venture.

Dr. Anand Iyer, CEO of Stelis commented, "Our alliance with Pieris demonstrates how Stelis' strategic investments into state-of-the-art manufacturing facilities are attracting partners with cutting edge biologics such as Anticalins, which hold great promise in the ophthalmic space." Pieris CEO, Stephen Yoder, stated, "Today's announcement is another example of how Pieris is finding innovative structures and committed partners to advance several Anticalins to the clinic in areas of high unmet need. Our strategic relationship with Stelis provides access to bio-manufacturing capabilities of the highest standard, yet in a very cost-effective manner."

About Stelis Biopharma / Strides Arcolab Ltd.

Stelis Biopharma Private Limited, India (formerly known as Agila Biotech Private Limited, India), is a wholly owned subsidiary of **Strides Arcolab Limited, India**. **Stelis Biopharma (Malaysia) Sdn Bhd** (formerly known as Agila Biotech (Malaysia) Sdn Bhd), is a wholly owned subsidiary of Stelis Biopharma Private Limited, India.

Stelis Biopharma is building a state-of-the-art R&D in Bangalore (India) to research, and develop biotherapeutic drugs and devices including, but not limited to, biosimilars, biobetters, NBEs, novel formulations and drug loaded devices. The Company is also building a state-of-the-art, fully integrated manufacturing facility at Bio-Xcell's biotechnology park in

Nusajaya, within the Iskandar region of Johor, Malaysia for the manufacture of biotherapeutics and devices.

Strides Arcolab, listed on the Bombay Stock Exchange Limited (532531) and National Stock Exchange of India Limited (STAR), is a global pharmaceutical Company headquartered in Bangalore, India that develops and manufactures a wide range of IP-led niche pharmaceutical products.

The Company has 5 manufacturing facilities presence in more than 75 countries in developed and emerging markets.

Additional information is available at the Company's website at www.stridesarco.com.

About Pieris & Anticalins

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, Anticalins promise to address high-unmet medical needs and expand the potential of targeted therapeutics. The company currently has a diverse proprietary pipeline and has, in addition to Stelis, ongoing R&D collaborations with Daiichi Sankyo, the Sanofi Group, Zydus Cadila and Allergan. Privately held, Pieris has been funded by premier biotechnology-focused venture capital, including lead investors OrbiMed Advisors and Global Life Science Ventures. www.pieris-ag.com.

Anticalins® are recombinantly engineered versions of human lipocalins, low-molecular weight polypeptides that naturally bind, store and transport a wide spectrum of molecules. To make Anticalins, Pieris makes discrete changes to those lipocalin amino acid positions responsible in endogenous ligand binding, thereby redirecting specificity away from the natural ligand and to virtually any target of interest. By utilizing an endogenous binding protein as a template, Pieris "hijacks" the natural function of the lipocalin to enable diverse therapeutic applications.

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