# Curis, Inc. Reports Decision to Advance a Systemically Administered Hedgehog Antagonist into Phase II Clinical Testing

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Dec. 12, 2007--Curis, Inc. (NASDAQ: CRIS), a drug development company focused on seeking to develop proprietary targeted medicines primarily for cancer treatment, today announced that its collaborator, Genentech, has notified Curis of its decision to progress a systemically administered Hedgehog antagonist drug candidate into Phase II clinical testing in the first half of 2008. The drug candidate will be evaluated in one or more solid tumor indications. Upon Phase II initiation, Curis will be eligible to receive additional cash milestone payments from Genentech under the parties' June 2003 collaboration agreement. Should the current drug candidate successfully continue its development into subsequent stages of clinical testing and regulatory approval, Curis would be eligible to receive additional cash milestone payments. In addition, in the event the drug candidate is successfully commercialized, Curis would be eligible to receive royalties on product sales.

"We are pleased with Genentech's decision," said Curis President and CEO Daniel R. Passeri, MSc., J.D. "This represents an important development for Curis as our business model and portfolio continue to evolve. We continue to remain optimistic about our Hedgehog antagonist drug candidate, and look forward to providing further updates on this program upon initiation of Phase II clinical testing."

About the Hedgehog Antagonist Program

In June 2003, Curis and Genentech entered into a collaboration for the development of Hedgehog pathway antagonists based upon Curis' technologies with a current focus on the clinical testing of a drug candidate in a variety of cancer types. Numerous preclinical reports have linked abnormal activation of the Hedgehog pathway to the growth of several cancers.

Pursuant to the collaboration, in January 2007, Genentech began a Phase I clinical trial of a systemic Hedgehog antagonist in patients with locally advanced or metastatic cancers that are refractory to standard therapy or for whom no standard therapies exist. The primary objectives of the Phase I trial are to evaluate the safety and tolerability of escalating doses of the Phase I molecule, to establish the maximum tolerated dose and dose limiting toxicities and to characterize the pharmacokinetic and pharmacodynamic properties of the drug candidate. In October 2007, Genentech notified Curis that the initial objectives of the Phase I clinical trial were achieved and Genentech initiated a Phase I clinical trial expansion cohort to enroll additional patients in a specific cancer indication for preliminary signs of clinical response as well as the continued accumulation of Phase I safety data. In accordance with the terms of the parties' June 2003 collaboration agreement, Curis received a $3 million cash milestone payment upon the initiation of the expansion cohort because Genentech determined that the Phase I clinical trial expansion cohort satisfied the criteria for a Phase II clinical trial under the agreement.

About Curis, Inc.

Curis is a drug development company that is committed to leveraging its innovative signaling pathway drug technologies in seeking to create new medicines, primarily for cancer. In expanding its drug development efforts in the field of cancer through its Targeted Cancer Drug Development Platform, the Company is building upon its experiences in targeting signaling pathways in the areas of cancer, neurological disease and cardiovascular disease. For more information, visit www.curis.com.

Cautionary Statement: This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the Company's expectation that Genentech will initiate Phase II clinical testing in 2008 in one or more solid tumor indications and that Curis will receive additional milestone payments related to such advancement, Curis' expectations regarding the continued progress of this Hedgehog antagonist drug candidate and Curis' plans to provide further updates on this program upon initiation of Phase II clinical testing. Forward-looking statements used in this press release may contain the words "believes", "expects", "anticipates", "plans", "seeks", "estimates", "will", "may" or similar expressions. These forward-looking statements are not guarantees of future performance and involve risks, uncertainties, assumptions and other factors that may cause the Company's actual results to be materially different from those indicated by such forward-looking statements including, among other things:

- -- adverse results, delays and/or failures in the Company's and its strategic collaborators' and licensees' product development programs, including without limitation its Hedgehog pathway antagonist program currently under development with Genentech;
- -- difficulties or delays in obtaining or maintaining required regulatory approvals;
- -- the Company's ability to obtain or maintain intellectual property protection necessary for the development and commercialization of products based on its technologies;
- -- changes in, or the Company's inability to execute, its business plan;
- -- the risk that Curis does not obtain the additional funding required to conduct research and development of its product

candidates and execute its business plan;

-- unplanned cash requirements and expenditures which, among other things, could shorten the estimated period in which the Company will have cash to fund its operations;

-- risks relating to the Company's ability to enter into and maintain important strategic collaborations, and the risk that its current and future collaborators and licensees will not perform adequately, including its current collaborations with Genentech and Wyeth;

-- competitive pressures; and

-- other risk factors identified in the Company's most recent Current Report on Form 10-Q and its other reports periodically filed with the Securities and Exchange Commission.

In addition, any forward-looking statements represent the Company's views only as of today and should not be relied upon as representing its views as of any subsequent date. The Company disclaims any intention or obligation to update any of the forward-looking statements after the date of this press release whether as a result of new information, future events or otherwise.

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