

Curis Provides Update on BMP-7 Program Ortho Biotech Products, L.P. Terminates License; BMP-7 Technology to be Returned to Curis for Future License

CAMBRIDGE, Mass.--(BUSINESS WIRE)--May 18, 2007--Curis, Inc. (NASDAQ: CRIS), a drug development company focused on seeking to develop novel targeted medicines primarily for cancer treatment, today provided an update on its bone morphogenetic protein-7, or BMP-7, program for kidney and other diseases. Preclinical research efforts on BMP-7 molecules have been ongoing at Ortho Biotech Products, L.P. since November 2002 under a license agreement between the parties. Ortho Biotech Products has determined that it will cease its development efforts on the BMP-7 program and, on May 18, 2007, provided Curis with written notice that it intends to terminate the license agreement. Pursuant to the license agreement, the agreement will terminate 90 days from this notice, or on August 16, 2007. On the termination date, the licenses granted by Curis to Ortho Biotech Products shall terminate.

Daniel R. Passeri, President and Chief Executive Officer of Curis, said, "We have been concerned with the rate of research progress of our BMP-7 assets since the license agreement was completed in November 2002. While we are disappointed that Ortho Biotech Products has elected to terminate the license, we continue to believe that there is significant published preclinical evidence that supports the potential of BMP-7 as a possible therapy for kidney disease and the related diseases including vascular calcification and renal osteodystrophy. Based on the robust preclinical scientific data and our belief that there is strong patient demand, we plan to immediately begin contacting potentially interested parties for licensure of this program."

Keith Hruska, MD, a Professor of Pediatrics, Internal Medicine, and Cell Biology and Physiology at the Washington University School of Medicine in St. Louis and a leading researcher in the BMP-7 field has stated "Many clinical researchers in kidney diseases consider BMP-7 protein a highly desirable candidate therapeutic for testing in the clinic. This interest has increased in recent years as evidence has accumulated in a number of animal models of kidney disease that BMP-7 not only has potential for arresting kidney scarring, but may alleviate major downstream consequences of chronic kidney disease; namely vascular calcification and bone disease. Vascular calcification (which is linked to kidney failure caused bone disease) is a major cause of death for patients with chronic kidney disease, and developing new treatments that address both chronic kidney disease itself and its deleterious systemic consequences would be of major significance in the clinic."

Mr. Passeri continued, "While we seek to re-license our BMP-7 technologies, we plan to continue to progress a number of promising drug programs. In the coming months, we will continue our efforts around our core programs in cancer. We are continuing our IND preparation efforts on CUDC-101, a product candidate under development as a small molecule inhibitor of EGFR and Her2 kinases as well as a non-kinase Target A. We expect that we will file an IND for CUDC-101 in early 2008. In addition, as we continue to progress CUDC-101 internally, we are actively seeking a collaborator for this program that will enable Curis to retain greater involvement in at least the early stages of clinical testing. Following CUDC-101 is a broad platform of small molecule multi-target inhibitors. We expect that we will select our second development candidate from this platform in late 2007. In addition to these proprietary programs, Genentech is currently conducting a Phase I clinical trial on a small molecule Hedgehog antagonist for cancer and we and Wyeth are conducting preclinical research on small molecule Hedgehog agonists for the treatment of stroke. Wyeth is also independently conducting additional research using a systemically-administered Hedgehog protein as a possible treatment for cardiovascular disease. I look forward to providing future updates on all of these programs."

About Curis, Inc.

Curis is a drug development company that is committed to leveraging its innovative signaling pathway drug technologies to seek 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 previous 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 Curis' plans to immediately begin contacting potentially interested parties for licensure of its BMP-7 program; its plans to continue to progress a number of its other programs including CUDC-101, other multi-target inhibitors, a Hedgehog antagonist for cancer, Hedgehog agonists for stroke, and Hedgehog protein for cardiovascular disease; and Curis' plans to continue to seek a collaborator for CUDC-101. 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 adverse events, difficulties with patient enrollment and other unplanned delays in its Hedgehog pathway antagonist program currently under Phase I clinical development with Genentech and unplanned delays and/or failures in the Company's efforts to advance its Targeted Cancer Drug Development Platform programs;
- difficulties or delays in obtaining or maintaining required

regulatory approvals for products being developed by the Company and its collaborators and licensees;

- the Company's ability to obtain or maintain the patent and other proprietary 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 such risks with respect to its current collaboration agreements 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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