

Press Release

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GALILEO

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**PERLEGEN SCIENCES AND GALILEO GENOMICS FORM COLLABORATION
TO DETERMINE THE GENETIC BASIS OF 21 COMMON DISEASES**

Mountain View, California and Montreal, Quebec – January 26, 2004 – Perlegen Sciences, Inc. and Galileo Genomics Inc. today announced a collaboration to rapidly develop a Quebec Linkage Disequilibrium Map (QLDM) consisting of approximately 40,000 single nucleotide polymorphisms (SNPs) chosen to represent the specific patterns of linkage disequilibrium (genetic sharing) in the Quebec Founder Population. The companies will use the QLDM to conduct genome wide scans on DNA samples from individuals collected by Galileo, using haplotype sharing, in 21 common diseases.

Perlegen is a leader in high-density SNP genotyping technology. The company has identified SNPs that, because they were derived from haploid (single) chromosomes, accurately characterise the extent of genetic sharing in most regions of the human genome for general populations.

Galileo has collected over 18,000 DNA samples from patients with precisely defined phenotypes and their relatives in over 20 common diseases through its collaboration with over 700 clinical investigators in Quebec. The company will increase this unique and powerful asset to 35,000 samples by 2005. The company applies proprietary algorithms to genotyping data from trios of a patient and two close relatives to detect disease genes with a sensitivity very substantially higher than conventional approaches.

The genotyping will be performed using Perlegen's technology and expertise at an anticipated throughput of 6-12 million individual genotypes per day. The objective is the discovery of "GeneMaps", groups of common interacting genes that are directly and unequivocally involved in disease-causing biochemical processes. These will be further developed by the collaborators, or licensed to pharmaceutical companies, to identify new drug and diagnostic targets. These targets are expected to accelerate the progression to Personalized Medicine through the combined use of a gene-based drug and a genetic diagnostic (a Theranostic) to treat the root causes of common diseases, and not just the symptoms. The companies also expect to collaborate on pharmacogenomic studies to identify genes associated with drug response. The terms of the collaboration give Perlegen a license to certain intellectual property rights from Galileo, and also provide the opportunity for Perlegen to license additional rights. Custody of Quebec DNA samples, owned by the donors of the samples, will remain with Galileo.

The companies will first collaborate on the evaluation of 200,000 SNPs, chosen from over 1.6 million SNPs validated by Perlegen, in DNA samples from 1,600 Quebecers to map genetic sharing in the Quebec Founder Population.

Galileo and Perlegen will use these data and Perlegen's knowledge of haplotype sharing to develop the QLDM. Subsequent to genotyping using the QLDM, Galileo will apply its proprietary genetic analysis algorithms to detect disease genes and genes associated with drug response.

"Access to large, well characterized collections of high quality DNA samples is essential to leveraging the power of Perlegen's technology," remarked Brad Margus, CEO of Perlegen. "Galileo's valuable and expanding collection of Quebec Founder Population samples with unique homogeneity and linkage disequilibrium, combined with Galileo's genetic expertise, make this collaboration scientifically compelling and a tremendous opportunity to accelerate research into serious diseases."

Dr. John Hooper, President and CEO of Galileo commented: "The relationship and scientific interaction with Perlegen provides Galileo with access to the world's best and highest performing genotyping platform and unique knowledge of genetic sharing in the human genome. This will maximize our potential to discover genes, including GeneMaps, for common diseases. We expect that this collaboration with Perlegen will lead to greatly improved health benefits for the citizens of Quebec and the world through safer and more effective drugs, and genetic diagnostics that identify the right patient for the right drug. It will also help accelerate commercial success for Galileo."

About Galileo Genomics Inc.

Galileo is a next-generation genomics company dedicated to the discovery of GeneMaps, genes, and biomarkers associated with the root cause of common diseases and drug response. With over 85 employees, including 22 Ph.D. and M.D. scientists, Galileo's research relies on DNA sampling from the Quebec Founder Population, whose extensive genetic sharing and low genetic variability make this population ideal for linkage disequilibrium-based genome wide scans. Galileo's **chromozoom**[™] technology is applied for large-scale analysis of genotyping data using proprietary software to derive accurate haplotypes from trios and to compare data from hundreds of patients with that from thousands of controls from the Quebec Founder Population. The company believes **chromozoom**[™] to be the most powerful approach available today for the discovery of genes associated with common diseases or drug response. Galileo has committed to a trust fund for the benefit of Quebecers, which will receive three per cent of the company's net profits.

For more information about Galileo Genomics Inc., please visit www.galileogenomics.com.

About Perlegen Sciences

Perlegen Sciences, Inc. is working to provide safe and effective medicines to the world. The company quickly and cost effectively analyzes more than one million genetic variations in clinical trial participants, and compares the frequency of the variations with clinical information to explain and predict the efficacy and adverse effect profiles of prescription drugs. Perlegen also applies this expertise to discovering genetic variants associated with disease for potential new therapeutics and diagnostics. For years, scientists and drug manufacturers have been eager to comprehensively examine entire genomes; through Perlegen, their moment has come. Perlegen is able to bring drugs to the market whose clinical development would have been otherwise discontinued.

Based in Mountain View, Calif., Perlegen was formed in 2000 as a spin-off from Affymetrix, Inc. (Nasdaq:AFFX). For more information about the company and its technologies, visit Perlegen's website at www.perlegen.com. Perlegen Sciences, Perlegen, and the Perlegen logo are trademarks of Perlegen Sciences, Inc.

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