



KineMed Extends Alliance with CMIC in Japanese Market

Collaborators Will Focus on In-Licensing Products in Metabolic Disease, Fibrosis and Reverse Cholesterol Transport

EMERYVILLE, Calif., Aug. 14 – KineMed, Inc., a pathway-based drug discovery and development company, announced today that it has extended its strategic alliance with CMIC Co., Ltd., (Tokyo Stock Exchange 1st section), a contract research organization providing clinical development services in Asia. KineMed and CMIC initiated their collaboration in May 2006. Under the terms of the extended agreement, CMIC will seek compounds within Japanese pharmaceutical firms for in-licensing by KineMed, with a focus on metabolic disease, fibrosis and reverse cholesterol transport. According to the agreement, CMIC will have the option to become KineMed's partner and co-fund clinical development for the Japanese market.

"We are excited about extending the term of the collaboration with KineMed and focusing on identifying and developing drugs in areas that will address substantial unmet medical needs in metabolic disease and other key areas," said CMIC chief executive officer, Kazuo Nakamura. "We believe the greatest value lies in applying KineMed's technology to demonstrate on-mechanism dose response for compounds which have already demonstrated human safety results. The alliance has already identified potential candidates in the Japanese market and expects to sign its first deal in 2008."

David Fineman, President and CEO of KineMed, stated, "As the leading CRO in Japan, CMIC is in a unique position to leverage its relationships within that market, and we anticipate CMIC becoming a significant clinical partner for us over the long term. The CMIC relationship continues our momentum towards being a fully integrated development company, with our own pipeline of products that we will advance with our unique technology to predict clinical outcomes."

About CMIC Co., Ltd.

Since its founding in 1985, CMIC Co., Ltd., Japan's leading clinical research organization (CRO), has rapidly expanded its pharmaceutical development business to service the booming pharma-medical industry in Japan. With more than 2,000 employees throughout Japan, CMIC provides a portfolio of comprehensive clinical development solutions including consulting services of clinical development and regulatory strategies, and provides clinical development services including site selection, document management, site management, investigator contracts, monitoring, data management, etc. Furthermore, CMIC offers clinical research coordinators (CRC) and a patient recruitment center. In addition to its Japanese operations, CMIC has subsidiaries for their operations in Korea, China, Brazil and most recently in Taiwan and Singapore.

Recently, CMIC has acquired formulation factories in Japan and Korea and started a business as Contract Manufacture Organization (CMO). For more information about CMIC, please visit <http://www.cmic.co.jp/e>.

About KineMed, Inc.

KineMed, Inc. ("KineMed" or the "Company") is a drug discovery and development company employing its proprietary translational medicine technology (AquaTag™ and KineMarker™) to both identify active drug candidates preclinically and confirm their therapeutic activity and dose response in first-in-man studies. KineMed's technology expedites the drug development process and provides real-time insight into conditions including metabolic disorders, cancer, and diseases of inflammation and neurodegeneration.

KineMed is working to develop drugs both on its own and with pharmaceutical collaborators in therapeutic focus areas where it can demonstrate functional modulation of specific biological pathways that mediate disease. KineMed's lead drug candidate, KM801, is expected to enter clinical testing for the treatment of Amyotrophic Lateral Sclerosis (ALS, or Lou Gehrig's disease) in the second half of 2008. The Company has multiple discovery and development collaborations in its core areas of atherosclerosis, dyslipidemias, diabetes and fibrosis with more than a dozen major pharmaceutical companies, including Bayer, CMIC, Merck, Merck KGaA, Organon and Roche.

For further information about KineMed, please visit: <http://www.kinemed.com/>

CONTACT: Brent Vaughan, Chief Business Officer of KineMed, Inc.,
+1-510-655-6525, ext. 110; or Media: Justin Jackson of Burns McClellan,
+1-212-213-0006, jjackson@burnsmc.com, for KineMed

Contact: Mitsunobu Hara, Corporate Officer, CMIC Co., Ltd.
E-mail: mitsunobu-hara@cmic.co.jp