



## **Cyclacel Pharmaceuticals amends its sapacitabine license agreement with Daiichi-Sankyo**

**Berkeley Heights, NJ, July 18, 2011** – Cyclacel Pharmaceuticals, Inc. (NASDAQ: CYCC, NASDAQ: CYCCP; Cyclacel or the Company), today announced that effective July 11, 2011, Cyclacel Limited, a wholly-owned subsidiary of the Company, entered into an amendment of its license agreement, dated September 10, 2003 between Cyclacel Limited and Daiichi Sankyo Company, Limited ("Daiichi Sankyo") relating to certain rights which Cyclacel Limited has licensed from Daiichi Sankyo with regard to the Company's sapacitabine drug.

Pursuant to the amendment and taking into consideration the investment that the Company has made in progressing the development of sapacitabine, Daiichi Sankyo has irrevocably waived a termination right it possessed under a provision of the License Agreement that required the Company to obtain regulatory approval to sell sapacitabine in at least one country by September 2011, and has released the Company from all claims and liability of any kind arising under such provision. The amendment further provides that the royalty due from the Company to Daiichi Sankyo on future net sales of sapacitabine be increased by a percentage between 1.25% and 1.50% depending on the level of net sales of sapacitabine realized.

### **About Cyclacel Pharmaceuticals, Inc.**

Cyclacel is a biopharmaceutical company developing oral therapies that target the various phases of cell cycle control for the treatment of cancer and other serious diseases. Sapacitabine (CYC682), a cell cycle modulating nucleoside analog, is in Phase 3 development for the treatment of acute myeloid leukemia in the elderly and Phase 2 studies for myelodysplastic syndromes and lung cancer. Seliciclib (CYC202 or R-roscovitine), a CDK (cyclin dependent kinase) inhibitor, is in Phase 2 studies for the treatment of lung cancer and nasopharyngeal cancer and in a Phase 1 trial in combination with sapacitabine. Cyclacel's ALIGN Pharmaceuticals subsidiary markets directly in the U.S. Xclair<sup>®</sup> Cream for radiation dermatitis, Numoisyn<sup>®</sup> Liquid and Numoisyn<sup>®</sup> Lozenges for xerostomia. Cyclacel's strategy is to build a diversified biopharmaceutical business focused in hematology and oncology based on a portfolio of commercial products and a development pipeline of novel drug candidates. Please visit [www.cyclacel.com](http://www.cyclacel.com) for additional information.

### **Forward-looking Statements**

This news release contains certain forward-looking statements that involve risks and uncertainties that could cause actual results to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. Such forward-looking statements include statements regarding, among other things, the efficacy, safety, and intended utilization of Cyclacel's product candidates, the conduct and results of future clinical trials, plans regarding regulatory filings, future research and clinical trials and plans regarding partnering activities. Factors that may cause actual results to differ materially include the risk that product candidates that appeared promising in early research and clinical trials do not demonstrate safety and/or efficacy in larger-scale or later clinical trials, trials may have difficulty enrolling, Cyclacel may not obtain approval to market its products, the risks associated with reliance on outside financing to meet capital requirements, and the risks associated with reliance on collaborative partners for further clinical trials, development and commercialization of product candidates. You are urged to consider statements that include the words "may," "will," "would," "could," "should," "believes," "estimates," "projects," "potential," "expects," "plans," "anticipates," "intends," "continues," "forecast," "designed," "goal," or the negative of those words or other comparable words to be uncertain and forward-looking. For a further list and description of the risks and uncertainties the Company faces, please refer to our most recent Annual Report on Form 10-K and other periodic and current filings that have been filed with the Securities and Exchange Commission and are available at [www.sec.gov](http://www.sec.gov). Such forward-looking statements are current only as of the date they are made, and we assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

### **Contact for Cyclacel Pharmaceuticals, Inc.**

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