

ALZHEIMER'S DRUG DISCOVERY FOUNDATION

a cause for hope



2007 ANNUAL HIGHLIGHTS

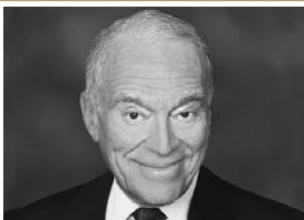


OUR MISSION

The Alzheimer's Drug Discovery Foundation (ADDF) is the only public charity whose sole mission is to rapidly accelerate the discovery and development of drugs to prevent, treat and cure Alzheimer's disease, related dementias and cognitive aging.

We raise and award funds to academic and biotechnology scientists conducting drug discovery research in this field.

ADDF uses a venture philanthropy model to bridge the worldwide funding gap between basic research and later-stage development, using any return on investment to support new research.



CHAIRMAN ■ **Leonard A. Lauder**

The Lauder Family's support of the Alzheimer's Drug Discovery Foundation and its partner organization, The Institute for the Study of Aging, is based on a heart-felt belief that we *can* make an important contribution to developing drugs that will have a significant impact on this dreaded illness.



PRESIDENT ■ **Nancy Corzine**

Having lost my mother to Alzheimer's, I have painful, first-hand experience with the heartaches that will be avoided once effective drugs are introduced into the market. ADDF research funding, combined with our programs that bring scientists into productive partnerships, are the key to making tremendous strides. The innovative programs ADDF supports fill me with optimism.



FOUNDING EXECUTIVE DIRECTOR ■ **Howard Fillit, MD**

Our venture philanthropy model is clearly enabling scientists to make progress in identifying novel Alzheimer's drugs. In the next five years, I believe drugs now in the pipeline will become available for patients suffering from Alzheimer's disease.

2007: THE YEAR IN REVIEW

VENTURE PHILANTHROPY FUND ■ *The Fund for Alzheimer's Drug Discovery* opened in January 2007 with \$1.95 million in assets, including a \$1 million capital commitment from the Aetna Foundation. During 2007, the Fund Board of Advisors approved six investments in biotechnology companies.

The Fund is distinctive in its approach to supporting ADDF's mission. Modeled on a traditional venture capital fund, the Venture Philanthropy Fund supports promising biotechnology companies that need capital in the early and risky stages of drug discovery.

Contributors to the Venture Philanthropy Fund can designate a 501(c)(3) organization to receive a pro rata return on investment, if and when biotechnology companies supported through the Fund achieve contractual milestones.

PARTNERSHIPS ■ ADDF partnered with The Association for Frontotemporal Dementias (AFTD) to establish an award to fund scientists developing drugs to combat frontotemporal dementia. The ADDF/AFTD *Frontotemporal Dementia Drug Discovery Program* is also relevant to Alzheimer's disease, since both frontotemporal dementia and Alzheimer's share commonalities.

The ADDF/Elan *Novel Approaches to Drug Discovery for Alzheimer's Disease* program, now in its third year, enables ADDF and Elan Pharmaceuticals, Inc. to pool resources and expertise. The collaboration will fund new therapies that effectively treat Alzheimer's disease.

FUNDRAISING EFFORTS ■ ADDF's inaugural *Connoisseur's Dinner: An Evening of Wine and Art*, held at Sotheby's in New York, raised more than \$830,000. The evening included a private viewing of Impressionist and Modern art and an auction of exclusive wines and luxury travel packages.

To raise public awareness about drug discovery for Alzheimer's disease and increase our constituent base, ADDF hosted *Dine and Learn* salons in Birmingham, Chicago, San Francisco, and Vail.

NETWORKING FOR SUCCESS ■ ADDF organizes two international scientific conferences yearly as part of our ongoing efforts to increase researchers' knowledge about Alzheimer's disease and the drug discovery process. The conferences promote networking to catalyze the exchange of ideas and foster alliances that accelerate the development of new treatments for AD.

Our *Annual International Conference for Alzheimer's Disease Drug Discovery*, held in October, focuses on the discovery and development of drugs targeting Alzheimer's disease and related dementias. The *Drug Discovery for Neurodegeneration* conference, held in February, is designed to educate scientists on the process of translating basic neuroscience research into innovative therapies.

reason

SUPPORT FROM OUR CONTRIBUTORS

We gratefully acknowledge the following 2007 contributing partners for their commitment. Through their generosity, we are able to advance our mission of supporting and accelerating drug discovery research for Alzheimer's disease and related dementias.

\$1,000,000 AND ABOVE

Estée Lauder Trust

\$100,000 AND ABOVE

The Association for Frontotemporal Dementias
Mr. and Mrs. Gary Cooney
Elan Pharmaceuticals, Inc.
The Lauder Foundation, Leonard and Evelyn Lauder Fund
The Thomas H. and Jarman F. Lowder Foundation
Mr. and Mrs. Randal Sandler
Ms. Sharon Sternheim and Mr. Lon Rubackin

\$50,000 AND ABOVE

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Harriet Weintraub & Partners, Inc.
Sherry Wilson Donor Fund
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Mr. and Mrs. Jon Rotenreich
Château Mouton Rothschild
Mr. Ed Ruscha
Sotheby's
Wine Spectator

2007 GRANTS

ACADEMIC PROGRAMS

Daniel Alkon, MD

Blanchette Rockefeller Neurosciences Institute
A Peripheral Molecular Biomarker for Alzheimer's Disease: Transgenic and Clinical Studies to Define CNS Pathophysiological Significance
Award: \$70,000

Ben Bahr, PhD

University of Connecticut
In Vitro Testing of New Lysosomal Modulatory Drugs for Reducing Tau Aggregates in a Hippocampal Slice Model
Award: \$65,000

Larry Baum, PhD

The Chinese University of Hong Kong
Testing 17-AAG for Treating Frontotemporal Dementia
Award: \$50,000

Roberta Diaz Brinton, PhD

University of Southern California
Allopregnanolone as a Neurogenic Factor for Recovery of Neurons in Alzheimer's Disease
Award: \$56,998

Siew Yeen Chai, PhD

Howard Florey Institute
IRAP – Novel Target for the Development of Memory-Enhancing Agents
Award: \$88,000

Gabriela Chiosis, PhD

Sloan-Kettering Institute
Development of Hsp90 Inhibitors as Novel Therapeutics for AD
Award: \$100,000

A. Claudio Cuello, MD, DSc, FRSC

McGill University
A Novel Combined Experimental Therapy in an Alzheimer's Transgenic Model
Award: \$100,000

Christos Davatzikos, PhD

University of Pennsylvania
Predicting Conversion From MCI to AD Via 4-Dimensional Pattern Analysis and Classification of ADNI Imaging Data
Award: \$98,484

Nazneen Dewji, PhD

University of California, San Diego
Novel Therapeutic Approaches for the Treatment of Alzheimer's Disease
Award: \$75,000

Douglas Feinstein, PhD

University of Illinois
Regulation of Neprilysin Expression by Noradrenaline and PPAR δ Agonists
Award: \$90,000

Paul Gard, PhD

University of Brighton
Cognitive-Enhancing Effects of Angiotensin IV: An Investigation of Molecular Mechanisms
Award: \$16,000

Shaila Handattu, PhD

University of Alabama at Birmingham
HDL Modulation, Inflammation and Alzheimer's Disease
Award: \$89,016

Louis B. Hersh, PhD

University of Kentucky
Neprilysin and Peripheral Clearance of Amyloid Peptides
Award: \$100,000

Anthony Koleske, PhD

Yale University Medical School
Inhibition of Rho Signaling to Prevent Dendritic and Synapse Loss in Alzheimer's Disease
Award: \$100,000

Alan Kozikowski, PhD

University of Illinois at Chicago
Chromatin Remodelers for Recovery of Learning and Memory
Award: \$100,000

Warren C. Ladiges, DVM, MS

University of Washington
ER Stress-Mediated Regulation of APP Proteolysis and Signaling
Award: \$75,000

Iliya M. Lefterov, MD, PhD

University of Pittsburgh
Identifying LXR Activators for Potential Treatment of Alzheimer's Disease
Award: \$150,000

Yung-Feng Liao, PhD

Academia Sinica
Genetic Modifiers of Gamma-Secretase-Mediated Selective Cleavage of Amyloid Precursor Protein in Alzheimer's Disease
Award: \$50,000

Paul Lombroso, MD

Yale University Medical School
Screening for Inhibitors of STEP
Award: \$100,000

Jose Luchsinger, MD, MPH

Columbia University
Pilot Trial of Metformin in the Prevention of Alzheimer's Disease
Award: \$100,000

James Malter, PhD

University of Wisconsin-Madison Medical School
Treatment of Alzheimer's Disease with mGluR5 Inhibitor
Award: \$96,427

Eva-Maria Mandelkow, MD, PhD

Max-Planck-Unit for Structural Molecular Biology
MARK Kinase Inhibitors
Award: \$100,000

Edward Nemergut, MD

University of Virginia
The Use of High-Dose Intravenous Erythropoietin to Prevent Cognitive Dysfunction Following Cardiopulmonary Bypass
Award: \$94,972

Horacio Uri Saragovi, PhD

Lady Davis Institute for Medical Research, S.M.B.D. - Jewish General Hospital
Efficacy of TrkA-Targeted Neuroprotective Drugs in a Mouse Model of AD
Award: \$100,000

Walter Schmidt, PhD

University of Georgia
Enhancing IDE-Mediated Destruction of Abeta and Other Amyloidogenic Peptides
Award: \$50,000

Einar M. Sigurdsson, PhD

New York University School of Medicine
Clearance of Pathological Tau Conformers
Award: \$125,000

Tara Spires-Jones, DPhil

Massachusetts General Hospital
Sirtuins as Modifiers of Neurodegeneration in a Mouse Model of Frontotemporal Dementia
Award: \$85,000

Alvin Terry, PhD

Medical College of Georgia
New Drugs for Treating the Cognitive Deficits and Psychotic Symptoms of Alzheimer's Disease
Award: \$75,000

Raz Yirmiya, PhD

The Hebrew University of Jerusalem
The Role of Brain Interleukin-1 in Alzheimer's Disease-Associated Memory Disturbances
Award: \$40,000

Moussa B.H. Youdim, PhD

Technion – Israel Institute of Technology
Development and Molecular Mechanism of Neuroprotective Activity of Novel Bifunctional Cholinesterase-Monoamine Oxidase Inhibitor-Iron Chelators for the Treatment of Alzheimer's Disease and Lewy Body Disease
Award: \$120,000

BIOTECHNOLOGY PROGRAMS

Luciano D'Adamio, MD, PhD

RemeGenix, Inc.
Commercialization of BR12 Peptides for AD
Award: \$100,000

Patricia Johnston, PhD

Cellumen, Inc.
Development of Cellular Systems Biology Models for AD Therapeutic Identification
Award: \$200,000

Frank M. Longo, MD, PhD

Pharmatrophix
Inhibition of Alzheimer-Related Neurodegeneration by Small Molecule Neurotrophin Receptor Ligands
Award: \$300,000

James G. Moe, PhD, MBA

Oligomerix, Inc.
Evaluation of Anti-Amyloid Compounds on Soluble Tau Oligomers, Synaptic Plasticity Inhibited by Tau, and Behavioral Deficits in a Tau P301L Mouse Model of Tauopathy
Award: \$100,000

Manfred Windisch, PhD

JSW-Research Forschungslabor GmbH
 β -synuclein Derived Peptides for the Treatment of Neurodegenerative Diseases
Award: \$120,000

Vincent Zurawski, PhD

Varinel Inc.
M30-Derived Neuroprotective-Neurorescue Drugs for Alzheimer's Disease
Award: \$180,000

CONFERENCES

Amos Korczyn, MD, MSc

Tel Aviv University
The Fifth International Congress on Vascular Dementia
Award: \$2,500

Andrew Robertson, PhD

Keystone Symposia
Molecular Mechanisms of Neurodegeneration
Award: \$2,500

Sally Shumaker, PhD

Wake Forest Health Sciences
11th Biennial Graylyn Conference on Women's Cognitive Health
Award: \$2,500

FUNDING

The Alzheimer's Drug Discovery Foundation (ADDF) is a public charity established in 2004 to expand upon the programs started by the Institute for the Study of Aging Inc. (ISOA), a private foundation founded by the Lauder family in 1998. ISOA provides crucial support for overhead and operational expenses, enabling ADDF to channel almost 80% of the revenue it raises to research programs.

During 2007, the ADDF raised more than \$2.7 million to bring total funding for our first four years of operation to over \$6 million.

ADDF in partnership with ISOA have awarded more than \$33 million for over 240 research programs in 12 countries since 1998. In 2007, the ADDF and ISOA approved \$4.5 million in grants to 44 research programs and 3 conferences worldwide. The total grant spending for 2007, including ongoing commitments, was \$6.1 million.

Due to increasing demand for funds to support Alzheimer's disease drug discovery research, ADDF and ISOA fund less than ten percent of the proposals received, leaving much valuable research unfunded.

The only way we can end the nightmare of Alzheimer's disease is to collectively support scientists in their research efforts to develop new drugs. We encourage you to partner with us to conquer Alzheimer's.

IMPACT OF FUNDING

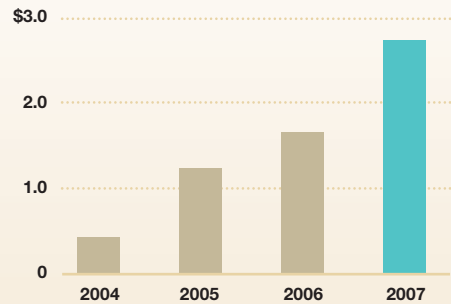
The overarching impact of ADDF and ISOA's funding can be measured by:

- Millions of compounds screened
- Novel leads and new classes of drugs developed
- Scores of patents applied for and granted
- Licensing and partnership agreements with pharmaceutical companies
- Innovative therapies that have now advanced into clinical development

THE GROWTH OF SUPPORT

ADDF raised more than \$2.7 million in 2007, almost seven times the amount raised in the first year.

(in millions)



Alzheimer's Drug Discovery Foundation

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