



ABLYNX AND DOMANTIS SETTLE THEIR DISPUTE AND STOP THE ARBITRATION PROCESS

GHENT, Belgium, 12 October, 2009 - Ablynx [*Euronext Brussels: ABLX*], today announced that it has reached a settlement with Domantis (part of the GlaxoSmithKline group of companies) concerning an alleged dispute relating to a settlement agreement which Ablynx and Domantis entered into in 2005.

Under the new agreement Ablynx has received a license to the European Winter II patent which lay at the heart of the dispute and in return will pay Domantis low single-digit royalties on the first five Nanobody® products which are commercialised.

Dr Edwin Moses, CEO and Chairman of Ablynx, commented:

“We are very pleased to have settled with Domantis so that we can focus on our key goal of developing Nanobody® products and driving them through the clinic. We believe our investors want us, where possible, to put our resources into R&D productivity rather than litigation. The fact that there are two Nanobodies® in Phase II trials, and by the end of 2009 there will be a total of four in the clinic, is a testimony to the power and promise of our technology.”

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About Ablynx [*Euronext Brussels: ABLX*] - <http://www.ablynx.com>

Founded in 2001 in Ghent, Belgium, Ablynx is a biopharmaceutical company focused on the discovery and development of Nanobodies®, a novel class of therapeutic proteins based on single-domain antibody fragments, for a range of serious and life-threatening human diseases. The Company currently has over 220 employees. Ablynx completed a successful IPO on Euronext Brussels [ABLX] on 7 November 2007.

Ablynx is developing a portfolio of Nanobody®-based therapeutics in a number of major disease areas, including inflammation, thrombosis, oncology and Alzheimer’s disease. Nanobodies® have been generated against more than 150 different disease targets. Efficacy data have been obtained in over 26 in vivo models for Nanobodies® against a range of different targets.

Ablynx has an extensive patent position in the field of Nanobodies® for healthcare applications. It has exclusive and worldwide rights to more than 50 families of granted patents and pending

patent applications, including the Hamers patents covering the basic structure, composition, preparation and uses of Nanobodies®.

Ablynx has ongoing research collaborations and significant partnerships with several major pharmaceutical companies, including Boehringer Ingelheim, Merck Serono, Novartis and Wyeth Pharmaceuticals. Ablynx is building a diverse and broad portfolio of therapeutic Nanobodies® through these collaborations as well as through its own internal discovery programmes.

The Company's lead programme, ALX-0081, an intravenously administered novel anti-thrombotic has entered Phase II in patients undergoing percutaneous coronary intervention (PCI). ALX-0681, a subcutaneous formulation of the novel anti-thrombotic Nanobodies® that also selectively targets von Willebrand factor (vWF) has concluded Phase I. Ablynx has progressed ALX-0141, an anti-RANKL Nanobody® for bone disorders into preclinical development and aims to initiate a Phase I study before the end of 2009. ALX-0061, an anti IL6R Nanobody® is in preclinical development for the treatment of autoimmune and inflammatory diseases. In addition, in December 2008, Ablynx's partner Wyeth Pharmaceuticals entered a Phase I study with an anti-TNF-alpha Nanobody® and a Phase II study was initiated in September 2009.

About Domantis' Request for Arbitration against Ablynx

On 5 February 2008, Domantis Limited filed a Request for Arbitration against Ablynx claiming a dispute existed in relation to a settlement agreement which Ablynx and Domantis entered into on 3 June 2005. In its arbitration claim, Domantis asserted that certain of Ablynx's activities were not permitted by the terms of the settlement agreement. Domantis claimed that it was seeking, amongst other things, damages and an order to prevent Ablynx from engaging in these activities in the future.

Ablynx denied these claims in their entirety and responded to the filing by seeking an affirmative declaration that Ablynx is fully entitled to pursue its current activities and that it has not defaulted on any material obligation under the settlement agreement. Ablynx also asserted various alleged counterclaims against Domantis in connection with its conduct.

Ablynx disclosed in its prospectus dated 12 October 2007 that GlaxoSmithKline (GSK) (who had acquired Domantis) had notified Ablynx that it believed that a dispute existed in relation to the interpretation of certain provisions of the settlement agreement between Ablynx and Domantis. This settlement agreement relates to the so-called Winter-II patent which expires in Europe in 2009.

Nanobody® is a registered trademark of Ablynx NV.

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