

Ad hoc Announcement Pursuant to § 15 WpHG (German Securities Trading Act)

Epigenomics AG Announces Restructuring of U.S. and European Operations

Berlin, Germany, and Seattle, WA, U.S.A., August 10, 2011 - Epigenomics AG (ISIN: DE000A1K0516) today released plans to restructure its organization and heighten the focus of its activities on the key U.S. market. Operations at the Epigenomics AG headquarters in Berlin, Germany, as well as at its subsidiary Epigenomics Inc. in Seattle, WA, U.S.A., are affected by the restructuring plans. However, the development of Epigenomics' second generation blood test for colorectal cancer ("CRC") detection, Epi *proColon*[®] 2.0, remains on track. The launch of the product in Europe and a submission to the U.S. Food and Drug Administration (FDA) for Premarket Approval review are planned before year-end 2011.

Following a strategic review of the commercial opportunity presented by Epi *proColon*[®] 2.0 in the key U.S. market, plans for developing a commercial operation in the U.S. are being accelerated. The Company will relocate its U.S. headquarters from Seattle, WA, to the East Coast in 2012 and step up efforts to prepare for a commercial launch. Research activities will be scaled down substantially and integrated into the development department. Going forward, European commercialization will be mainly focused on key accounts. Epigenomics plans to reduce its total workforce by approximately 39 employees targeting a company size of 45 employees by year end 2011.

Specifically, Epigenomics will implement the following key changes to the organization:

- From 2012 onwards, the U.S. headquarters will be relocated to a new business site, strategically located on the East Coast, as the nucleus for building and growing the U.S. commercial operations while retaining key Seattle staff in a satellite office.
- Direct commercialization in the European self-payer segment will be de-emphasized and a key account approach for Epi *proColon*[®] and Epi *proLung*[®] directed towards institutions such as healthcare providers, health insurers and further large institutional customers will be implemented to generate sustainable revenues in the mid to long term. The European sales and marketing team will be adjusted accordingly.
- Early stage product and technology research will be discontinued and clinical research scaled down and remaining R&D resources will be concentrated on second generation product development and support of existing products.
- Biomarker discovery and development capabilities will be maintained for collaborations with pharmaceutical companies in the area of personalized medicine.
- Further cost savings will be realized through scaling down administration and management in proportion to new company structure.

These measures are expected to be fully implemented by the end of 2011 and to be mainly reflected in the annual accounts of 2011. The Company intends to reduce the total workforce from 84 employees at the end of H1 2011 to approximately 45 employees by year-end 2011. Starting in 2012, the Company expects to further grow its U.S. commercial operations to prepare for an Epi *proColon*[®] 2.0 product launch after the potential Premarket Approval by the FDA. Going forward, Epigenomics expects to realize annual savings on a comparable operational cost basis of approximately EUR 3.5-4.0 million. One-time

restructuring costs are expected to be in the range of EUR 3 million, of which approximately EUR 0.7 million will not affect liquidity. The measures in connection with the restructuring plan will accelerate cash outflows in 2011 and the company expects to end the year with around EUR 13 million in liquid assets. However, net cash outflows in 2012 will decrease accordingly. The management estimates that the existing liquid assets will fund the Company's operations well into 2013.

An updated guidance reflecting the effects of the restructuring and cost saving measures will be provided at the time of the 9-Months Financial Report.

- End of Ad hoc Release -

Further Information

Epigenomics AG today issued a press release on its 6-Months Financial Report and its restructuring plans. The press release is available at Epigenomics' website at:

<http://www.epigenomics.com/en/news-investors.html>

The 6-Months Report 2011 can be obtained from Epigenomics' website at:

<http://www.epigenomics.com/en/news-investors/investors/financial-reports.html>

Conference call for press and analysts

Epigenomics' management will host a conference call at 3pm CET/9 am EST today, Wednesday 10th August 2011. The dial-in numbers for the conference call are:

Dial-in number (within Germany):	+49 30 86871428
Dial-in number (within the UK):	+44 203 3679216
Dial-in number (within the U.S.):	+1 408 9169838

Participants are kindly requested to dial in 10 minutes prior to the start of the call.

The presentation accompanying the conference call will be available for download on the Epigenomics' website: <http://www.epigenomics.com/en/news-investors.html>

A webcast of the conference call will be provided on Epigenomics' website subsequently:

<http://www.epigenomics.com/en/news-investors.html>

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