

# PHARMION ANNOUNCES FDA ACCEPTANCE OF IND FOR ORAL AZACITIDINE

Pharmion Corporation

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Pharmion Corporation (Nasdaq: PHRM) announced that the Investigational New Drug (IND) application for the Company's oral formulation of azacitidine is now active following its acceptance by the U.S. Food and Drug Administration (FDA). The Company submitted the IND for oral azacitidine in December 2006.

Pharmion currently markets the parenteral formulation of azacitidine, known as Vidaza(R) (azacitidine for injection) for the treatment of patients with Myelodysplastic Syndromes (MDS). Earlier this week the FDA approved a new drug application supplement to add intravenous use as a new route of administration to instructions in the prescribing information for Vidaza.

"DNA demethylating agents, like the approved parenteral formulation of azacitidine, Vidaza, have been shown to be a safe and effective therapy for MDS," said Andrew Allen, Pharmion's chief medical officer. "There is a significant body of evidence that shows that the biological effects of these agents may be improved or extended through sustained DNA demethylation, which could most realistically be provided through oral delivery. We are excited about testing this hypothesis in human clinical studies and reinforcing our leadership in the development of epigenetic anti-cancer therapies."

A Phase 1 study of oral azacitidine will be initiated shortly in patients with MDS, acute myelogenous leukemia (AML) and malignant solid tumors. The trial will assess the safety, tolerability, bioavailability and pharmacokinetics of escalating single doses of orally administered azacitidine.

"The opportunity to explore chronic administration of a DNA hypomethylating agent with oral azacitidine is extremely exciting and may lead to important changes in the way we think about combination therapies as well as maintenance therapy after anti-cancer treatment," said Dr. Guillermo Garcia-Manero, Chief, Section of Myelodysplastic Syndromes, M.D. Anderson Cancer Center. "If successful, this could transform certain cancers into chronically managed diseases."

Following this initial study, a multicenter, open label Phase 1 dose escalation trial of orally available azacitidine will be initiated to determine the maximum tolerated dose, dose limiting toxicities and safety of a seven day oral dosing regimen of azacitidine in subjects with MDS or AML. Pharmacokinetics and pharmacodynamic effects of the orally administered azacitidine, as well as the FDA approved parenteral regimen, will be compared.

Following the Phase 1 studies, if oral azacitidine demonstrates adequate bioavailability, Pharmion will initiate a broad Phase 2 program in solid and hematological tumors where hypermethylation is known to play a role in tumor development and progression.