

Press Releases

O'Melveny Represents Investors in Chapter 11 of deCODE Genetics

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SILICON VALLEY, CA – NOVEMBER 17, 2009 – O'Melveny & Myers LLP recently represented ARCH Venture Partners and Polaris Venture Partners in their agreement to provide debtor-in-possession financing to deCODE genetics Inc. (Nasdaq: DCGN), and in entering into an asset purchase agreement to acquire deCODE's Iceland-based subsidiary Islensk Erfdagreining and its drug discovery and development programs pursuant to Section 363 of the United States Bankruptcy Code.

deCODE announced today that it has filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware to facilitate the sale of substantially all of its assets.

Bankruptcy counseling was provided by O'Melveny partner **Suzanne Uhland**, counsel **Andrew Parlen**, and associate **Jennifer Taylor**. The O'Melveny corporate team was led by partner **Samuel Zucker**, counsel **Eric Sibbitt**, and associate **Sofia Lou**. Intellectual property advice was provided by partner **Margaret Ikeya**.

About O'Melveny & Myers LLP

With approximately 1,000 lawyers in 14 offices worldwide, O'Melveny & Myers LLP helps industry leaders across a broad array of sectors manage the complex challenges of succeeding in the global economy. We are a values-driven law firm, guided by the principles of excellence, leadership, and citizenship. Our commitment to these

values is reflected in our dedication to improving access to justice through pro bono work and championing initiatives that increase the diversity of the legal profession. For more information, please visit www.omm.com

The following press release was recently distributed by deCODE genetics, Inc.:

deCODE genetics, Inc. Files Voluntary Chapter 11 Petition to Facilitate Sale of Assets

REYKJAVIK, Iceland, Nov. 17 /PRNewswire-FirstCall/ -- deCODE genetics, Inc. (Nasdaq: DCGN) today announced that it has filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware to facilitate the sale of substantially all of its assets. deCODE is continuing to operate its business and manage its properties as a debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

In recent months, deCODE and its advisors have explored multiple restructuring alternatives, including the sale of specific portions of deCODE's operations, the sale or license of its drug discovery programs, the restructuring of its outstanding convertible notes and the obtaining of new equity financing. As a result of these efforts, deCODE has entered into and filed concurrently with its Chapter 11 petition an asset purchase agreement with Saga Investments LLC (Saga) to sell its Iceland-based subsidiary Islensk Erfdagreining (IE), and its drug discovery and development programs. This agreement, pursuant to Section 363 of the Bankruptcy Code, is subject to a number of contingencies, including a competitive bidding procedure and court approval in accordance with bankruptcy law. IE conducts deCODE's human genetics research, manages its population genetics resources and provides its personal genome scans, DNA-based risk assessment tests, and genomics services for contract customers.

deCODE expects that if the asset sale is consummated it would be liquidated pursuant to a plan of liquidation which would be subject to the approval of the bankruptcy court. In the event of a liquidation, any recovery for stockholders of deCODE would be highly unlikely.

deCODE has also entered into a secured loan agreement with Saga which, subject to bankruptcy court approval, will provide the Company with interim financing to fund post-petition operating expenses. deCODE expects this debtor-in-possession financing, if

consummated, to allow the delivery of services to deCODE's customers and clients to continue without interruption during the bankruptcy process. Saga's investors include Polaris Venture Partners and Arch Venture Partners.

deCODE has filed various "first day" motions with the bankruptcy court to ensure its ability to conduct normal business operations. This Chapter 11 filing is for deCODE genetics, Inc. only and does not include IE or deCODE's former U.S.-based subsidiaries deCODE Biostructures Inc. and Emerald BioSystems Inc., recently sold to an unrelated third party.

Additional information about deCODE's Chapter 11 case, which has been assigned case number 09-14063, will be posted along with bankruptcy court documents when these become available on the website of the court's claims agent at www.delclaims.com.

About deCODE

deCODE is a global leader in analysing and understanding the human genome. deCODE has identified key variations in the sequence of the genome conferring increased risk of major public health challenges from cardiovascular disease to cancer, and employs its gene discovery engine to develop DNA-based tests to assess individual risk of common diseases; to license its tests and intellectual property to partners; and to provide comprehensive, leading-edge contract services to companies and research institutions around the globe. Through its CLIA- and CAP-certified laboratory deCODE offers DNA-based tests for gauging risk and empowering prevention of common diseases, including deCODE T2(TM) for type 2 diabetes; deCODE AF(TM) for atrial fibrillation and stroke; deCODE MI(TM) for heart attack; deCODE ProstateCancer(TM) for prostate cancer; deCODE Glaucoma(TM) for a major type of glaucoma; and deCODE BreastCancer, for the common forms of breast cancer. Through its pioneering personal genome analysis service deCODEme(TM), deCODE enables individuals to better understand their risk of dozens of common diseases and to learn about their ancestry and other traits. deCODE's therapeutics portfolio includes DG041, an antiplatelet compound being developed for the prevention of arterial thrombosis; DG051, a compound targeting the leukotriene pathway for the prevention of heart attack; and DG071 and a platform for other PDE4 modulators with therapeutic applications in Alzheimer's disease and other conditions. Visit us on the web at www.decode.com; at www.decodediagnostics.com; at www.decodeme.com; and on our blog at www.decodeyou.com.

Any statements contained in this presentation that relate to future plans, events or performance are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements regarding deCODE's expectations concerning the bankruptcy process and the continuation of day-to-day operations. deCODE's actual results could differ materially from those anticipated in the forward-looking statements as a result of risks and uncertainties, including, without limitation, (1) the impact of today's announcement on deCODE's operations; (2) the ability of deCODE to maintain sufficient debtor-in-possession financing to fund its operations and the expenses of the Chapter 11 proceeding; (3) the ability of deCODE to obtain court approval of its first day papers and other motions in the Chapter 11 proceeding; (4) the outcome and timing of the proposed sale of deCODE's assets, including deCODE's ability to close a transaction with Saga or any other purchaser; (5) the uncertainty associated with motions by third parties in the bankruptcy proceeding; (6) deCODE's ability to obtain and maintain normal terms with vendors and service providers and contracts that are critical to its operation; and (7) other risks identified in deCODE's filings with the Securities and Exchange Commission, including, without limitation, the risk factors identified in our most recent Annual Report on Form 10-K and any updates to those risk factors filed from time to time in our Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. deCODE undertakes no obligation to update or alter these forward-looking statements as a result of new information, future events or otherwise.