

Synvista Therapeutics, Inc.
Form DEF 14A
June 03, 2008

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant:
Filed by a Party other than the Registrant:

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

SYNVISTA THERAPEUTICS, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:
 - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:

SYNVISTA THERAPEUTICS, INC.
221 West Grand Avenue, Suite 200
Montvale, NJ 07645
(201) 934-5000

This proxy statement relates to the 2008 annual meeting of the stockholders of Synvista Therapeutics, Inc. At the meeting, we will ask you to approve, among other matters, an amendment to our 2005 Stock Plan and an amendment to our Restated Certificate of Incorporation. The proposals presented for your vote are described in detail in this proxy statement. In this proxy statement, we refer to Synvista Therapeutics, Inc. as the "Company," "Synvista," "we" or "us."

We are asking stockholders of Synvista:

1. To elect Noah Berkowitz, M.D., Ph.D. as a Class B director to hold office until the 2011 annual meeting of stockholders and until his successor has been duly elected and qualified;
2. To approve an amendment to the Company's 2005 Stock Plan to increase the number of shares of common stock authorized for issuance under the Plan from 1,060,000 to 2,000,000;
3. To approve an amendment to the Company's Restated Certificate of Incorporation to decrease the number of shares of common stock authorized for issuance from 300,000,000 to 150,000,000;
4. To ratify the selection of J.H. Cohn LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2008; and
5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

YOUR VOTE IS IMPORTANT. PLEASE VOTE PROMPTLY.

The date, time and place of the Synvista annual meeting is:

July 22, 2008
10:00 a.m., Eastern Time
the Marriott Park Ridge
300 Brae Boulevard
Park Ridge, NJ 07656

/s/ Noah Berkowitz
Noah Berkowitz, M.D., Ph.D.
President and Chief Executive Officer
Synvista Therapeutics, Inc.

June 3, 2008

This proxy statement is dated June 3, 2008 and is available at <http://phx.corporate-ir.net/staging/phoenix.zhtml?c=100218&p=irol-proxy>.

Synvista will provide you with copies of this proxy statement, the annual report to stockholders for the fiscal year ended December 31, 2007 and important information about Synvista from documents filed with the SEC that are not included in this proxy statement, free of charge, upon request to: Synvista Therapeutics, Inc., 221 West Grand Avenue, Suite 200, Montvale, NJ 07645, Attention: Investor Relations, Telephone: (201) 934-5000.

SYNVISTA THERAPEUTICS, INC.
221 West Grand Avenue, Suite 200
Montvale, NJ 07645
(201) 934-5000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS OF SYNVISTA THERAPEUTICS, INC.

To Be Held on July 22, 2008

To the Stockholders of Synvista Therapeutics, Inc.:

You are cordially invited to attend the annual meeting of stockholders of Synvista Therapeutics, Inc., which will be held on July 22, 2008, at 10:00 a.m., Eastern Time, at the Marriott Park Ridge, 300 Brae Boulevard, Park Ridge, NJ 07656 for the following purposes:

1. To elect Noah Berkowitz, M.D., Ph.D. as a Class B director to hold office until the 2011 annual meeting of stockholders and until his successor has been duly elected and qualified;
2. To approve an amendment to the Company's 2005 Stock Plan to increase the number of shares of common stock authorized for issuance under the Plan from 1,060,000 to 2,000,000;
3. To approve an amendment to the Company's Restated Certificate of Incorporation to decrease the number of shares of common stock authorized for issuance from 300,000,000 to 150,000,000;
4. To ratify the selection of J.H. Cohn LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2008; and
5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Only stockholders of record at the close of business on May 30, 2008 are entitled to vote at the meeting or any adjournment or postponement thereof. Only stockholders or their proxy holders and Synvista guests may attend the meeting. A complete list of those stockholders entitled to vote will be kept at the principal executive offices of Synvista, 221 West Grand Avenue, Suite 200, Montvale, NJ 07645 for a period of ten days prior to the meeting.

We are pleased to be among the first companies to take advantage of new Securities and Exchange Commission rules that allow issuers to furnish proxy materials to their stockholders on the Internet. We believe the new rules will allow us to provide our stockholders with the information they need, while lowering the costs of delivery and reducing the environmental impact of our annual meeting.

Your vote is important. The affirmative vote of the holders of a plurality of the votes cast in person or by proxy at the Synvista annual meeting is required for election of Dr. Berkowitz as a Class B director. The affirmative vote of the holders of a majority of the votes cast in person or by proxy at the Synvista annual meeting is required for approval of Proposals 2 and 4. The affirmative vote of the holders of a majority of the shares of Synvista stock outstanding on the record date for the annual meeting is required for approval of Proposal 3.

You are urged to attend the annual meeting in person, but if you are unable to do so, the Board of Directors would appreciate your prompt vote either electronically via the Internet or telephone or via regular mail. We strongly encourage you to vote electronically, if you have that option.

Noah Berkowitz, M.D., Ph.D.

Secretary

June 3, 2008

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Synvista Therapeutics, Inc.
221 West Grand Avenue, Suite 200
Montvale, NJ 07645
(201) 934-5000

PROXY STATEMENT FOR THE SYNVESTA THERAPEUTICS, INC.
2008 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON JULY 22, 2008

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

Q: Why am I receiving these materials?

A: We have made these materials available to you either on the Internet or we have delivered printed versions of these materials to you by mail because Synvista's Board of Directors is soliciting your proxy to vote at the 2008 annual meeting of stockholders, and any adjournments or postponements of the meeting, to be held on July 22, 2008, at 10:00 a.m., Eastern Time, at the Marriott Park Ridge, 300 Brae Boulevard, Park Ridge, NJ 07656. This proxy statement along with the accompanying Notice of Annual Meeting of Stockholders summarizes the purposes of the meeting and the information you need to know to vote at the annual meeting.

Q: When and where is the stockholder meeting?

A: The Synvista annual meeting will take place on July 22, 2008 at 10:00 a.m., Eastern Time at the Marriott Park Ridge, 300 Brae Boulevard, Park Ridge, NJ 07656.

Q: How does the Board of Directors recommend that I vote on the proposals?

A: The Board of Directors recommends that you vote as follows:

- **"FOR"** the election of a Class B director;
- **"FOR"** the approval of the amendment to the Synvista 2005 Stock Plan;
- **"FOR"** the approval of the amendment to Synvista's Restated Certificate of Incorporation; and
- **"FOR"** the ratification of the selection of independent auditors for our fiscal year ending December 31, 2008.

If any other matter is presented, the proxy card provides that your shares will be voted by the proxy holder listed on the proxy card in accordance with his best judgment. At the time this proxy statement was printed, we knew of no matters that needed to be acted on at the annual meeting, other than those discussed in this proxy statement.

Q: Why did beneficial owners of our stock receive a one-page notice in the mail regarding the Internet availability of proxy materials this year instead of a full set of proxy materials?

A: Pursuant to rules recently adopted by the Securities and Exchange Commission, we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the "Notice") to the beneficial owners of our common stock. Beneficial owners will have the ability to access the proxy materials on a website referred to in

the Notice or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found on the Notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. Record owners of our stock will receive a mailing with paper copies of our proxy materials.

Q: How can I get electronic access to the proxy materials?

A: The Notice will provide you with instructions regarding how to:

- View our proxy materials for the annual meeting on the Internet; and
- Instruct us to send our future proxy materials to you electronically by email.

Choosing to receive your future proxy materials by email will save us the cost of printing and mailing documents to you and will reduce the impact of our annual stockholders' meetings on the environment. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

Q: Who can vote?

A: Only stockholders who own Synvista common stock and Series B Preferred Stock at the close of business on May 30, 2008 are entitled to vote at the Synvista annual meeting. On this record date, there were 2,586,326 shares of Synvista common stock and 10,000,000 shares of Synvista Series B Preferred Stock outstanding and entitled to vote.

Q: How many votes do I have?

A: Each share of Synvista common stock that you own entitles you to one vote. Each holder of Series B Preferred Stock is entitled to cast the number of votes equal to one-half of the number of whole shares of common stock into which the shares of Series B Preferred Stock held by such holder are convertible as of the record date. The Series B Preferred Stock is convertible into common stock at any time at the option of the holder at an initial conversion rate of 1:1, subject to adjustment.

Q: How do I vote?

A: If you are a stockholder of record of Synvista, you may vote by telephone at the toll-free number 1-800-PROXIES or on the Internet at www.proxyvote.com. If you are a beneficial owner of Synvista common stock, you may be able to vote electronically as well, if your proxy card or voting instruction form so indicates. See the instructions on your proxy card or voting instruction form. You are strongly encouraged to vote electronically if you are given that option.

If you receive or request a paper copy of the proxy card, you may vote by mail by completing, signing and dating your proxy card and returning it to Synvista. If you mark your voting instructions on the proxy card, your shares will be voted:

- as you instruct, and
- according to the best judgment of the proxy holder if a proposal comes up for a vote at the annual meeting that is not on the proxy card.

If you do not provide voting instructions, your shares will be voted:

- FOR the election of a Class B director, FOR the approval of the amendment to the Synvista 2005 Stock Plan, FOR the approval of the amendment to Synvista's Restated Certificate of Incorporation, and FOR

the ratification of J.H. Cohn LLP as Synvista's independent registered public accounting firm for the fiscal year ending December 31, 2008; and

- according to the best judgment of the proxy holder if a proposal comes up for a vote at the annual meeting that is not on the proxy card or for the adjournment or postponement of the annual meeting.

Q: What do I do if I want to change my vote?

A: Just send in a later-dated, signed proxy card to Synvista's Secretary before the meeting. Or, you can attend the meeting in person and vote. You may also revoke your proxy by sending a notice of revocation to Synvista's Secretary at Synvista's principal executive offices, 221 West Grand Avenue, Suite 200, Montvale, New Jersey 07645. If you voted via the Internet or telephone, you can submit a later vote using those same methods.

Q: What if I receive more than one proxy card?

A: You may receive more than one proxy card or voting instruction form if you hold shares of our common stock in more than one account, which may be in registered form or held in street name. Please vote in the manner described under "How Do I Vote?" for each account to ensure that all of your shares are voted.

Q: If my shares are held in "street name" by my broker, bank or other nominee, will my broker, bank or other nominee vote my shares for me?

A: If you do not provide your broker, bank or nominee with instructions on how to vote your "street name" shares, your broker, bank or nominee will not be permitted to vote them on the matters that are to be considered by the Synvista stockholders at the annual meeting, except for the election of a Class B director and ratification of our independent registered public accounting firm. You should therefore be sure to provide your broker with instructions on how to vote your shares.

If you wish to vote your shares in person, you must bring to the meeting a letter from the broker, bank or nominee confirming your beneficial ownership in the shares to be voted.

Q: What happens if I do not vote electronically, return a proxy card or otherwise provide proxy instructions?

A: The failure to vote electronically, return your proxy card or otherwise provide proxy instructions could be a factor in establishing a quorum for the annual meeting of Synvista stockholders, which is required to transact business at the meeting.

Q: What constitutes a quorum at the meeting?

A: The presence, in person or by proxy, of the holders of a majority of the outstanding shares of Synvista stock entitled to vote at the annual meeting is necessary to constitute a quorum at the meeting. Votes of stockholders of record who are present at the meeting in person or by proxy, abstentions, and broker non-votes are counted for purposes of determining whether a quorum exists.

Q: What vote is required to approve each proposal and how are votes counted?

A: Proposal 1: Elect Dr. Berkowitz as a Class B Director	The affirmative vote of a plurality of the votes present or represented by proxy and entitled to vote at the annual meeting is required to approve the election of Dr. Berkowitz as a Class B director. Abstentions are not counted for purposes of electing directors. Brokerage firms have authority to vote customers' unvoted shares held by the firms in street name on this proposal. If a broker does not exercise this authority, such broker non-votes will have no effect on the results of this vote.
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Proposal 2: Approve Amendment to the Synvista 2005 Stock Plan to Increase the Shares Available for Issuance under the Plan

The affirmative vote of a majority of the votes present or represented by proxy and entitled to vote at the annual meeting is required to approve the amendment to the Synvista 2005 Stock Plan. Abstentions will be treated as votes against this proposal. Brokerage firms do not have authority to vote customers' unvoted shares held by the firms in street name on this proposal. As a result, any shares not voted by a customer will be treated as a broker non-vote. Such broker non-votes will have no effect on the results of this vote.

Proposal 3: Approve a Decrease in the Number of Shares of Synvista Common Stock Authorized for Issuance

The affirmative vote of the majority of the Company's outstanding stock is required to approve a decrease in the number of shares of Synvista common stock authorized for issuance as set forth in the certificate of amendment to Synvista's Restated Certificate of Incorporation. Brokerage firms do not have authority to vote customers' unvoted shares held by the firms in street name on this proposal. As a result, any shares not voted by a customer will be treated as a broker non-vote. Abstentions and broker non-votes will be treated as votes against this proposal.

Proposal 4: Ratify Selection of Auditors

The affirmative vote of a majority of the votes present or represented by proxy and entitled to vote at the annual meeting is required to ratify the selection of independent auditors. Abstentions will be treated as votes against this proposal. Brokerage firms have authority to vote customers' unvoted shares held by the firms in street name on this proposal. If a broker does not exercise this authority, such broker non-votes will have no effect on the results of this vote. We are not required to obtain the approval of our stockholders to select our independent registered public accounting firm. However, if our stockholders do not ratify the selection of J.H. Cohn LLP as our independent registered public accounting firm for 2008, the Audit Committee of our Board of Directors may reconsider its selection.

Q: Is voting confidential?

A: We will keep all the proxies, ballots and voting tabulations private. We only let our Inspector of Elections (American Stock Transfer & Trust Company) examine these documents. Management will not know how you voted on a specific proposal unless it is necessary to meet legal requirements. We will, however, forward to management any written comments you make, on the proxy card or elsewhere.

Q: What are the costs of soliciting these proxies?

A: Synvista will pay all of the costs of soliciting the proxies. Synvista directors and employees may solicit proxies in person or by telephone, fax or e-mail. Synvista will pay these employees and directors no additional compensation for these services. Synvista will ask banks, brokers and other institutions, nominees and fiduciaries to forward these proxy materials to their principals and to obtain authority to execute proxies. Synvista will then reimburse them for their expenses.

Q: Will representatives of J.H. Cohn LLP, Synvista's independent registered public accounting firm, be present at the annual meeting?

A: Yes. Representatives of J.H. Cohn are expected to be present at the annual meeting, will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Q: Who do I call if I have questions about the meeting?

A: Synvista stockholders may call Synvista Investor Relations at 201-934-5000.

GENERAL INFORMATION

Our Board of Directors is soliciting proxies for the annual meeting of stockholders to be held on July 22, 2008 at 10:00 a.m., Eastern Time at the Marriott Park Ridge, 300 Brae Boulevard, Park Ridge, NJ 07656, and at any adjournment or postponement of the annual meeting. This proxy statement contains important information for you to consider when deciding how to vote on the matters before the annual meeting.

Voting materials, which include this proxy statement and the proxy card and are available at www.proxyvote.com, are being mailed to our stockholders of record and will be mailed to beneficial owners entitled to notice of, and to vote at, the annual meeting upon request. Our principal executive office is located at 221 West Grand Avenue, Suite 200, Montvale, New Jersey 07645, and our telephone number is (201) 934-5000.

Solicitation

We will bear the cost of solicitation of proxies, including expenses in connection with preparing this proxy statement. We will furnish copies of solicitation materials to brokerage houses, fiduciaries, and custodians to forward to beneficial owners of our common stock held in their names. In addition, we will reimburse brokerage firms and other persons representing beneficial owners of stock for their expenses in forwarding solicitation materials to such beneficial owners. Original solicitation of proxies by mail may be supplemented by telephone, telegram and personal solicitation by our directors, officers and other employees. No additional compensation will be paid to our directors, officers or other employees for such services.

Record Date, Voting Rights and Outstanding Shares

Our Board of Directors has set May 30, 2008 as the record date for the annual meeting. Only holders of record at the close of business on that date will be entitled to notice of, and to vote at, the annual meeting. As of May 30, 2008, we had 2,586,326 shares of common stock and 10,000,000 shares of Series B Preferred Stock outstanding. Each share of common stock is entitled to one vote on each proposal that will come before the annual meeting. Each holder of Series B Preferred Stock is entitled to cast the number of votes equal to one-half of the number of whole shares of common stock into which the shares of Series B Preferred Stock held by such holder are convertible as of the record date. The Series B Preferred Stock is convertible into common stock at any time at the option of the holder at an initial conversion rate of 1:1, subject to adjustment. A majority of the outstanding shares of stock will constitute a quorum at the annual meeting. Abstentions and broker non-votes (as described below) are counted as present for purposes of determining the presence or absence of a quorum for the transaction of business.

Broker Non-Votes

A broker non-vote occurs when a broker cannot vote a customer's shares registered in the broker's name because the customer did not send the broker instructions on how to vote on the matter. If the broker does not have instructions and is barred by law or applicable rules from exercising its discretionary voting authority in the particular matter, then the shares will not be voted on the matter, resulting in a "broker non-vote."

Revocability of Proxy and Voting of Shares

Any stockholder giving a proxy has the power to revoke it at any time before the annual meeting. It may be revoked by mailing to our Secretary at our principal executive offices, 221 West Grand Avenue, Suite 200, Montvale, New Jersey 07645, an instrument of revocation or a duly executed proxy bearing a later date. If a stockholder is permitted to vote electronically via the Internet or telephone, a proxy may be revoked by the submission of a later electronic proxy. A proxy may also be revoked by attendance at the annual meeting and an election given to our Secretary to

vote in person (subject to the restriction that a stockholder holding shares in street name must bring to the annual meeting a legal proxy from the broker, bank or other nominee holding that stockholder's shares that confirms that stockholder's beneficial ownership of the shares and gives the stockholder the right to vote the shares). If not revoked, the proxy will be voted at the annual meeting in accordance with the stockholder's instructions. If no instructions are indicated, the proxy will be voted (i) FOR each proposal presented by Synvista management for a vote at the meeting and (ii) according to the best judgment of the proxy holder if a proposal comes up for a vote at the annual meeting that is not on the proxy card or for the adjournment or postponement of the annual meeting.

Dissenters' Rights of Appraisal

Our stockholders do not have dissenters' rights of appraisal with respect to any of the proposals being voted upon at the annual meeting.

Electronic Delivery of Stockholder Communications

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders of Synvista Therapeutics, Inc. to Be Held on July 22, 2008.

- **The proxy statement, annual report to security holders for the year ended December 31, 2008 and the proxy card are available at www.proxyvote.com.**
- The annual meeting of stockholders will be held on July 22, 2008 at 10:00 a.m., Eastern Time at the Marriott Park Ridge, 300 Brae Boulevard, Park Ridge, NJ 07656.
 - The annual meeting of stockholders will be held for the following purposes:
 1. To elect Noah Berkowitz, M.D., Ph.D. as a Class B director to hold office until the 2011 annual meeting of stockholders and until his successor has been duly elected and qualified;
 2. To approve an amendment to the Company's 2005 Stock Plan to increase the number of shares of common stock authorized for issuance under the Plan from 1,060,000 to 2,000,000;
 3. To approve an amendment to the Company's Restated Certificate of Incorporation to decrease the number of shares of common stock authorized for issuance from 300,000,000 to 150,000,000;
 4. To ratify the selection of J.H. Cohn LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2008; and
 5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

· Synvista's Board of Directors recommends voting "FOR" all of the proposals listed above.

- You are urged to attend the annual meeting and vote in person, but if you are unable to do so, the Board of Directors would appreciate your prompt vote either electronically via the Internet or telephone or via regular mail. *We strongly encourage you to vote electronically, if you have that option.*

**SECURITY OWNERSHIP OF CERTAIN
BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding the beneficial ownership of our common stock as of April 15, 2008, except as otherwise set forth below, by (i) each person who is known by us to own beneficially more than 5% of the common stock, (ii) each director, (iii) each named executive officer and (iv) all current directors and named executive officers as a group. Unless otherwise indicated, the address for each director and executive officer listed is 221 West Grand Avenue, Suite 200, Montvale, NJ 07645.

Name of Beneficial Owner(1)	Amount and Nature of Beneficial Ownership(1)	Percent of Class(2)
Genentech, Inc. 1 DNA Way South San Francisco, CA 94080-4990	285,813	11%
Atticus Capital LP 767 Fifth Avenue, 12 th Floor New York, NY 10153(3)	2,000,000(3)**	43%
Julian C. Baker and Felix J. Baker Baker Bros. Advisors 667 Madison Avenue New York, NY 10021(4)	10,500,000(4)**	80%
Noah Berkowitz, M.D., Ph.D.	211,634(5)	8%
Noah C. Berkowitz Family Trust	11,756(6)	*
John F. Bedard	—	*
Malcolm W. MacNab, M.D., Ph.D.	26,126	*
Carl M. Mendel, M.D., Ph.D.	—	*
Mary C. Tanner	146,275(7)	6%
Wayne P. Yetter	17,236(8)	*
All current directors and officers as a group (6 persons)	772,714(9)	25%

*Less than one percent

**Assumes that shares of Series B Preferred Stock have been converted to common stock.

(1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission, and generally includes voting or investment power with respect to securities. Shares of common stock subject to stock options and warrants currently exercisable or exercisable within 60 days are deemed outstanding for computing the percentage ownership of the person holding such options and the percentage ownership of any group of which the holder is a member, but are not deemed outstanding for computing the percentage ownership of any other person. Except as indicated by footnote, and subject to community property laws where applicable, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

- (2) Applicable percentage of ownership is based on 2,586,326 shares of common stock outstanding as of April 15, 2008. As of that date, there were 10,000,000 shares of Series B preferred stock outstanding, which were convertible into 10,000,000 shares of common stock. There were also outstanding as of that date warrants to purchase 2,500,000 shares of Series B preferred stock, which are currently exercisable. The shares of Series B preferred stock underlying the warrants are also convertible into 2,500,000 shares of common stock.
- (3) Number of shares beneficially owned based solely upon a Schedule 13D/A filed jointly by Atticus Capital LP, Atticus Management Limited and Timothy R. Barakett on January 3, 2008. According to the Schedule 13D/A, Atticus Capital LP, Atticus Management Limited and Mr. Barakett beneficially own an aggregate of 2,000,000 shares of common stock, including an aggregate number of shares of common stock that may be acquired upon conversion of Series B Preferred Stock and shares that may be acquired upon the exercise of warrants to purchase shares of Series B Preferred Stock. The address of the principal business and principal office of each of Atticus Capital LP and Mr. Barakett is 767 Fifth Avenue, 12th Floor, New York, NY 10153. The address of the principal business and principal office of Atticus Management is P.O. Box 100, Sydney Vane House, Admiral Park, St. Peter Port, Guernsey GY1 3EL.
- (4) Number of shares beneficially owned based solely upon a Schedule 13D filed jointly by Julian C. Baker and Felix J. Baker, each a Managing Member of Baker Bros. Advisors. The number of shares beneficially owned includes an aggregate number of shares of common stock that may be acquired upon conversion of Series B Preferred Stock and shares that may be acquired upon the exercise of warrants to purchase shares of Series B Preferred Stock. According to the Schedule 13D, the number of shares beneficially owned are held by the following entities: (i) 9,323 shares held by Baker Bros. Investments II, L.P., (ii) 2,740,840 shares held by Baker Biotech Fund I, L.P., (iii) 7,438,590 shares held by Baker Brothers Life Sciences, L.P., (iv) 240,276 shares held by 14159, L.P. and (v) 70,971 shares held by Baker/Tisch Investments. By virtue of their ownership of entities that have the power to control the investment decisions of the limited partnerships, Julian C. Baker and Felix J. Baker may be deemed to be beneficial owners of the shares owned by Baker Bros. Investments II, L.P., Baker Biotech Fund I, L.P., Baker Brothers Life Sciences, L.P., 14159, L.P. and Baker/ Tisch Investments, L.P., and may be deemed to have shared power to vote or dispose of such securities owned by such entities.
- (5) Includes 65,000 shares of common stock subject to options which were exercisable as of April 15, 2008.
- (6) Dr. Berkowitz's wife is the trustee and has the power to vote and dispose of the shares. Dr. Berkowitz disclaims beneficial ownership of the shares.
- (7) Includes 107,442 shares of common stock held directly by Ms. Tanner and 38,833 shares of common stock subject to options and warrants which were exercisable as of April 15, 2008.
- (8) Includes 6,127 shares of common stock held directly by Mr. Yetter and 7,909 shares of common stock subject to options that were exercisable as of April 15, 2008.
- (9) Includes 257,003 shares of common stock held directly by all current officers and directors and 72,868 shares of common stock subject to options and warrants which were exercisable as of April 15, 2008.

MANAGEMENT

The Board of Directors

Pursuant to our Restated Certificate of Incorporation, our Board of Directors is divided into three classes, each of which serves a term of three years. Class B consists of Dr. Berkowitz, whose term will expire at the annual meeting of stockholders in 2008. Class C consists of Ms. Tanner and Mr. Yetter, whose terms will expire at the annual meeting of stockholders in 2009. Class A consists of Mr. John F. Bedard, whose term will expire at the annual meeting of stockholders in 2010.

The current Board of Directors is comprised of the following persons:

Name	Age	Served as a Director Since	Positions with Synvista
John F. Bedard	58	2007	Director
Noah Berkowitz, M.D., Ph.D.	44	2006	President, Chief Executive Officer and Director
Mary C. Tanner	57	2006	Director
Wayne P. Yetter	62	2006	Director

Our Board has determined that the following members of the Board qualify as independent under the definition promulgated by the American Stock Exchange: Mr. Bedard, Ms. Tanner and Mr. Yetter.

The principal occupations and business experience, for at least the past five years, of each director are as follows:

John F. Bedard, has served as a director of the Company since September 2007. Mr. Bedard has also been on the Board of Directors for EpiCept Corporation since January 2006. Prior to that time he was on the Board of Directors for Maxim Pharmaceuticals (October, 2004 to January, 2006) until the merger of Maxim with EpiCept. Mr. Bedard started consulting after his retirement from Bristol-Myers Squibb (BMS) in 2002. At BMS, Mr. Bedard was Vice President, FDA Liaison & Global Strategy, where for the last 14 years he directed the development and registration programs for cardiovascular, metabolic, dermatology, and immunology programs. He also directed the worldwide Good Laboratory Practice and Good Clinical Practice programs for BMS. Over his 25-year career, Mr. Bedard has directed development and registration programs in numerous therapeutic areas. A partial listing of Mr. Bedard's development program experience follows: Pravachol® for hyperlipidemia, primary and secondary prevention of MI, stroke, and revascularization; Capoten® for post-MI and diabetic nephropathy; Monopril® for hypertension; Avapro for hypertension; Glucovance® for Type 2 diabetes; Glucophage XR for Type 2 diabetes; Dovonex® for psoriasis; Vaniqa® for female hirsutism; Inderal® for post-MI and Inderal LA; and Droxia® for sickle cell anemia. Four of the development programs became marketed franchises with annual sales in excess of \$1 billion. Mr. Bedard is a member of DIA, NY Academy of Sciences, and the American Association for the Advancement of Science (AAAS). He received a B.A. in Chemistry from Rutgers University and an M.S. in Chemistry from St Joseph's University.

Noah Berkowitz, M.D., Ph.D., the Company's President and Chief Executive Officer, joined the Company following its merger with HaptoGuard in July 2006. Dr. Berkowitz earned his B.A., M.D., and Ph.D. from Columbia University and trained at the National Cancer Institute in medical oncology. Prior to founding HaptoGuard in 2004, he was a consultant to a variety of biotechnology companies in Israel, including Predix Pharmaceuticals, IDGene and Teva. He was previously Vice President of Clinical Development at IMPATH Inc., a NASDAQ-traded, "cancer information company," where he co-developed a division, IMPATH Predictive Oncology, focused on biopharmaceutical partnerships supporting the discovery and development of cancer-related, targeted diagnostics and therapeutics. Prior to IMPATH, Dr. Berkowitz was the founder of Physician Choice Inc., a contract research organization specializing in pharmacoeconomics and outcomes.

Mary C. Tanner has served as a director of the Company since July 2006. Ms. Tanner is a Principal and founder of Life Sciences Partners, a healthcare advisory and investment firm. Previously, from 2000 to 2004, she was Senior Managing Director at Bear Stearns & Co., and held increasing positions in investment banking at Lehman Brothers from 1979 to 1999, including Senior Managing Director and head of the Life Sciences practice at Lehman Brothers, Inc. During her 25 year career on Wall Street, Ms. Tanner has worked on or supervised over 550 transactions with a total value of over \$175 billion, including ten large pharmaceutical mergers. Ms. Tanner is also a member of the Board of Directors, as well as the Audit Committee, of Evotec AG. Ms. Tanner is a member of the Dean's Council of the Yale Medical School. Ms. Tanner received her B.A. from Harvard University.

Wayne Yetter has served as a director of the Company since July 2006. Mr. Yetter has served as Chief Executive Officer of Verispan, LLC, a healthcare information company founded by Quintiles Transnational Corp. and McKesson Corp, since September 2005. From November 2004 through September 2005, Mr. Yetter served as President and Chief Executive Officer of Odyssey Pharmaceuticals, Inc. to assist Odyssey's parent, PLIVA d.d., implement its strategy to exit the proprietary pharmaceutical business. After serving in Vietnam, Mr. Yetter began his career in the pharmaceuticals industry in 1970 as a sales representative for Pfizer. From Pfizer, he joined Merck & Co in 1977, where he led the Marketing Operations Group and then became President of the Asia Pacific region before starting the new company, Astra Merck, in 1991 as President and CEO. Mr. Yetter then joined Novartis Pharmaceuticals in 1997, where he was President and CEO of the U.S. pharmaceutical business. In 1999, he joined IMS and later led its spinout company, Synavant, where he was Chairman and CEO for three years before the company merged with Dendrite International in 2003. Following the merger, Mr. Yetter founded and has acted as principal of BioPharm Advisory LLC since September 2003. Mr. Yetter was formerly Chairman of the Board for Transkaryotic Therapies Inc., which was acquired by Shire Pharmaceuticals in 2005. Mr. Yetter is also a member of the Board of Directors of Noven Pharmaceuticals, Inc., Epicept Corporation and Infusystems Holdings, Inc. Mr. Yetter was also named non-executive Chairman of the Board of Noven Pharmaceuticals in January 2008. Mr. Yetter received his B.A. in Biology from the Wilkes University, and his M.B.A. from Bryant University.

Committees of the Board of Directors and Meetings

The Board of Directors has a Compensation Committee, which reviews incentive compensation for employees of and consultants to Synvista, as well as salaries and incentive compensation of executive officers. In 2007, the Compensation Committee was comprised of Mary C. Tanner and Wayne P. Yetter.

The Board of Directors has a Nominating and Governance Committee, which we refer to in this document as the Nominating Committee, which reviews the qualifications of candidates and proposes nominees to serve as directors on our Board of Directors and nominees for membership on Board committees, develops and recommends to the Board corporate governance guidelines applicable to the Company and leads the Board of Directors in the annual review of the Board's performance. In 2007, the Nominating Committee was comprised of John F. Bedard, Mary C. Tanner and Wayne P. Yetter.

The Board of Directors has an Audit Committee, which oversees the accounting and financial reporting processes and the audits of our financial statements. In 2007, the Audit Committee was comprised of John F. Bedard, Mary C. Tanner and Wayne P. Yetter. Please see the report of the Audit Committee included elsewhere in this proxy statement.

All of the current members of the Compensation Committee, the Nominating Committee and the Audit Committee are independent, as such term is defined by Section 121.A of the American Stock Exchange listing standards. Our Board of Directors has determined that Ms. Tanner is an "audit committee financial expert," as defined in Item 407(d)(5)(ii) of Regulation S-K.

The Audit Committee held 7 meetings, the Compensation Committee held 4 meetings and the Nominating Committee held 1 meeting during the year ended December 31, 2007. There were 11 meetings of the Board of Directors in 2007. Each of the incumbent directors attended at least 75% of the aggregate of (i) the total number of meetings of the Board of Directors held during the year ended December 31, 2007 and (ii) the total number of meetings held by all committees of the Board on which he or she served during the year ended December 31, 2007. The Board has adopted written charters for each of the Audit Committee, the Compensation Committee and the Nominating Committee. These written charters are available on our website at www.Synvista.com.

Director Nomination Process

The Nominating Committee reviews the qualifications of candidates and proposes nominees to serve as directors on our Board of Directors and nominees for membership on Board committees. It is the Nominating Committee's policy to consider potential candidates for Board membership recommended by its members, management, stockholders and others. The Nominating Committee has not established any specific minimum qualifications that must be met for a recommendation for a position on the Board of Directors. Instead, the Nominating Committee conducts appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates for nomination to the Board of Directors giving due consideration to such criteria, including without limitation, diversity, experience, skill set and the ability to act on behalf of stockholders, as it believes appropriate and in the best interests of Synvista and its stockholders. All potential director candidates are evaluated based upon the same criteria, and the Nominating Committee makes no distinction in its evaluation of candidates based upon whether such candidates are recommended by stockholders or others. Once the evaluation is complete, the Nominating Committee recommends the nominees to the Board of Directors, which makes the final determination. If a stockholder wishes to nominate a candidate to be considered for election as a director at the 2009 annual meeting of stockholders using the procedures set forth in our amended and restated by-laws, it must follow the procedures described in "Advance Notice of Stockholder Nominees for Director and Other Stockholder Proposals" set forth in our amended and restated by-laws. If a stockholder wishes simply to propose a candidate for consideration as a nominee by the Nominating Committee, it should follow the procedures set forth in Appendix B, "Procedures for Shareholders Submitting Nominating Recommendations," to our Nominating Committee Charter, which is available on our website at www.Synvista.com.

Stockholder Communications to the Board

Stockholders and other parties interested in communicating directly with the Board of Directors may do so by writing to any Board of Director, c/o Synvista Therapeutics, Inc., 221 West Grand Avenue, Suite 200, Montvale, New Jersey 07645. All correspondence received by Synvista and addressed to a member of the Board or the full Board will be forwarded directly to the Board of Directors.

Director Attendance at Annual Meeting

All of our incumbent Directors, except for Mr. Bedard, attended our annual meeting of stockholders in 2007. Mr. Bedard was not serving on our Board of Directors at the time of our 2007 annual meeting. Each Director is expected to dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties, including attending meetings of the stockholders, the Board and committees of which he or she is a member.

Executive Officer

The following table sets forth certain information regarding our executive officer who is not also a director. We have an employment agreement with Noah Berkowitz, M.D., the terms of which are described elsewhere in this proxy statement.

Name	Age	Position
Carl M. Mendel, M.D.	53	Vice President of Clinical Development and Chief Medical Officer

Carl M. Mendel, M.D., has served as our Vice President of Clinical Development and Chief Medical Officer since September 2007. Dr. Mendel received his B.A. from Columbia University in New York and his M.D. from the University of California, San Diego. He did his post-graduate training in Internal Medicine at LAC/USC Medical Center in Los Angeles and in Endocrinology and Metabolism at the University of California, San Francisco, where he joined the faculty as Assistant Professor of Medicine. He is board certified in Internal Medicine and in Endocrinology and Metabolism. He joined the pharmaceutical industry in 1993 and has held positions of increasing responsibility at Merck, Knoll, Aventis, and sanofi-aventis. He joined Synvista in October, 2007 from sanofi-aventis, where he was Vice President of Metabolism Projects. Dr. Mendel has had extensive experience working in both early- and late-stage drug development, as well as in medical affairs (supporting marketed products), and has contributed to a number of drug approvals. He has led numerous collaborations and co-development projects with other companies and has significant in-licensing experience.

EXECUTIVE COMPENSATION**Summary Compensation Table**

The following table provides certain information concerning the compensation earned for the last two fiscal years by our principal executive officer and our two other most highly compensated executive officers who were serving as executive officers as of December 31, 2007. We refer to the officers listed in the table below collectively as our "Named Executive Officers."

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Option Awards (\$)(2)	All Other Compensation (\$)	Total (\$)
Noah Berkowitz, M.D., Ph.D. President and Chief Executive Officer	2007	264,000	83,160(1)	85,916	12,000(3)	445,076
	2006	240,000	54,000(4)	—	3,558(3)	297,558
Carl M. Mendel, M.D., Ph.D.(5) Vice President, Clinical Development and Chief Medical Officer	2007	66,250	20,000	11,707	—	97,957
	2006	—	—	—	—	—
Malcolm W. MacNab, M.D., Ph.D. (6) Former Vice President, Clinical Development	2007	240,000	72,000	133,808	22,000(8)	467,808
	2006	240,000	36,000(7)	58,206	—	334,206

(1) Represents a cash bonus for performance during the fiscal year ended December 31, 2007, which was paid in 2007.

(2) Represents the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 31, 2007, in accordance with FAS 123(R), of awards pursuant to the stock option program. Assumptions used in the calculations of this amount are included in Note 11 - Stockholders' Equity to our audited consolidated financial statements for the fiscal year ended December 31, 2007 included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2008.

(3) Represents an expense for a car allowance.

(4) Represents a cash bonus for performance during the fiscal year ended December 31, 2006, which was paid in 2007.

(5) Dr. Mendel's employment with us commenced in October 2007.

(6) Dr. MacNab resigned as our Vice President, Clinical Development on December 31, 2007.

(7) Represents a cash bonus for performance during the fiscal year ended December 31, 2006, which was paid in 2007.

(8) Represents the costs of Dr. MacNab's commuting from his home in Massachusetts to our offices in New Jersey.

Narrative Disclosure to Summary Compensation Table

Employment Agreements

Noah Berkowitz, M.D., Ph.D.
President and Chief Executive Officer

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On February 1, 2007, we entered into an amendment to Dr. Berkowitz's Employment Agreement dated March 1, 2005. Pursuant to the amendment, Dr. Berkowitz is entitled to receive an annual base salary of \$264,000. Effective as of January 1, 2008, Dr. Berkowitz will be entitled to receive an annual base salary of \$300,000. He is also eligible to receive an annual cash bonus in an amount up to 35% of his annual base salary, based upon the achievement of certain milestones and objectives. For 2008, the Compensation Committee determined that such milestones and objectives shall relate to progress in the clinical trials of the Company's product candidates SYI-2074 and alagebrium, the continued development of the Company's haptoglobin diagnostic test, funding of the Company and further strengthening the Company's profile with the investment community and the Company's internal corporate organization. The percentage amount associated with each of these objectives is established in the first quarter of each fiscal year by the Compensation Committee. Dr. Berkowitz also receives a car allowance in the amount of \$1,000 per month.

Dr. Berkowitz is entitled to certain benefits in connection with a termination of his employment or a change in control discussed below under "—Potential Payments Upon Termination of Change in Control."

Malcolm MacNab, M.D., Ph.D.

Former Vice President, Clinical Development

On February 1, 2007, the Board of Directors amended Dr. MacNab's Employment Agreement dated February 7, 2005. Pursuant to this amendment, Dr. MacNab was entitled to receive an annual base salary of \$240,000, and in lieu of an increase in base salary, we were obligated to pay travel expenses to our offices in New Jersey from his home in Massachusetts. He was also eligible to receive an annual cash bonus in an amount up to 30% of his annual base salary. One-half of his bonus was dependent on the achievement of corporate milestones and one-half of his bonus was dependent on the achievement of individual milestones. The annual milestones, as well as the specified percentage of the total bonus of each specific milestone, were established by the Chief Executive Officer and/or the Board of Directors.

Dr. MacNab resigned from the Company on December 31, 2007 and is providing services to us as a consultant. He has been contracted for a period of 12 months for a monthly consulting fee of \$5,000 per month.

On November 1, 2006, Dr. MacNab received an option to purchase 20,000 shares of common stock. The amount of this grant was based on targeting 1.5% ownership of the Company on a fully diluted basis. The fair value of this award using the Black-Scholes model is \$142,100. These options will become exercisable in four equal annual installments commencing on January 1, 2007 until fully vested, and will continue to vest during the time Dr. MacNab provides consulting services to us.

In addition to provisions in the above-described agreements requiring each individual to maintain the confidentiality of our information and assign inventions to us, the above named executive officers have agreed that during the terms of their agreements and for one year thereafter, they will not compete with us by engaging in any capacity in any business that is competitive with our business.

Carl Mendel, M.D., Ph.D.

Vice President, Chief Development and Chief Medical Officer

Dr. Mendel is an at-will employee of ours. He currently receives an annual base salary of \$275,000. He is also eligible to receive an annual cash bonus in an amount up to 20% of his annual base salary, based upon the achievement of certain milestones and objectives. The percentage amount associated with each of these milestones will be established in the first quarter of the year by the Compensation Committee.

401(k) Plan

We have a tax-qualified employee savings and retirement plan (the “401(k) Plan”) covering all of our employees. Pursuant to the 401(k) Plan, employees may elect to reduce their current compensation by up to the statutorily prescribed annual limit, which was \$15,000 in 2006, and have the amount of such reduction contributed to the 401(k) Plan. The 401(k) Plan does not require that we make additional matching contributions to the 401(k) Plan on behalf of participants in the 401(k) Plan. However, in 1998, we began making discretionary contributions at a rate of 25% of employee contributions up to a maximum of 5% of their base salary. Contributions by employees to the 401(k) Plan and income earned on such contributions are not taxable to employees until the contributions are withdrawn from the 401(k) Plan. The Trustees under the 401(k) Plan invest the assets of the 401(k) Plan at the direction of each participant.

2007 Bonus

Our compensation program provides executive officers with the opportunity to earn an annual cash incentive award, the amount of which is based upon (1) the position level of the executive officer, and (2) the attainment of specific individual non-financial performance objectives. The Compensation Committee sets these performance objectives at the beginning of the fiscal year. Currently, executive officers and certain senior non-executive employees may be eligible for annual performance-based cash bonuses in amounts ranging from 15%-35% of their base salaries, as set forth in their employment offer letters. In its discretion, the Compensation Committee may, however, award bonus payments to our executive officers above or below the amounts specified in their respective offer letters, depending on the achievement by the executive officers of performance goals as set and determined by the Committee. As provided in his employment agreement, our Chief Executive Officer is eligible for an annual performance-based bonus of up to 35% of his annual base salary, the specific amount of which, if any, will be determined by the Board of Directors or the Compensation Committee in their sole discretion. The 2007 bonus for our Chief Executive Officer, Dr. Berkowitz, was determined based on the achievement of specific performance goals during the fiscal year ended December 31, 2007, including (1) funding the organization and completion of a financing, (2) reasonable efforts to resolve the material weaknesses in the Company's financial statements, (3) expanding the scientific knowledge base of the Company, (4) advancing the Company's clinical programs, (5) building the corporate organization and expanding its clinical development staff, (6) strengthening the Company's organizational atmosphere and culture, and (7) improving communication with the Board. The Board of Directors determined that, during 2007, Dr. Berkowitz had achieved a significant financing for the Company and had made meaningful progress in advancing the Company's clinical programs and concluded that Dr. Berkowitz had accomplished 90% of the overall objectives that had been set. Accordingly, the Board concluded that Dr. Berkowitz was entitled to receive, and would receive, an award of 90% of his target bonus opportunity under the 2007 management incentive program.

Outstanding Equity Awards at Fiscal Year-End

The following table shows grants of stock options and grants of unvested stock awards outstanding on the last day of the fiscal year ended December 31, 2007, including both awards subject to performance conditions and non-performance-based awards, to each of the executive officers named in the Summary Compensation Table. During the year ended December 31, 2007, none of the Named Executive Officers exercised any of their stock options. Each of the stock options granted to our Named Executive Officers expires ten years after the date of the grant. Unless otherwise noted, the stock options vest in equal quarterly installments over a four-year period commencing on the date of grant.

Option Awards

Name	Option Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date
Noah Berkowitz, M.D., Ph.D. President and Chief Executive Officer	10/3/2007	65,000	395,000(1)	2.67	10/3/2017
Malcolm W. MacNab, M.D., Ph.D. Former Vice President, Clinical Development	11/1/2006 2/7/2005	— 17,605	20,000(2) 3,521(3)	7.50 8.00	11/1/2016 2/07/2015

Carl M. Mendel, M.D. Vice President of Clinical Development and Chief Medical Officer	10/1/2007	—	70,000(4)	3.00	10/1/2017
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- (1) The option grant of 460,000 shares contains the following vesting provisions:
260,000 shares vesting 25% immediately and 25% per year over three years from the date of grant; and 200,000 restricted option shares with the restriction on 50,000 shares removed for the achievement of each of four milestones relating to progress and timing in the clinical development of SYI-2074 and alagebrium and other preclinical developments. The options will vest 50% at the time the restriction is removed and 25% over each of the following two years.
- (2) The options vest in four equal annual installments commencing on January 1, 2007 until fully vested.
- (3) The options vest semi-annually over three years commencing on February 7, 2005.

- (4) The options vest in four equal annual installments commencing on October 1, 2007.

Potential Payments upon Termination or Change-In-Control

*Noah Berkowitz, M.D., Ph.D.,
President and Chief Executive Officer*

The employment agreement with Dr. Berkowitz provides for two types of terminations:

- “Termination of Employment by the Company.” In the event that Dr. Berkowitz is terminated due to Disability, as that term is defined in Dr. Berkowitz’s employment agreement, we are obligated to pay his salary and benefits for 12 months following the date of termination in equal, monthly installments. For a termination constituting Cause, as that term is defined in Dr. Berkowitz’s employment agreement, we are obligated to pay only his accrued and unpaid salary and benefits through the date of such termination. All unvested options on the termination date will be cancelled. In the event of a termination Without Cause, as that term is defined in Dr. Berkowitz’s employment agreement, is determined by a majority vote of the Board of Directors, Dr. Berkowitz is entitled to receive his salary and benefits for a period of 12 months after the termination date. In addition, the monthly vesting of his options shall continue for an additional 12 months from the termination date. If Dr. Berkowitz had been terminated without cause on December 31, 2007, he would have been eligible to receive an aggregate of approximately \$266,500, which is inclusive of his annual salary and life insurance premium benefit.
- “Termination of Employment by the Executive.” Dr. Berkowitz may choose to resign from his position for “Good Reason.” Events that qualify as Good Reason include (i) a change in his title or responsibilities, (ii) our failure to provide executive salary or benefits, or (iii) the relocation of our primary office to a location, or the requirement to perform a majority of his duties at any location to which the commute time exceeds one hour and fifteen minutes. If Dr. Berkowitz elects to terminate his employment due to event (i) or (ii), we are obligated to pay his salary and benefits for a period of 12 months after the termination date. The monthly vesting of his options shall continue for an additional 12 months from the termination date. If he elects to terminate his employment due to event (iii), we would be obligated to pay his salary and benefits for a period of six months after the termination date. If Dr. Berkowitz had been terminated under the above circumstance on December 31, 2007, he would have been eligible to receive an aggregate of approximately \$133,250, which is inclusive of six months of salary and life insurance premium benefit. The monthly vesting of his options shall continue for an additional six months from the termination date.

If Dr. Berkowitz elects to terminate his employment for any other reason than those stated above, his employment agreement will terminate immediately and he would receive the accrued and unpaid salary benefits through the date of such termination.

*Malcolm MacNab, M.D., Ph.D.,
Former Vice President, Clinical Development*

Pursuant to our Stock Option Grant Agreement with Dr. MacNab dated November 1, 2006, upon a change in control, any portion of Dr. MacNab's options, which are not vested and exercisable, shall vest and become exercisable immediately prior to a change in control. As defined in the Stock Option Grant Agreement, a change in control shall be deemed to occur if (i) we are merged with or into or consolidated with another corporation or other entity under circumstances where our stockholders immediately prior to such merger or consolidation do not own after such merger or consolidation shares representing at least 50% of the voting power of us or the surviving or resulting corporation or other entity, as the case may be, or (ii) we are liquidated, sell or otherwise dispose of substantially all of our assets to another corporation or entity, or (iii) any person (as such term is used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") becomes the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act) of 40% or more of our common stock other than pursuant to a plan or arrangement entered into by such person and us or otherwise approved by our Board of Directors, or (iv) during any period of two consecutive years, individuals who at the beginning of such period constitute the entire Board of Directors shall cease for any reason to constitute a majority of the Board unless the election or nomination for election by our stockholders of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period. If Dr. MacNab had been terminated under the above circumstance on December 31, 2007, he would have been eligible to purchase 17,605 shares of common stock subject to options.

Dr. MacNab resigned as Vice President, Clinical Development on December 31, 2007.

Director Compensation

The following table shows the total compensation paid or accrued during the fiscal year ended December 31, 2007 to each person who served as a director of ours during 2007.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)(1)	Option Awards (\$)(2)	Total (\$)
Noah Berkowitz, M.D., Ph.D.(3)	\$ —	\$ —	\$ —	\$ —
John F. Bedard (4)	32,024	—	37,995	70,019
Marilyn Breslow(5)	6,500	24,000	—	30,500
Kenneth I. Moch(6)	1,500	—	—	1,500
Thomas A. Moore(7)	4,250	24,000	—	28,250
Mary C. Tanner(8)	33,000	15,689	40,449	89,138
Wayne Yetter(9)	\$ 41,750	\$ 15,689	\$ 40,449	\$ 97,888

(1) Represents the amount we have expensed during 2007 under FAS 123(R) for outstanding restricted stock granted in previous fiscal years. Assumptions used in the calculation are included in Note 11 - Stockholders' Equity to our audited consolidated financial statements for the fiscal year ended December 31, 2007 included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2008.

(2) Represents the amount we have expensed during 2007 under FAS 123(R) for outstanding stock option awards granted in 2007 and in previous fiscal years. Assumptions used in the calculation are included in Note 11 - Stockholders' Equity to our audited consolidated financial statements for the fiscal year ended December 31, 2007 included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2008.

(3) Dr. Berkowitz, our President and Chief Executive Officer, receives no compensation for his services as Director.

(4) On September 7, 2007, Mr. Bedard joined our Board of Directors. In connection with his appointment, he received a stock option to purchase 30,000 shares of our common stock. The stock option has an exercise price of \$4.40, the closing price of our common stock on the American Stock Exchange on the grant date. The stock option has a grant date fair value of \$4.03. The stock option vests over one year. As of December 31, 2007, there are outstanding options to purchase 30,000 shares of our common stock issued to Mr. Bedard.

(5) Ms. Breslow resigned effective July 21, 2007. As of December 31, 2007, there are outstanding 3,200 shares of restricted stock and options to purchase 4,897 shares of common stock issued to Ms. Breslow.

(6) Mr. Moch resigned effective February 5, 2007. As of December 31, 2007, there are outstanding options to purchase 55,342 shares of common stock issued to Mr. Moch.

- (7) Mr. Moore resigned effective July 21, 2007. As of December 31, 2007, there are outstanding 3,200 shares of restricted stock and options to purchase 3,700 shares of common stock issued to Mr. Moore.
- (8) As of December 31, 2007, there are outstanding 3,200 shares of restricted stock and options to purchase 45,426 shares of common stock issued to Ms. Tanner.
- (9) As of December 31, 2007, there are outstanding 3,200 shares of restricted stock and options to purchase 28,842 shares of common stock issued to Mr. Yetter.

Director Compensation Policy

All of our Board of Directors are reimbursed for their expenses for each Board meeting attended. Directors who are not also compensated as our employees receive \$1,500 per Board meeting attended in person and \$750 for each Board meeting attended by telephone. Directors also receive an annual retainer in cash for their services on the Board of \$25,000.

Pursuant to the Synvista 2005 Stock Plan, as amended on July 19, 2006, non-employee directors also receive, upon the date of their election or re-election to the Board and on the dates of the next two annual meetings of stockholders (subject to their continued service on the Board of Directors), a stock option to purchase 20,000 shares of our common stock (subject to adjustment if they received stock options upon appointment to the Board between annual meetings of stockholders to fill a vacancy or newly created directorship) at an exercise price equal to the fair market value of our common stock on the date of grant. Each of these options will vest and become exercisable upon completion of one full year of service and shall have a term of ten years regardless of whether the director ceases to be a director.

Indemnification; Directors' and Officers' Insurance

The Delaware General Corporation Law authorizes corporations to limit or eliminate, subject to certain conditions, the personal liability of directors to corporations and their stockholders for monetary damages for breach of their fiduciary duties. Our restated certificate of incorporation and restated bylaws limit the liability of our directors to the fullest extent permitted by Delaware law.

We have obtained director and officer liability insurance to cover liabilities our directors and officers may incur in connection with their services to us, including matters arising under the Securities Act of 1933, as amended (the "Securities Act"). Our restated certificate of incorporation and restated bylaws also provide that we will indemnify any of our directors and officers who, by reason of the fact that he or she is one of our officers or directors, is involved in a legal proceeding of any nature. We will repay certain expenses incurred by a director or officer in connection with any civil or criminal action or proceeding, specifically including actions by us or in our name (derivative suits). Such indemnifiable expenses include, to the maximum extent permitted by law, attorneys' fees, judgments, civil or criminal fines, settlement amounts and other expenses customarily incurred in connection with legal proceedings. A director or officer will not receive indemnification if he or she is found not to have acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interest. We believe that these provisions and agreements are necessary to attract and retain qualified persons as directors and officers.

Such limitation of liability and indemnification does not affect the availability of equitable remedies. In addition, we have been advised that in the opinion of the Securities and Exchange Commission, indemnification for liabilities arising under the Securities Act is against public policy as expressed in the Securities Act and is therefore unenforceable.

There is no pending litigation or proceeding involving any of our directors, officers, employees or agents in which indemnification will be required or permitted. We are not aware of any threatened litigation or proceeding that may result in a claim for such indemnification.

Equity Compensation Plan Information

The following table provides certain aggregate information with respect to all of our equity compensation plans in effect as of December 31, 2007.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available For Future Issuance Under Existing Equity Compensation Plans (excluding securities reflected in column(a))
Equity compensation plans approved by security holders(1)	872,706	\$ 15.82	494,623
Equity compensation plans not approved by security holders	—	—	—
Total	872,706	\$ 15.82	494,623

(1) These plans consist of our Amended and Restated 1987 Stock Option Plan, our Amended 1995 Stock Option Plan and our 2005 Stock Plan, as amended.

AUDIT COMMITTEE REPORT

The Audit Committee's powers and responsibilities and the qualifications required of each of its members are set forth in the Audit Committee Charter, which is available on our website at www.Synvista.com.

Responsibilities

The primary function of the Audit Committee is to oversee Synvista's accounting and financial reporting processes, the audits of its financial statements and internal controls over financial reporting. Management is solely responsible for the financial statements and the financial reporting process, including the system of internal controls, and has represented to the Audit Committee and the Board of Directors that the financial statements discussed below were prepared in accordance with accounting principles generally accepted in the United States of America appropriate in the circumstances and necessarily include some amounts based on management's estimates and judgments. Synvista's independent registered public accounting firm is responsible for auditing those financial statements and expressing an opinion on the conformity of these financial statements, in all material respects, with accounting principles generally accepted in the United States of America.

Independence

As required by Independence Standards Board Standard No. 1, as adopted by the Public Company Accounting Oversight Board in Rule 3600T, Synvista's independent registered public accounting firm, J.H. Cohn LLP ("J.H. Cohn") has disclosed to the Audit Committee any relationships between it (and its related entities) and Synvista (and its related entities), which, in J.H. Cohn's professional judgment, may reasonably be thought to affect its ability to be independent. In addition, J.H. Cohn has discussed its independence with the Audit Committee and confirmed in a letter to the Audit Committee that, in its professional judgment, it is independent of Synvista within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended.

Recommendation

Acting pursuant to its Charter, the Audit Committee has reviewed Synvista's audited annual consolidated financial statements for the year ended December 31, 2007 and the related report of J.H. Cohn, and has discussed the audited financial statements and report with management and with the independent registered public accounting firm. The Audit Committee has also discussed with management and the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200T. These matters include significant accounting policies, management judgments and accounting estimates, management's consultation with other accountants, and any difficulties encountered in performing the audit, significant audit adjustments or disagreements with management. Based on the review and discussions described above, the Audit Committee recommended to Synvista's Board of Directors that the audited consolidated financial statements be included in Synvista's Annual Report on Form 10-K for the fiscal year ended December 31, 2007 for filing with the Securities and Exchange Commission.

Audit Committee

John F. Bedard
Mary C. Tanner
Wayne P. Yetter

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our officers and directors, and persons who own more than 10% of a registered class of our equity securities, to file reports of ownership and changes in ownership on Forms 3, 4 and 5 with the Securities and Exchange Commission. Officers, directors and greater than 10% stockholders are required by Securities and Exchange Commission regulation to furnish us with copies of all Forms 3, 4 and 5, and any amendments thereto, they file.

Based solely on our review of the copies of such forms we have received and written representations from certain reporting persons that they were not required to file Forms 5 for specified fiscal years, we believe that all of our officers, directors, and greater than 10% beneficial owners complied with all filing requirements applicable to them with respect to transactions in our equity securities during fiscal year 2007.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Our Audit Committee reviews and approves, in advance, all related party transactions.

Since January 2007, there has not been, nor is there currently proposed, any transaction or series of similar transactions to which we were or are to be a party in which the amount involved exceeded or exceeds \$120,000 and in which any director, executive officer, holder of more than 5% of our common stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest.

Director Independence

Our Board has determined that the following members of the Board qualify as independent under the definition promulgated by the American Stock Exchange: Mr. Bedard, Ms. Tanner and Mr. Yetter.

PROPOSAL 1

ELECTION OF DR. BERKOWITZ AS A CLASS B DIRECTOR

At the meeting, one Class B director is to be elected to hold office until the annual meeting of stockholders to be held in 2011 and until his successor is elected and qualified. The nominee for election to the Board of Directors is Noah Berkowitz, M.D., Ph.D.

Pursuant to our Restated Certificate of Incorporation, our Board of Directors is divided into three classes, each of which serves a term of three years. Class B consists of Dr. Berkowitz, whose term will expire at the annual meeting of stockholders in 2008 and who is nominated for re-election at the annual meeting. Class C consists of Ms. Tanner and Mr. Yetter, whose terms will expire at the annual meeting of stockholders in 2009. Class A consists of Mr. John F. Bedard, whose term will expire at the annual meeting of stockholders in 2010.

Proxies solicited by the Board of Directors will be voted for the election of the nominee named above, unless otherwise specified in the proxy. Dr. Berkowitz is a present director of Synvista. In the event a nominee should become unavailable or unable to serve as a director, it is intended that votes will be cast for a substitute nominee designated by the Board of Directors. The Board of Directors has no reason to believe that the nominee named will be unable to serve if elected. The nominee has consented to being named in this proxy statement and to serve if elected.

Votes Required to Elect a Class B Director

The affirmative vote of the holders of a plurality of the shares represented in person or by proxy at the annual meeting is required to elect Dr. Berkowitz. Abstentions and broker non-votes will have no effect and will not be counted towards the vote total for this proposal.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE TO ELECT DR. BERKOWITZ AS A CLASS B DIRECTOR, AND PROXIES SOLICITED BY THE BOARD WILL BE VOTED IN FAVOR OF SUCH ELECTION UNLESS A STOCKHOLDER HAS INDICATED OTHERWISE ON THE PROXY.

PROPOSAL 2

INCREASE IN THE AGGREGATE NUMBER OF SHARES AVAILABLE UNDER THE SYNVISTA 2005 STOCK PLAN

Our Board of Directors is asking you to approve an amendment to the Synvista 2005 Stock Plan (the “Plan”). The amendment provides for an increase in the number of shares of our common stock available for issuance under the Plan from 1,060,000 shares, as presently constituted, to 2,000,000 shares. As of May 21, 2008, approximately 478,623 shares remain available for the grant of options and other stock-based awards in the future if the proposed amendment to the Plan is not approved.

The fundamental objective of our compensation policy remains the attraction and retention of highly qualified persons to serve as directors, officers, key employees and consultants. This objective is balanced against, and is strongly influenced by, our need to preserve our cash resources. Therefore, we have traditionally considered options and other equity incentives to be an important element of our overall compensation philosophy.

We are requesting that you approve the amendment to the Plan in order that the Company may have sufficient shares available for the grant of stock-based awards in the future. We believe the increased number of shares we are asking you to approve is necessary for the Company to be able to attract and retain executive officers and key employees, directors and consultants while continuing the Company’s policy of conserving its cash resources.

Accordingly, the Board of Directors adopted the amendment to the Plan on April 29, 2008, subject to stockholder approval. The affirmative vote of the holders of a majority of the shares represented in person or by proxy at the annual meeting is required to approve the amendment to the Plan. Below is a summary of the principal provisions of the Plan and its operation. A copy of the Plan is attached hereto as Annex A. The following description of the Plan is qualified in its entirety by reference to Annex A.

Shares Subject to Plan

Upon stockholder approval at the annual meeting, awards with respect to a maximum of up to 2,000,000 shares of common stock may be made under the Plan, as amended. Of that number of shares, the proposed amendment would add 940,000 shares to the 1,060,000 shares already approved, of which only approximately 478,623 remain available for the grant of new options and other stock-based awards.

Plan Administration

The Plan is administered by the Board of Directors of Synvista, or a committee thereof, as delegated by the Board of Directors. The administrator will have authority, subject to the terms of the Plan, to determine when and to whom to make grants under the Plan, the number of shares to be covered by the grants, the types and terms of options and other stock-based award granted, the exercise price of the shares of common stock covered by options granted and to prescribe, amend and rescind rules and regulations relating to the Plan. New options granted to non-employee directors are governed by the formula discussed below.

Eligibility

Certain of our directors, officers, employees, consultants and advisors may be granted options to purchase shares of our common stock under the Plan. The number of persons eligible to receive awards under the Plan is not presently determinable.

Transfer of Awards

Generally, awards may not be transferred to another person, except by will or the laws of descent and distribution, or as approved by the administrator.

Termination

Options expire ten years from the option grant date, except that an incentive stock option granted to an employee who is the holder of 10% or more of our outstanding shares expires five years from the option grant date.

Initial Director Options

Each director who is not an employee of the Company is granted an option to purchase 20,000 shares on the date of each annual meeting of stockholders, whether or not such director is up for election or reelection, so long as on such date, the director is serving as a director of Synvista. The per share exercise price of an option will be equal to the fair market value of a share of common stock on the grant date. Each option will vest, and be exercisable, upon completion of one full year of service on the Board of Directors, so long as on such date, the director is serving as a director of Synvista.

General Options

Under the Plan, incentive stock options (“ISOs”) within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (“Code”), nonqualified stock options (“NQSOS”) and other stock-based award may be granted by the administrator to directors, employees and consultants of the Company and any of its Affiliates (as defined in the Plan), except that ISOs may be granted only to employees of the Company and any of its subsidiaries. The per share purchase price (or “option price”) under each option is established by the committee at the time the option is granted. However, the per share option price of an ISO granted to a participant must be at least 100% of the fair market value of a share on the date the ISO is granted (110% in the case of an ISO granted to a holder of 10% or more of our outstanding shares). Options will be exercisable at such times and in such installments as determined by the administrator.

Exercisability

Options generally may not be exercised more than three months after the option holder ceases to provide services to the Company or an affiliate, except that in the event of the death or disability of the option holder, the option may be exercised by the holder (or the holder’s estate), for a period of up to one year after the date of death or disability. The agreements evidencing the grant of an option (other than an option to a non-employee director) may, in the discretion of the committee, set forth additional or different terms and conditions applicable to such option upon a termination or change in status of the employment or service of the optionee. Options terminate immediately if the option holder’s service was terminated for cause.

Payment of Exercise Price

The shares purchased upon the exercise of an option must be paid for in cash (including cash that may be received from the Company at the time of exercise as additional compensation) or through the delivery of other shares of common stock with a value equal to the total option price or in a combination of cash and such shares, subject to the power of the administrator to vary the payment arrangement, including delivery of a personal recourse note, to meet the tax needs of an individual non-U.S. recipient if such variance does not change the substance of the arrangement set forth herein insofar as it affects the Company. In addition, the option holder may have the option price paid by a broker or dealer and the shares issued upon exercise of the option delivered directly to the broker or dealer.

Amendment or Termination

Our Board of Directors has the power to terminate or amend the Plan at any time. If the Board of Directors does not take action to earlier terminate the Plan, it will terminate on April 19, 2015. Certain amendments may require stockholder approval, and no amendment may adversely affect options that have previously been granted.

As of May 21, 2008, an aggregate of 781,377 shares had been issued upon the exercise of options or are issuable upon the exercise of options outstanding under the Plan. On May 21, 2008, the closing market price per share of our common stock was \$1.97, as reported on the AMEX.

Federal Income Tax Considerations

The following is a brief summary of the applicable federal income tax laws relating to stock options and stock grants under the Plan:

Incentive Stock Options:

Incentive stock options are intended to qualify for treatment under Section 422 of the Code. An incentive stock option does not result in taxable income to the optionee or deduction to Synvista at the time it is granted or exercised, provided that no disposition is made by the optionee of the shares acquired pursuant to the option within two years after the date of grant of the option nor within one year after the date of issuance of shares to the optionee (referred to as the “ISO holding period”). However, the difference between the fair market value of the shares on the date of exercise and the option price will be an item of tax preference includible in “alternative minimum taxable income.” Upon disposition of the shares after the expiration of the ISO holding period, the optionee will generally recognize long-term capital gain or loss based on the difference between the disposition proceeds and the option price paid for the shares. If the shares are disposed of prior to the expiration of the ISO holding period, the optionee generally will recognize taxable compensation, and Synvista will have a corresponding deduction, in the year of the disposition, equal to the excess of the fair market value of the shares on the date of exercise of the option over the option price. Any additional gain realized on the disposition will normally constitute capital gain. If the amount realized upon such a disqualifying disposition is less than fair market value of the shares on the date of exercise, the amount of compensation income will be limited to the excess of the amount realized over the optionee’s adjusted basis in the shares.

Non-Qualified Options:

Options otherwise qualifying as incentive stock options, to the extent the aggregate fair market value of shares with respect to which such options are first exercisable by an individual in any calendar year exceeds \$100,000, and options designated as non-qualified options will be treated as options that are not incentive stock options.

A non-qualified option ordinarily will not result in income to the optionee or deduction to Synvista at the time of grant. The optionee will recognize compensation income at the time of exercise of such non-qualified option in an amount equal to the excess of the then value of the shares over the option price per share. Such compensation income of the optionee may be subject to withholding taxes, and a deduction may then be allowable to Synvista in an amount equal to the optionee's compensation income.

An optionee's initial basis in shares so acquired will be the amount paid on exercise of the non-qualified option plus the amount of any corresponding compensation income. Any gain or loss as a result of a subsequent disposition of the shares so acquired will be capital gain or loss.

With respect to stock grants under the Plan that result in the issuance of shares that are either not restricted as to transferability or not subject to a substantial risk of forfeiture, the grantee must generally recognize ordinary income equal to the fair market value of shares received. Thus, deferral of the time of issuance will generally result in the deferral of the time the grantee will be liable for income taxes with respect to such issuance. Synvista generally will be entitled to a deduction in an amount equal to the ordinary income recognized by the grantee.

Stock Grants:

With respect to stock grants involving the issuance of shares that are restricted as to transferability and subject to a substantial risk of forfeiture, the grantee must generally recognize ordinary income equal to the fair market value of the shares received at the first time the shares become transferable or are not subject to a substantial risk of forfeiture, whichever occurs earlier. A grantee may elect to be taxed at the time of receipt of shares rather than upon lapse of restrictions on transferability or substantial risk of forfeiture, but if the grantee subsequently forfeits such shares, the grantee would not be entitled to any tax deduction, including as a capital loss, for the value of the shares on which he previously paid tax. The grantee must file such election with the Internal Revenue Service within 30 days of the receipt of the shares. Synvista generally will be entitled to a deduction in an amount equal to the ordinary income recognized by the grantee.

New Plan Benefits

The currently proposed amendment to the Plan provides for an increase in the number of shares available for issuance under the Plan from 1,060,000 shares, as presently constituted, to 2,000,000 shares.

The amounts of future grants under the Plan are not determinable as awards under the Plan and will be granted at the sole discretion of the Compensation Committee and we cannot determine at this time either the persons who will receive awards under the Plan or the amount or types of any such awards. However, it is anticipated that a significant

portion of the future grants will be allocated to our executive officers to incentivize them to continue to provide services to the Company.

Votes Required to Approve Amendment to the Synvista 2005 Stock Plan

The affirmative vote of the holders of a majority of the shares represented in person or by proxy at the annual meeting is required to approve the amendment to the Plan. Abstentions will be counted towards the vote total for this proposal, and will have the same effect as votes against the proposal. Broker non-votes will have no effect and will not be counted towards the vote total for this proposal.