

Host Cells and Methods of Use

FIELD OF THE INVENTION

This invention is in the field of biochemical engineering. More particularly, this
5 invention relates to genetically modified host cells and methods for producing
polypeptides in them.

BACKGROUND OF THE INVENTION

Therapeutic polypeptides and proteins can be expressed in a variety of host cells
10 including bacterial cells, *E. coli* cells, fungal or yeast cells, cells of a microorganism,
insect cells, and mammalian cells. Fungal hosts such as the methylotrophic yeast *Pichia*
pastoris has distinct advantages for therapeutic protein expression--e.g. it does not secrete
high amounts of endogenous proteins, it has a strong inducible promoter, it can be grown
in defined chemical media, and it can produce high titers of recombinant proteins (Cregg
15 et al., *Mol. Biotech.* 16:23-52 (2000)). Yeast and filamentous fungi have both been
successfully used for the production of recombinant proteins, both intracellular and
secreted (Cereghino, J. L. and J. M. Cregg 2000 *FEMS Microbiology Reviews* 24(1): 45
66; Harkki, A., et al. 1989 *Bio-Technology* 7(6): 596; Berka, R. M., et al. 1992 Abstr.
*Papers Amer. Chem.Soc.*203: 121-BIOT; Svetina, M., et al. 2000 *J. Biotechnol.* 76(23):
20 245-251. *S. cerevisiae* is a remarkable host cell for expression of recombinant human
serum albumin (HSA). However, the expression of other therapeutic polypeptides
including polypeptides genetically fused with HSA faces the technical barriers of low
titers of recombinant proteins.

Thus, there is a need for host cells, in particular *S. cerevisiae* strains, that are
25 capable of producing heterologous peptides, polypeptides and/or proteins with high titers
of a recombinant protein.

SUMMARY OF THE INVENTION

In one aspect of the present invention, genetically modified host cells are provided
30 comprising at least one isolated polynucleotide encoding a Killer Expression protease
(Kex2p) or a fragment and/or variant thereof which has at least one Kex2p functional
activity and at least one isolated polynucleotide encoding a Protein Disulfide-Isomerase
(Pdi1) or a fragment and/or variant thereof which has at least one Pdi functional activity.

Also provided herein are genetically modified host cells comprising at least one isolated polynucleotide encoding a Killer Expression protease (Kex2p) or a fragment and/or variant thereof which has at least one Kex2p functional activity, at least one isolated polynucleotide encoding a Protein Disulfide-Isomerase (Pdi1) or a fragment and/or variant thereof which has at least one Pdi1 functional activity and at least one isolated polynucleotide encoding a Endoplasmic Reticulum Oxidoreductin (Ero1) or a fragment and/or variant thereof which has at least one Ero1 functional activity.

In another aspect, the present invention provides genetically modified host cells which expresses or overexpresses at least one gene product of at least one isolated polynucleotide encoding a protein or fragment and/or variant thereof which has at least one functional activity of said protein selected from: Kex2p, Pdi1, or Ero1 when said genetically modified host cell is grown in culture. Another aspect of the present invention provides genetically modified host cells which overexpresses at least two proteins or fragment and/or variant thereof which has at least one functional activity of said at least two proteins selected from: Kex2p, Pdi1, or Ero1 when said genetically modified host cell is grown in culture compared to wild type host cell wherein said wild type host cell is the same species and grown in same culture conditions but does not overexpresses at least two gene products selected from Kex2p, Pdi1, and Ero1. Host cells may be prokaryotic or eukaryotic. Examples of host cells can include, but are not limited to: HeLa, CHO, COS, HEK293, THPI, Yeast, and insect cells. In particular embodiments, the mammalian cell is a hamster, human, or murine cell. In a specific embodiment, the cell is a CHO cell line, an HEK 293 cell line, or a BHK cell line.

Also provided herein are methods of producing a recombinant polypeptide comprising culturing a host cell of the present invention. In another aspect, the present invention provides recombinant polypeptides made by methods of the present invention. Also provided herein are pharmaceutical compositions comprising of recombinant polypeptides made by methods of the present invention. In another aspect of the present invention, methods of treating a patient in need thereof, comprising administering a therapeutically effective amount of a pharmaceutical composition of the present invention, are provided.

BRIEF DESCRIPTION OF THE FIGURES

Figure 1. Creation of Preliminary Master Cell Bank of Albiglutide producing strain. Steps from KEX2-KanMX Expression cassette PCR product to BXP10KEX2PDIERO1

Production Host are the sequential integrations of expression cassettes to construct Process
5 IV host strain, BXP10_*KEX2_PDI_EROI*. After transformation of pCID3610 plasmid, the final production clone was selected and was used in making a Preliminary Master Cell Bank (PCB).

Figure 2: Southern blot analysis of *PDII* and *KEX2* in the host strains. The endogenous
10 *KEX2* and *PDII* genes are located in the chromosome XIV and III, respectively, as a single copy (wild type). The target site of integration was shown below the wild type in the chromosome XII. The detecting probes for each gene are shown as solid rectangle.

Figure 3: Western blot analysis of Pdi1 and Kex2p from the host strains. Samples in the
lane, Lanes 1-5: 5 clones of BXP10-*KEX2-PDII* strain; PDI: BXP10 overexpressing Pdi1;
15 *KEX2*: BXP10 overexpressing Kex2p; and BXP10: host strain as a control. Equivalent amount of proteins were loaded.

Figure 4. SDS-PAGE of 12 supernatant samples from shaking plate test. Lanes in the
gel; L: SeeBlue2 prestained protein ladder (Invitrogen); RS. Reference standard of
pCID3610 protein; 1-12: 12 subclones expressing pCID3610.

Figure 5: Analysis of titer (A) and quality (B) of pCID3610 protein produced in DasGip
20 fermentation run. The supernatant titer yield and 6-AA levels (%) of pCID3610 protein were compared with BXP10-*KEX2-PDII*, as a control, which is BXP10 overexpressing Kex2p and Pdi1.

Figure 6: Growth curves generated from Research Cell Bank Vial cells.

Figure 7: Growth curves generated from Pre-Master Cell Bank cells.

DETAILED DESCRIPTION OF THE INVENTION

"Host cell(s)" as used herein refers to a cell that has been introduced (*e.g.*,
transformed, infected or transfected) or is capable of introduction (*e.g.*, transformation,
infection or transfection) by an isolated polynucleotide sequence. Host cells of the present
30 invention may include, but are not limited to bacterial cells, fungal cells, yeast cells, a cell of a microorganism, insect cells and mammalian cells. The host cells of the present invention of yeast and/or filamentous fungal origin may include, but are not limited to, the

following families, genus, and species: *Pichia pastoris*, *Pichia finlandica*, *Pichia trehalophila*, *Pichia koclamae*, *Pichia membranaefaciens*, *Pichia methanolica*, *Pichia minuta* (*Ogataea minuta*, *Pichia lindneri*), *Pichia opuntiae*, *Pichia thermotolerans*, *Pichia salictaria*, *Pichia guercum*, *Pichia pijperi*, *Pichia stiptis*, *Pichia sp.*, *Saccharomyces*
 5 *castelii*, *Saccharomyces cerevisiae*, *Saccharomyces kluyveri*, *Saccharomyces sp.*, *Schizosaccharomyces pombe*, *Schizosaccharomyces japonicus*, *Schizosaccharomyces octosporus*, *Schizosaccharomyces cryophilus*, *Schizosaccharomyces sp.*, *Hansenula polymorpha*, *Kluyveromyces sp.*, *Kluyveromyces lactis*, *Candida albicans*, *Candida sp.*, *Aspergillus fumigatus*, *Aspergillus nidulans*, *Aspergillus niger*, *Aspergillus oryzae*,
 10 *Trichoderma reesei*, *Chrysosporium lucknowense*, *Fusarium sp.*, *Fusarium gramineum*, *Fusarium venenatum*, *Physcomitrella patens*, *Yarrowia lipolytica*, *Arxula adeninivorans*, *Schwanniomyces occidentalis*, and *Neurospora crassa*.

"Transformed" as known in the art, is the directed modification of an organism's genome or episome *via* the introduction of external DNA or RNA, or to any other stable
 15 introduction of external DNA or RNA.

"Transfected" as known in the art, is the introduction of external DNA or RNA into a microorganism, including but not limited to recombinant DNA or RNA.

"Identity," as known in the art, is a relationship between two or more polypeptide sequences or two or more polynucleotide sequences, as the case may be, as determined by
 20 comparing the sequences. In the art, "identity" also means the degree of sequence relatedness between polypeptide or polynucleotide sequences, as the case may be, as determined by the match between strings of such sequences. "Identity" can be readily calculated by known methods, including but not limited to those described in
 (Computational Molecular Biology, Lesk, A.M., ed., Oxford University Press, New York,
 25 1988; Biocomputing: Informatics and Genome Projects, Smith, D.W., ed., Academic Press, New York, 1993; Computer Analysis of Sequence Data, Part I, Griffin, A.M., and Griffin, H.G., eds., Humana Press, New Jersey, 1994; Sequence Analysis in Molecular Biology, von Heinje, G., Academic Press, 1987; and Sequence Analysis Primer, Gribskov, M. and Devereux, J., eds., M Stockton Press, New York, 1991; and Carillo, H., and
 30 Lipman, D., SIAM J. Applied Math., 48: 1073 (1988). Methods to determine identity are designed to give the largest match between the sequences tested. Moreover, methods to determine identity are codified in publicly available computer programs. Computer program methods to determine identity between two sequences include, but are not limited

to, the GCG program package (Devereux, J., *et al.*, *Nucleic Acids Research* 12(1): 387 (1984)), BLASTP, BLASTN, and FASTA (Altschul, S.F. *et al.*, *J. Molec. Biol.* 215: 403-410 (1990)). The BLAST X program is publicly available from NCBI and other sources (*BLAST Manual*, Altschul, S., *et al.*, NCBI NLM NIH Bethesda, MD 20894; Altschul, S., *et al.*, *J. Mol. Biol.* 215: 403-410 (1990)). The well known Smith Waterman algorithm may also be used to determine identity.

Parameters for polypeptide sequence comparison include the following:

Algorithm: Needleman and Wunsch, J. Mol Biol. 48: 443-453 (1970) Comparison matrix: BLOSSUM62 from Hentikoff and Hentikoff, Proc. Natl. Acad. Sci. USA. 89:10915-10919 (1992)

Gap Penalty: 12

Gap Length Penalty: 4

A program useful with these parameters is publicly available as the "gap" program from Genetics Computer Group, Madison WI. The aforementioned parameters are the default parameters for peptide comparisons (along with no penalty for end gaps).

Parameters for polynucleotide comparison include the following: Algorithm:

Needleman and Wunsch, J. Mol Biol. 48: 443-453 (1970)

Comparison matrix: matches = +10, mismatch = 0

Gap Penalty: 50

Gap Length Penalty: 3

Available as: The "gap" program from Genetics Computer Group, Madison WI. These are the default parameters for nucleic acid comparisons.

A meaning for "identity" for polynucleotides and polypeptides, as the case may be, are provided in (1) and (2) below.

(1) Polynucleotide embodiments further include an isolated polynucleotide comprising a polynucleotide sequence having at least a 50, 60, 70, 80, 85, 90, 95, 97 or 100% identity to a reference sequence, for example, SEQ ID NO:3, wherein said polynucleotide sequence may be identical to the reference sequence of SEQ ID NO:3 or may include up to a certain integer number of nucleotide alterations as compared to the reference sequence, wherein said alterations are selected from the group consisting of at least one nucleotide deletion, substitution, including transition and transversion, or insertion, and wherein said alterations may occur at the 5' or 3' terminal positions of the reference nucleotide sequence or anywhere between those terminal positions, interspersed

either individually among the nucleotides in the reference sequence or in one or more contiguous groups within the reference sequence, and wherein said number of nucleotide alterations is determined by multiplying the total number of nucleotides in SEQ ID NO:3 by the integer defining the percent identity divided by 100 and then subtracting that product from said total number of nucleotides in SEQ ID NO:3, or:

$$n_n \leq x_n - (x_n \bullet y),$$

wherein n_n is the number of nucleotide alterations, x_n is the total number of nucleotides in SEQ ID NO:3, y is 0.95 for 95%, 0.97 for 97% or 1.00 for 100%, and $\bullet$ is the symbol for the multiplication operator, and wherein any non-integer product of x_n and y is rounded down to the nearest integer prior to subtracting it from x_n . Alterations of a polynucleotide sequence encoding a polypeptide may create nonsense, missense or frameshift mutations in this coding sequence and thereby alter the polypeptide encoded by the polynucleotide following such alterations.

(2) Polypeptide embodiments further include an isolated polypeptide comprising a polypeptide having at least a 50, 60, 70, 80, 85, 90, 95, 97 or 100% identity to a polypeptide reference sequence, such as SEQ ID NO:1, wherein said polypeptide sequence may be identical to the reference sequence or may include up to a certain integer number of amino acid alterations as compared to the reference sequence, wherein said alterations are selected from the group consisting of at least one amino acid deletion, substitution, including conservative and non-conservative substitution, or insertion, and wherein said alterations may occur at the amino- or carboxy-terminal positions of the reference polypeptide sequence or anywhere between those terminal positions, interspersed either individually among the amino acids in the reference sequence or in one or more contiguous groups within the reference sequence, and wherein said number of amino acid alterations is determined by multiplying the total number of amino acids by the integer defining the percent identity divided by 100 and then subtracting that product from said total number of amino acids, or:

$$n_a \leq x_a - (x_a \bullet y),$$

wherein n_a is the number of amino acid alterations, x_a is the total number of amino acids in the sequence, y is 0.95 for 95%, 0.97 for 97% or 1.00 for 100%, and $\bullet$ is the symbol for the multiplication operator, and wherein any non-integer product of x_a and y is rounded down to the nearest integer prior to subtracting it from x_a .

5 "Isolated" means altered "by the hand of man" from its natural state, *i.e.*, if it occurs in nature, it has been changed or removed from its original environment, or both. For example, a polynucleotide or a polypeptide naturally present in a living organism is not "isolated," but the same polynucleotide or polypeptide separated from the coexisting materials of its natural state is "isolated," including, but not limited to, when such
10 polynucleotide or polypeptide is introduced back into a cell.

An "isolated" or "substantially pure" nucleic acid or polynucleotide (e.g., an RNA, DNA or a mixed polymer) is one which is substantially separated from other cellular components that naturally accompany the native polynucleotide in its natural host cell, e.g., ribosomes, polymerases and genomic sequences with which it is naturally associated.

15 The term embraces a nucleic acid or polynucleotide that (1) has been removed from its naturally occurring environment, (2) is not associated with all or a portion of a polynucleotide in which the "isolated polynucleotide" is found in nature, (3) is operatively linked to a polynucleotide which it is not linked to in nature, or (4) does not occur in nature. The term "isolated" or "substantially pure" also can be used in reference to
20 recombinant or cloned DNA isolates, chemically synthesized polynucleotide analogs, or polynucleotide analogs that are biologically synthesized by heterologous systems.

However, "isolated" does not necessarily require that the nucleic acid or polynucleotide so described has itself been physically removed from its native environment. For instance, an endogenous nucleic acid sequence in the genome of an
25 organism is deemed "isolated" herein if a heterologous sequence is placed adjacent to the endogenous nucleic acid sequence, such that the expression of this endogenous nucleic acid sequence is altered, for example, increased, decreased or eliminated. In this context, a heterologous sequence is a sequence that is not naturally adjacent to the endogenous nucleic acid sequence, whether or not the heterologous sequence is itself endogenous
30 (originating from the same host cell or progeny thereof) or exogenous (originating from a different host cell or progeny thereof). By way of example, a promoter sequence can be substituted (e.g., by homologous recombination) for the native promoter of a gene in the

genome of a host cell, such that this gene has an altered expression pattern. This gene would now become "isolated" because it is separated from at least some of the sequences that naturally flank it.

5 A nucleic acid is also considered "isolated" if it contains any modifications that do not naturally occur to the corresponding nucleic acid in a genome. For instance, an endogenous coding sequence is considered "isolated" if it contains an insertion, deletion or a point mutation introduced artificially, e.g., by human intervention. An "isolated nucleic acid" also includes a nucleic acid integrated into a host cell chromosome at a heterologous site and a nucleic acid construct present as an episome. Moreover, an "isolated nucleic acid" can be substantially free of other cellular material, or substantially free of culture medium when produced by recombinant techniques, or substantially free of chemical precursors or other chemicals when chemically synthesized.

As used herein "nucleic acid sequence encoding a functional gene product" refers to any portion of an encoding part of a gene. The nucleic acid sequence encoding a functional gene product may be a portion of an enzyme that is capable of doing at least one activity of the whole enzyme or an entire enzyme.

As used herein "nucleic acid necessary for expression of at least one gene product" refers to a nucleic acid sequence that encodes any portion of a gene and/or is operably linked to a nucleic acid encoding a gene product but does not necessarily comprise encoding sequence. By way of example, a nucleic acid sequence necessary for the expression of at least one gene product includes, but is not limited to, enhancers, promoters, regulatory sequences, start codons, stop codons, polyadenylation sequences, and/or encoding sequences.

As used herein "proteolysis" or "gene product responsible for proteolysis in a cell" refers to any peptide, polypeptide, protein and/or enzyme or portion thereof capable of causing the cleavage of at least one peptide, polypeptide and/or protein. The gene product responsible for proteolysis may be directly responsible for cleavage (ie, a peptidase) or it may be indirectly responsible as part of a peptidase synthesis pathway. Examples of gene products that are responsible for proteolysis in a cell include, but are not limited to, aspartyl proteases, serine proteases, secreted aspartyl proteases, secreted serine proteases, yeast methyltrophic proteases, DPP IV like endopeptidases, metalloendopeptidases, Prb1-like serine proteases, Prb1 serine proteases, and CPY like carboxypeptidases. Also, included in this definition are protease that may be secreted from a cell, but still maintain

some or all of its proteolysis activity, such as a secreted serine protease. A secreted protease may be responsible for proteolysis within the cell and/or outside the cell.

As used herein "glycosylation" or "gene product responsible for glycosylation in a cell" refers to any peptide, polypeptide, protein and/or enzyme or portion thereof involved in the addition of at least one saccharide moiety to a polypeptide or elongation of at least one saccharide chain in the cell. The gene product responsible for glycosylation in a cell may be directly responsible for the addition of a saccharide to a polypeptide in a cell, for example, but not limited to mannosyltransferases. Mannosyltransferases may transfer a residue from Dol-P-Man to a serine and/or threonine residue on a peptide, polypeptide and/or protein or may act to transfer a mannose residue from GPD-Man to a saccharide, thus, elongating the saccharide chain. Alternatively, the gene product responsible for glycosylation may be part of a glycosylation pathway and may be indirectly responsible for the addition of polysaccharide to a polypeptide in a cell. Examples of gene products that are responsible for glycosylation in a cell include, but are not limited to mannosyltransferases.

"Polynucleotide(s)" generally refers to any polyribonucleotide or polydeoxyribonucleotide, that may be unmodified RNA or DNA or modified RNA or DNA. "Polynucleotide(s)" include, without limitation, single- and double-stranded DNA, DNA that is a mixture of single- and double-stranded regions or single-, double- and triple-stranded regions, single- and double-stranded RNA, and RNA that is mixture of single- and double-stranded regions, hybrid molecules comprising DNA and RNA that may be single-stranded or, more typically, double-stranded, or triple-stranded regions, or a mixture of single- and double-stranded regions. In addition, "polynucleotide" as used herein refers to triple-stranded regions comprising RNA or DNA or both RNA and DNA. The strands in such regions may be from the same molecule or from different molecules. The regions may include all of one or more of the molecules, but more typically involve only a region of some of the molecules. One of the molecules of a triple-helical region often is an oligonucleotide. As used herein, the term "polynucleotide(s)" also includes DNAs or RNAs as described above that comprise one or more modified bases. Thus, DNAs or RNAs with backbones modified for stability or for other reasons are "polynucleotide(s)" as that term is intended herein. Moreover, DNAs or RNAs comprising unusual bases, such as inosine, or modified bases, such as tritylated bases, to name just two examples, are polynucleotides as the term is used herein. It will be appreciated that a great variety of modifications have been made to

DNA and RNA that serve many useful purposes known to those of skill in the art. The term "polynucleotide(s)" as it is employed herein embraces such chemically, enzymatically or metabolically modified forms of polynucleotides, as well as the chemical forms of DNA and RNA characteristic of viruses and cells, including, for example, simple and complex cells.

5 "Polynucleotide(s)" also embraces short polynucleotides often referred to as oligonucleotide(s).

"Polypeptide(s)" refers to any peptide or protein comprising two or more amino acids joined to each other by peptide bonds or modified peptide bonds. "Polypeptide(s)" refers to both short chains, commonly referred to as peptides, oligopeptides and oligomers and to

10 longer chains generally referred to as proteins. Polypeptides may comprise amino acids other than the 20 gene encoded amino acids. "Polypeptide(s)" include those modified either by natural processes, such as processing and other post-translational modifications, but also by chemical modification techniques. Such modifications are well described in basic texts and in more detailed monographs, as well as in a voluminous research literature, and they are well known to those of skill in the art. It will be appreciated that the same type of modification may be present in the same or varying degree at several sites in a given polypeptide. Also, a given polypeptide may comprise many types of modifications.

Modifications can occur anywhere in a polypeptide, including the peptide backbone, the amino acid side-chains, and the amino or carboxyl termini. Modifications include, for example, acetylation, acylation, ADP-ribosylation, amidation, covalent attachment of flavin, covalent attachment of a heme moiety, covalent attachment of a nucleotide or nucleotide derivative, covalent attachment of a lipid or lipid derivative, covalent attachment of phosphatidylinositol, cross-linking, cyclization, disulfide bond formation, demethylation, formation of covalent cross-links, formation of cysteine, formation of pyroglutamate, formylation, gamma-carboxylation, GPI anchor formation, hydroxylation, iodination, methylation, myristoylation, oxidation, proteolytic processing, phosphorylation, prenylation, racemization, glycosylation, lipid attachment, sulfation, gamma-carboxylation of glutamic acid residues, hydroxylation and ADP-ribosylation, selenoylation, sulfation, transfer-RNA mediated addition of amino acids to proteins, such as arginylation, and ubiquitination. See, for instance, *PROTEINS - STRUCTURE AND MOLECULAR PROPERTIES*, 2nd Ed., T. E. Creighton, W. H. Freeman and Company, New York (1993) and Wold, F., Posttranslational Protein Modifications: Perspectives and Prospects, pgs. 1-12 in *POSTTRANSLATIONAL COVALENT MODIFICATION OF PROTEINS*, B. C. Johnson, Ed., Academic Press, New

York (1983); Seifter *et al.*, *Meth. Enzymol.* 182:626-646 (1990) and Rattan *et al.*, *Protein Synthesis: Posttranslational Modifications and Aging*, Ann. N.Y. Acad. Sci. 663: 48-62 (1992). Polypeptides may be branched or cyclic, with or without branching. Cyclic, branched and branched circular polypeptides may result from post-translational natural processes and may be made by entirely synthetic methods, as well.

“Variant” as the term is used herein, is a polynucleotide or polypeptide that differs from a reference polynucleotide or polypeptide respectively, but retains essential properties. A typical variant of a polynucleotide differs in nucleotide sequence from another, reference polynucleotide. Changes in the nucleotide sequence of the variant may or may not alter the amino acid sequence of a polypeptide encoded by the reference polynucleotide. Nucleotide changes may result in amino acid substitutions, additions, deletions, fusions and truncations in the polypeptide encoded by the reference sequence, as discussed below. A typical variant of a polypeptide differs in amino acid sequence from another, reference polypeptide. Generally, differences are limited so that the sequences of the reference polypeptide and the variant are closely similar overall and, in many regions, identical. A variant and reference polypeptide may differ in amino acid sequence by one or more substitutions, additions, deletions in any combination. A substituted or inserted amino acid residue may or may not be one encoded by the genetic code. A variant of a polynucleotide or polypeptide may be a naturally occurring such as an allelic variant, or it may be a variant that is not known to occur naturally. The present invention also includes include variants of each of the polypeptides of the invention, that is polypeptides that vary from the reference sequence by conservative amino acid substitutions, whereby a residue is substituted by another with like characteristics. Typical such substitutions are among Ala, Val, Leu and Ile; among Ser and Thr; among the acidic residues Asp and Glu; among Asn and Gln; and among the basic residues Lys and Arg; or aromatic residues Phe and Tyr. Particularly there are variants in which several, 5-10, 1-5, 1-3, 1-2 or 1 amino acids are substituted, deleted, or added in any combination. Non-naturally occurring variants of polynucleotides and polypeptides may be made by mutagenesis techniques or by direct synthesis. Variants may also include, but are not limited to, polypeptides or fragments thereof having chemical modification of one or more of its amino acid side groups. A chemical modification includes, but is not limited to, adding chemical moieties, creating new bonds, and removing chemical moieties. Modifications at amino acid side groups include, without limitation, acylation of lysine- ϵ -amino groups, N-alkylation of arginine,

histidine, or lysine, alkylation of glutamic or aspartic carboxylic acid groups, and deamidation of glutamine or asparagine. Modifications of the terminal amino group include, without limitation, the des-amino, N-lower alkyl, N-di-lower alkyl, and N-acyl modifications. Modifications of the terminal carboxy group include, without limitation, the amide, lower alkyl amide, dialkyl amide, and lower alkyl ester modifications. Furthermore, one or more side groups, or terminal groups, may be protected by protective groups known to the ordinarily-skilled protein chemist.

As used herein "fragment," when used in reference to a polypeptide, is a polypeptide having an amino acid sequence that is the same as part but not all of the amino acid sequence of the entire naturally occurring polypeptide. As used herein "fragment," when used in reference to a polynucleotide or nucleic acid sequence is a polynucleotide encoding an amino acid sequence that is the same as part but not all of the amino acid sequence of an entire naturally occurring polypeptide. Fragments may be "free-standing" or comprised within a larger polypeptide of which they form a part or region as a single continuous region in a single larger polypeptide. By way of example, a fragment of naturally occurring GLP-1 would include amino acids 7 to 36 of naturally occurring amino acids 1 to 36. Furthermore, fragments of a polypeptide may also be variants of the naturally occurring partial sequence. For instance, a fragment of GLP-1 comprising amino acids 7-36 of naturally occurring GLP-1 may also be a variant having amino acid substitutions within its partial sequence. By way of another example "fragment" may refer to any heterologous polypeptide or nucleic acid encoding said polypeptide described herein, including but not limited to Kex2P, Pdi1, and Ero1, wherein said fragment retains at least one functional activity of said wild type polypeptide or enzyme.

As used herein "conjugate" or "conjugated" refers to two molecules that are bound to each other. For example, a first polypeptide may be covalently or non-covalently bound to a second polypeptide. The first polypeptide may be covalently bound by a chemical linker or may be genetically fused to the second polypeptide, wherein the first and second polypeptide share a common polypeptide backbone. Recombinant polypeptides expressed in host cells of the present invention may comprise at least one therapeutic polypeptide conjugated to human serum albumin. Other conjugates also include, but are not limited to, at least one therapeutic polypeptides conjugated to transferrin, a single chain variable domain, and/or at least one Fc region of an antibody. Conjugates may or may not comprise a linker.

As used herein “tandemly oriented” refers to two or more polypeptides that are adjacent to one another as part of the same molecule. They may be linked either covalently or non-covalently. Two or more tandemly oriented polypeptides may form part of the same polypeptide backbone. Tandemly oriented polypeptides may have direct or inverted orientation and/or may be separated by other amino acid sequences.

As used herein “albiglutide” refers to a recombinant fusion protein consisting of 2 copies of a 30-amino acid sequence of modified human glucagon-like peptide 1 (GLP-1, fragment 7-36(A8G)) genetically fused in series to recombinant human serum albumin.

The amino acid sequence of albiglutide is shown below as SEQ ID NO:1.

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10  HGEFTFTSDVSSYLEGQAAKEFIAWLVKGRHGEFTFTSDVSSYLEGQAAKEFIAWLVKGR 60
    DAHKSEVAHRFKDLGEENFKALVLI AFAQYLQQCPFEDHVKLVNEVTEFAKTCVADESAE 120
    NCDKSLHTL FGDKLCTVATLRETYGEMADCCAKQEPERNECFLQHKDDNPNLPRLVRPE 180
    VDMCTAFHDNEETFLKKYLYEIAARRHPYFYAPELLFFAKRYKAAFTECCQAADKAACLL 240
    PKLDELRLDEGKASSAKQRLKASLQKFGERAFAKAWAVARLSQRFPAEFAEVSKLVTDLT 300
15  KVHTECCHGDLLECADDRADLAKYICENQDSISSKLKECCEKPLLEKSHCIAEVENDEMP 360
    ADLPSLAADFVESKDVCKNYAEAKDVFLGMFLYEYARRHPDYSVLLLLRLAKTYETTLEK 420
    CCAAADPHECYAKVFDEFKPLVEEPQNLI KQNCLEFQELGEYKFQNALLVRYTKKVPQVS 480
    TPTLVEVSRNLGKVGSKCCKHPEAKRMPCAEDYLSVVLNQLCVLHEKTPVSDRVTKCCTE 540
    SLVNRRCFSALEVDETYVPKEFNAETFTFHADICTLSEKERQIKKQTALVELVKHKPKA 600
20  TKEQLKAVMDDFAAFVEKCKADDKETCF AE EGKKLVAASQAALGL 674
    (SEQ ID NO:1)

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"Recombinant expression system(s)" refers to expression systems or portions thereof or polynucleotides of the invention introduced, transfected or transformed into a host cell or host cell lysate for the production of the polynucleotides and polypeptides of the invention.

As used herein, “albumin fusion protein” comprises at least a fragment or variant of a therapeutic polypeptide and at least a fragment or variant of human serum albumin, which are associated with one another, preferably by genetic fusion.

Polypeptides having GLP-1 activity may comprise at least one fragment and/or variant of human GLP-1. The two naturally occurring fragments of human GLP-1 are represented in SEQ ID NO:2.

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7   8   9   10  11  12  13  14  15  16  17
His-Ala-Glu-Gly-Thr-Phe-Thr-Ser-Asp-Val-Ser-
18  19  20  21  22  23  24  25  26  27  28
Ser-Tyr-Leu-Glu-Gly-Gln-Ala-Ala-Lys-Glu-Phe-
35  29  30  31  32  33  34  35  36  37
Ile-Ala-Trp-Leu-Val-Lys-Gly-Arg-Xaa (SEQ ID NO:2)

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wherein: Xaa at position 37 is Gly (hereinafter designated as “GLP-1(7-37)”), or –NH₂ (hereinafter designated as “GLP-1(7-36)”). GLP-1 fragments may include, but are not limited to, molecules of GLP-1 comprising, or alternatively consisting of, amino acids 7 to 36 of human GLP-1 (GLP-1(7-36)). Variants of GLP-1 or fragments thereof may include, but are not limited to, one, two, three, four, five or more amino acid substitutions in wild type GLP-1 or in the naturally occurring fragments of GLP-1 shown in SEQ ID NO.: 2. Variants GLP-1 or fragments of GLP-1 may include, but are not limited to, substitutions of an alanine residue analogous to alanine 8 of wild type GLP-1, such alanine being mutated to a glycine (hereinafter designated as “A8G”) (See for example, the mutants disclosed in U.S. Pat. No. 5,545,618, herein incorporated by reference in its entirety).

As used herein “*KEX2*” refers to a gene encoding the protein referred to as “Killer Expression protease” or “Kex2p” also referred to herein as “kexp.” Kex2p is a calcium dependent serine protease involved in proprotein processing. This protease cleaves polypeptides at the carboxyl end of the recognition sequences: Arg-Arg/X and Lys-Arg/X. Other Kex2p activities include, but are not limited to, hydrolase activity, metal ion binding activity, serine-type endopeptidase activity, peptidase activity and serine-type peptidase activity. Pseudonyms for KEX include: Pcsk2, Pcsk4, kpc-1. *Saccharomyces cerevisiae* endopeptidase (*KEX2*) gene has GenBank ID No. 855483 and encodes NCBI protein sequence Ref Seq NP:014161.1. The *KEX2* gene is conserved in fruit fly, *S. cerevisiae*, *K. lactis*, *E. gossypii*, *S. pombe*, *M. oryzae*, and *N. crassa*. A variant of *KEX2* may be a polynucleotide which has at least 85%, 90%, 95%, 96%, 97%, 98%, 99% sequence identity to (*KEX2*) gene from *Saccharomyces cerevisiae* or encodes a protein which has an amino acid sequence with at least 85%, 90%, 95%, 96%, 97%, 98%, 99% sequence identity to Kex2p from *Saccharomyces cerevisiae*. A functional fragment and/or variant of Kex2p would retain at least one function of Kex2p, including but not limited to, the ability to cleave polypeptides at the carboxyl end of the recognition sequences: Arg-Arg/X and Lys-Arg/X. The gene sequence of *KEX2* (SEQ ID NO:3) and corresponding amino acid sequence of Kex2p (SEQ ID NO:4) from *S. cerevisiae* is shown below:

ORIGIN *S. cerevisiae*

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1 atgaaagtga ggaaatatat tactttatgc ttttggtggg ccttttcaac atccgctcctt
61 gtatcatcac aacaaattcc attgaaggac catacgtcac gacagtatgt tgctgtagaa
121 agcaatgaaa cattatcccg cttggaggaa atgcatccaa attggaaata tgaacatgat
181 gttcgagggc taccaaacca ttatgttttt tcaaaagagt tgctaaaatt gggcaaaaga
241 tcatcattag aagagttaca gggggataac aacgaccaca tattatctgt ccatgattta

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301 ttcccgcgta acgacctatt taagagacta ccggtgcctg ctccaccaat ggactcaagc
 361 ttgttacggg taaaagaagc tgaggataaa ctacagcataa atgatccgct ttttgagagg
 421 cagtggcact tggatcaatcc aagttttcct ggcagtgata taaatgttct tgatctgtgg
 481 tacaataata ttacaggcgc aggggtcgtg gctgccattg ttgatgatgg ccttgactac
 5 541 gaaaatgaag acttgaagga taatttttgc gctgaagggtt cttgggattt caacgacaat
 601 accaattttac ctaaaccaag attatctgat gactaccatg gtacgagatg tgcagggtgaa
 661 atagctgcca aaaaaggtaa caatttttgc ggtgtcgggg taggttataa cgctaaaatc
 721 tcaggcataa gaatcttatt cggtgatatt actacggaag atgaagctgc gtccttgatt
 781 tatggtctag acgtaaacga tatatattca tgctcatggg gtcccgctga tgacggaaga
 10 841 catttacaag gccctagtga cctgggtgaaa aaggcttttag taaaagggtgt tactgagggg
 901 agagattcca aaggagcgat ttacgttttt gccagtggaa atggtggaac tcgtggtgat
 961 aattgcaatt acgacggcta tactaattcc atatattcta ttactattgg ggctattgat
 1021 caciaagatc tacatcctcc ttattccgaa ggttgttccg ccgtcatggc agtcacgtat
 1081 tcttcagggtt caggcgaata tattcattcg agtgatatca acggcagatg cagtaatagc
 15 1141 cacggtggaa cgtctgcggc tgctccatta gctgccgggtg tttacacttt gttactagaa
 1201 gccaacccaa acctaacttg gagagacgta cagtatttat caatcttgtc tgcggtaggg
 1261 ttagaaaaga acgctgacgg agattggaga gatagcgcca tggggaagaa atactctcat
 1321 cgctatggct ttggtaaaat cgatgcccat aagttaattg aaatgtccaa gacctgggag
 1381 aatgttaacg caciaacctg gttttacctg ccaacattgt atgtttccca gtccacaaac
 20 1441 tccacggaag agacattaga atccgtcata accatatcag aaaaaagtct tcaagatgct
 1501 aacttcaaga gaattgagca cgtcacggta actgtagata ttgatacaga aattagggga
 1561 actacgactg tcgatttaat atcaccagcg gggataattt caaaccttgg cgttgtaaga
 1621 ccaagagatg tttcatcaga gggattcaaa gactggacat tcatgtctgt agcacattgg
 1681 ggtgagaacg gcgtaggtga ttggaaaatc aagggttaaga caacagaaaa tggacacagg
 25 1741 attgacttcc acagttggag gctgaagctc tttggggaat ccattgattc atctaaaaca
 1801 gaaactttcg tctttggaaa cgataaagag gaggttgaac cagctgctac agaaagtacc
 1861 gtatcacaat attctgccag ttcaacttct atttccatca gcgctacttc tacatcttct
 1921 atctcaattg gtgtggaaac gtcggccatt ccccaaacga ctactgcgag taccgatcct
 1981 gattctgatc caaacactcc taaaaaactt tcctctccta ggcaagccat gcattatattt
 30 2041 ttaacaatat ttttgattgg cgccacattt ttggtgttat acttcatgtt ttttatgaaa
 2101 tcaaggagaa ggatcagaag gtcaagagcg gaaacgtatg aattcgatat cattgatata
 2161 gactctgagt acgattctac tttggacaat ggaacttccg gaattactga gcccgagag
 2221 gttgaggact tcgattttga tttgtccgat gaagaccatc ttgcaagttt gtcttcatca
 2281 gaaaacggtg atgctgaaca tacaattgat agtgactaa caaacgaaaa tccatttagt
 35 2341 gaccctataa agcaaaagtt cccaaatgac gccaacgcag aatctgcttc caataaatta
 2401 caagaattac agcctgatgt tcctccatct tccggacgat cgtga (SEQ ID NO:3)

ORIGIN *S. cerevisiae*

40 1 mkvrkyitlc fwwafstsal vssqqiplkd htsrqyfave snetlsrlee mhpnwkyehd
 61 vrglpnhyvf skellklgkr ssleelqgdn ndhilsvhd1 fprndlfkrl pvpappmdss
 121 llpvkeaedk lsindplfer qwhlvnpsfp gsdinvldlw ynnitgagvv aaivddgldy
 181 enedlkdnfc aegswdfndn tnlpkprlsd dyhgtrcage iaakkgnnfc gvgvgynaki
 241 sgirilsgdi ttedeaasli ygldvndiys cswgpaddgr hlqgpsdlvk kalvkgvteg
 301 rdskgaiyvf asngngtrgd ncnvdytns iysitigaid hkdhlppyse gcsavmavty
 45 361 ssgsgeyihs sdingrcsns hggtsaaapl aagvytlile anpnltwrdrv qylsilsavg

421 lek nadgdwr dsamgkkysh rygfgkidah kliemsktwe nvnaqtwfyl ptlyvsqstn
 481 steetlesvi tisekslqda nfkriehvtv tvdidteirg tttvdlispa giisnlgvvr
 541 prdvssegfk dwtfmsvahw gengvgdwki kvkttenghr idfhs wrlkl fgesidsskt
 601 etfvfgndke evepaatest vsqysassts isisatstss isigvetsai pqtstastdp
 5 661 dsdpntpkkl ssprqamhyf ltifligatf lvlyfmffmk srrrirrsra etyefdiidt
 721 dseydstldn gtsgitepee vedfdfdlsd edh laslsss engdaehtid svltne n pfs
 781 dpikqkfpnd anaesasnl qelqpdvpps sgrs (SEQ ID NO:4)

As used herein, "PDI" or "PDII" refers to a gene encoding "pdi" or "Pdi1p" also
 10 known as "protein disulfide isomerase" which is an enzyme in the endoplasmic reticulum
 in eukaryotes that catalyzes the formation and breakage of disulfide bonds between
 cysteine residues within proteins as they fold. (Wilkinson B, Gilbert HF (June 2004).
 "Protein disulfide isomerase". *Biochimica et Biophysica Acta* 1699 (1-2): 35–44 and
 Gruber CW, Cemazar M, Heras B, Martin JL, Craik DJ (August 2006). "Protein disulfide
 15 isomerase: the structure of oxidative folding". *Trends in Biochemical Sciences* 31 (8):
 455–64)) and can act as a chaperone protein (Wang, CC and Tsou, CL FASEB J. 1993
 Dec;7(15):1515-7). Protein disulfide isomerase is a multifunctional protein resident in the
 endoplasmic reticulum lumen, essential for the formation of disulfide bonds in secretory
 and cell-surface proteins, unscrambles non-native disulfide bonds; forms a complex with
 20 Mnl1p that has exomannosidase activity, processing unfolded protein-bound
 Man8GlcNAc2 oligosaccharides to Man7GlcNAc2 which promotes degradation in the
 unfolded protein response. Pdi1 also has oxidative reductase activity. Pdi1p from
S. cerevisiae is encoded by GenBank ID NO. 850314. A functional fragment and/or
 variant of pdi may be a polypeptide which has at least 85%, 90%, 95%, 96%, 97%, 98%,
 25 99% sequence identity to the amino acid sequence of NCBI Ref Seq NP_009887 encoded
 by a polynucleotide having at least 85%, 90%, 95%, 96%, 97%, 98%, 99% sequence
 identity to GenBank ID No. 850314 and would retain at least one function of Pdi,
 including but not limited to, isomerase activity. Pdi1 functional activity includes, but is not
 limited to, catalyzing formation and/or breakage of disulfide bonds, aiding proper folding
 30 of misfolded proteins. Pseudonyms for PDI include: PDII, PDIA2, Pdia3, P4HB, PADI1,
 Padi2, EUG1, NCU09223, SOAC1F5.02, and AGOS_AFR718W. The PDII gene is
 conserved in human, Rhesus monkey, dog, cow, mouse, rat, chicken, zebrafish, fruit fly,
 mosquito, *C. elegans*, *S. cerevisiae*, *K. lactis*, *E. gossypii*, *S. pombe*, *M. oryzae*, *N. crassa*,
A. thaliana, and rice. (PDII) can perform. The gene sequence of PDI (SEQ ID NO:5) and
 35 corresponding amino acid sequence of Pdi1 (SEQ ID NO:6) from *S. cerevisiae* are shown
 below:

ORIGIN *S. cerevisiae*

1 atgaagtttt ctgctggtgc cgtcctgtca tggctcctccc tgctgctcgc ctctctgttt
 61 ttcgccccaac aagaggctgt ggcccctgaa gactccgctg tcgttaagtt ggccaccgac
 5 121 tccttcaatg agtacattca gtcgcacgac ttggtgcttg cggagttttt tgctccatgg
 181 tgtggccact gtaagaacat ggctcctgaa tacgttaaag ccgccgagac tttagttgag
 241 aaaaacatta ccttggtcca gatcgactgt actgaaaacc aggatctgtg tatggaacac
 301 aacattccag ggttcccaag cttgaagatt ttcaaaaaca gcgatgttaa caactcgatc
 361 gattacgagg gacctagaac tgccgaggcc attgtccaat tcatgatcaa gcaaagccaa
 10 421 ccggtctgctg ccgttggttg tgatctacca gcttaccttg ctaacgagac ttttgtcact
 481 ccagttatcg tccaatccgg taagattgac gccgacttca acgccacctt ttactccatg
 541 gccaacaaac acttcaacga ctacgacttt gtctccgctg aaaacgcaga cgatgatttc
 601 aagctttcta tttacttgcc ctccgccatg gacgagcctg tagtatacaa cggtaagaaa
 661 gccgatatcg ctgacgctga tgtttttgaa aaatggttgc aagtggaagc cttgccctac
 15 721 tttggtgaaa tcgacggttc cgttttcgcc caatacgtcg aaagcggttt gcctttgggt
 781 tacttattct acaatgacga ggaagaattg gaagaataca agcctctctt taccgagttg
 841 gccaaaaaga acagaggtct aatgaacttt gttagcatcg atgccagaaa attcggcaga
 901 cacgccggca acttgaacat gaaggaacaa ttccctctat ttgccatcca cgacatgact
 961 gaagacttga agtacggttt gcctcaactc tctgaagagg cgtttgacga attgagcgac
 20 1021 aagatcgtgt tggagtctaa ggctattgaa tcttttggtta aggacttctt gaaaggtgat
 1081 gcctccccaa tcgtgaagtc ccaagagatc ttcgagaacc aagattcctc tgtcttccaa
 1141 ttggtcggta agaaccatga cgaaatcgtc aacgacccaa agaaggacgt tcttggtttg
 1201 tactatgccc catggtgtgg tcaactgtaag agattggccc caacttacca agaactagct
 1261 gatacctacg ccaacgccac atccgacgtt ttgattgcta aactagacca cactgaaaac
 25 1321 gatgtcagag gcgtcgtaat tgaaggttac ccaacaatcg tcttataccc aggtggtgtaag
 1381 aagtccgaat ctgttggtga ccaaggttca agatccttgg actctttatt cgacttcac
 1441 aaggaaaacg gtcacttcga cgtcgacggt aaggccttgt acgaagaagc ccaggaaaaa
 1501 gctgctgagg aagccgatgc tgacgctgaa ttggctgacg aagaagatgc cattcacgat
 1561 gaattgtaa (SEQ ID NO:5)

30

ORIGIN *S. cerevisiae*

 MKFSAGAVLSWSSLLASSVFAQQEAVAPEDSAVVKLATDSFNE
 YIQSHDLVLAEFFAPWCGHCKNMAPEYVKA AETLVEKNITLAQIDCTENQDLCMEHNI
 PGFPSLKIFKNSDVNNSIDYEGPRTAEAI VQFMIKSQPAVAVVADLPAYLANETFVT
 35 PVIVQSGKIDADFNATFYSMANKHFNDYDFVSAENADDDFKLSIYLPSAMDEPVVYNG
 KKADIADADVFEKWLQVEALPYFGEIDGSVFAQYVESGLPLGYLFYNDEEELEEKPL
 FTELAKKNRGLMNFVSI DARKFGRHAGNLMKEQFPLFAIHDMTEDLKYGLPQLSEEA
 FDELSDKIVLESKAIESLVKDFLKG DASPIVKSQEIFENQDSSVFQLVGKNHDEIVND
 PKKDVLVLYYAPWCGHCKRLAPTYQELADTYANATSDVLI AKLDHTENDVRGVVIEGY
 40 PTIVLYPGGKKSES VVYQGSRLDSLDFIKENGHFDVDGKALYEEAQEKAAEEADAD
 AELADEEDAIHDEL (SEQ ID NO:6)

PDI is a resident protein in the E.R. lumen of the cells. A body of evidence on the enzyme cellular distribution, its subcellar location and its developmental properties suggests that it plays a role in protein biosynthesis and secretion pathway (Freedman, 1984, *Trends Biochem. Sci.* 9, pp.438-41) and this is supported by direct cross-linking studies *in situ* (Roth and Pierce, 1987, *Biochemistry*, 26, pp.4179-82). The finding that microsomal membranes deficient in PDI show a specific defect in protein disulfide formation (Bulleid and Freedman, 1988, *Nature*, 335, pp.649-51) implies that the enzyme functions as a catalyst of native disulfide bond formation during the biosynthesis of secretory and cell surface proteins. This role is consistent with what is known of the enzyme's catalytic properties *in vitro*; it catalyzes thiol: disulfide interchange reactions leading to net protein disulfide formation, breakage or isomerization, and can catalyze protein folding and the formation of native disulfide bonds in a wide variety of reduced, unfolded protein substrates (Freedman et al., 1989, *Biochem. Soc. Symp.*, 55, pp.167-192). The DNA and amino acid sequence of the enzyme is known for several species (Scherens, B. et al., 1991, *Yeast*, 7, pp. 185-193; Farquhar, R., et al., 1991, *Gene*, 108, pp. 81-89) and there is increasing information on the mechanism of action of the enzyme purified to homogeneity from mammalian liver (Creighton et al., 1980, *J. Mol. Biol.*, 142, pp.43-62; Freedman et al., 1988, *Biochem. Soc. Trans.*, 16, pp.96-9; Gilbert, 1989, *Biochemistry* 28, pp.7298-7305; Lundstrom and Holmgren, 1990, *J. Biol. Chem.*, 265, pp.9114-9120; Hawkins and Freedman, 1990, *Biochem. J.*, 275, pp.335-339). Of the many protein factors currently implicated as mediators of protein folding, assembly and translocation in the cell (Rothman, 1989, *Cell* 59, pp.591-601), PDI is unusual in having a well-defined catalytic activity.

PDI is readily isolated from mammalian tissues and the homogeneous enzyme is a homodimer (2 x 57 kD) with characteristically acidic pI (4.0-4.5) (Hillson et al., 1984, *Methods Enzymol.*, 107, pp.281-292). The enzyme has also been purified from wheat and from the alga *Chlamydomonas reinhardtii* (Kaska et al., 1990 *Biochem. J.* 268, pp.63-68). The activity has been detected in a wide variety of sources, and in a preliminary report, PDI activity was claimed to be detectable in *S. cerevisiae* (Williams et al., 1968, *FEBS Letts.*, 2, pp.133-135). Recently, the complete amino acid sequences of a number of PDIs have been reported, largely derived from cloned cDNA sequences; these include the PDIs from rat (Edman et al., 1985, *Nature*, 317, pp.267-270) bovine (Yamauchi et al., 1987, *Biochem. Biophys. Res. Comm.*, 146, pp.1485-1492) human (Pihlajaniemi et al., 1987,

EMBO J., 6, pp.643-9), yeast (Scherens, B., et al., supra; Farquhar, R. et al., supra) and chick (Parkkonen et al., 1988, *Biochem. J.*, 256, pp.1005-1011). The proteins from these vertebrate species show a high degree of sequence conservation throughout and all show several overall features first noted in the rat PDI sequence (Edman et al. 1985 supra).

Sequences corresponding to, or closely related to PDI have been identified in work aimed at analyzing functions other than disulfide bond formation. For example, there is clear-cut evidence that PDI acts as the β -subunits of the tetrameric $\alpha\beta$ -enzyme prolyl-4-hydroxylase, which catalyzes a major post-translational modification of nascent or newly-synthesized procollagen polypeptides within the E.R. (Pihlajaniemi et al., 1987, supra; Koivu et al., 1987, *J. Biol. Chem.*, 262, pp.6447-49)). There is also evidence suggesting that PDI participates in the system for cotranslational N-glycosylation (Geetha-Habib et al., 1988, *Cell*, 4, pp.63-68) and recently the proposal has been made that the enzyme participates in the complex which transfers triglyceride to nascent secretory lipoproteins (Wetterau et al., 1990, *J. Biol. Chem.*, 265, pp.9800-7). Thus, PDI may be multifunctional in the co- and post-translational modification of secretory proteins (Freedman, 1989, *Cell*, 57, pp.1069-72).

Increasing Pdi1 activity in bacterial, yeast, and insect cell expression systems can lead to increased secretion of recombinant proteins containing disulfide bonds.

Albiglutide (ALB) the amino acid sequence of which is shown in SEQ ID NO:1 consists of a DPP-4-resistant GLP-1 dimer fused to human albumin. The protein contains 8 disulfide bonds. It is possible that overexpression of Pdi1 can improve the proper folding and secretion of SEQ ID NO:1 in and/or from host cells.

ERO1 is a gene that encodes ER oxidoreductin 1 (Ero1) which is an oxidoreductase enzyme that catalyses the formation and isomerization of protein disulfide bonds in the endoplasmic reticulum (ER) of eukaryotes. (Frand AR, Cuozzo JW, Kaiser CA (2000). "Pathways for protein disulphide bond formation". *Trends Cell Biol.* 10 (5): 203-10 and Frand AR, Kaiser CA (2000). "Two pairs of conserved cysteines are required for the oxidative activity of Ero1p in protein disulfide bond formation in the endoplasmic reticulum". *Mol. Biol. Cell* 11 (9): 2833-43). *ERO1* from *S. cerevisiae* has a NCBI Gene ID NO. 854909 and NCBI Protein Ref Seq NP_013576. Pseudonyms for *ERO1* include but are not limited to: ERO1L, ERO1LB, Ero1a, Ero1b, ero-1, NCU02074. The *ERO1* gene is conserved in human, chimpanzee, Rhesus monkey, dog, cow, mouse, rat, chicken, zebrafish, *C. elegans*, *S. cerevisiae*, *K. lactis*, *E. gossypii*, *S. pombe*, *M. oryzae*, *N. crassa*,

A. thaliana, and rice. *ERO1* activities include, but are not limited to, flavin adenine dinucleotide binding, oxidoreductase activity, protein disulfide isomerase activity, and thiol oxidase activity. A functional fragment and/or variant of Ero1 would be a polypeptide which maintains at least one functional activity of a wild type Ero1.

- 5 “Endoplasmic Reticulum Oxidoreductin” or “ERO” is an oxidoreductase enzyme that catalyses the formation and isomerization of protein disulfide bonds in the endoplasmic reticulum of eukaryote cells. Disulfide bond formation is an oxidative process. After Protein Disulfide-Isomerase (PDI) catalyzes disulfide bond formation in a nascent polypeptide, PDI becomes reduced during the thiol-disulfide exchange reaction.
- 10 ERO is required for the introduction of oxidizing equivalents to PDI. In *S. cerevisiae*, Endoplasmic Reticulum Oxidoreductin is encoded by *ERO1*.

The gene sequence of *ERO1* (SEQ ID NO:7) and corresponding amino acid sequence of Ero1 (SEQ ID NO:8) from *S. cerevisiae* are shown below:

ORIGIN *S. cerevisiae*

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5      1 atgagattaa gaaccgccat tgccacactg tgcctcacgg cttttacatc tgcaacttca
      61 aacaatagct acatcgccac cgaccaaaca caaatgcct ttaatgacac tcacttttgt
     121 aaggtcgaca ggaatgatca cgttagtccc agttgtaacg taacattcaa tgaattaaat
     181 gccataaatg aaaacattag agatgatctt tcggcgttat taaaatctga tttcttcaaa
     241 tactttcggc tggatttata caagcaatgt tcattttggg acgccaacga tggctctgtgc
10    301 ttaaaccgcg cttgctctgt tgatgtcgta gaggactggg atacactgcc tgagtactgg
     361 cagcctgaga tcttggttag tttcaataat gatacaatga aggaagcgga tgatagcgat
     421 gacgaatgta agttcttaga tcaactatgt caaacagta aaaaacctgt agatatcgaa
     481 gacaccatca actactgtga tgtaaatgac tttaacggta aaaacgccgt tctgattgat
     541 ttaacagcaa atccggaacg atttacaggt tatggtggta agcaagctgg tcaaatttgg
15    601 tctactatct accaagacaa ctgttttaca attggcgaaa ctggtgaatc attggccaaa
     661 gatgcatttt atagacttgt atccggtttc catgcctcta tcggtactca cttatcaaag
     721 gaatatttga acacgaaaac tggtaaatgg gagcccaatc tggatttggt tatggcaaga
     781 atcggaact ttcctgatag agtgacaaac atgtatttca attatgctgt tgtagctaag
     841 gctctctgga aaattcaacc atatttacca gaattttcat tctgtgatct agtcaataaa
20    901 gaaatcaaaa acaaatgga taacgttatt tcccagctgg acacaaaaat ttttaacgaa
     961 gacttagttt ttgccaacga cctaagtttg actttgaagg acgaattcag atctcgcttc
    1021 aagaatgtca cgaagattat ggattgtgtg caatgtgata gatgtagatt gtggggcaaa
    1081 attcaaacta ccggttacgc aactgccttg aaaattttgt ttgaaatcaa cgacgctgat
    1141 gaattcacca aacaacatat tgttggttaag ttaaccaa atgagttgat tgcactatta
25    1201 cagactttcg gtagattatc tgaatctatt gaatctgtta acatgttcga aaaaatgtac
     1261 gggaaaaggt taaacggttc tgaaaacagg ttaagctcat tcttccaaaa taacttcttc
     1321 aacattttga aggaggcagg caaatcgatt cgttacacca tagagaacat caattccact
     1381 aaagaaggaa agaaaaagac taacaattct caatcacatg tatttgatga tttaaaaatg
     1441 cccaaagcag aaatagttcc aaggccctct aacggtacag taaataaatg gaagaaagct
30    1501 tggaatactg aagttaacaa cgtttttagaa gcattcagat ttatttatag aagctatttg
     1561 gatttaccba ggaacatctg ggaattatct ttgatgaagg tatacaaatt ttggaataaa
     1621 ttcacggtg ttgctgatta cgttagttag gagacacgag agcctatttc ctataagcta
     1681 gatatacaat aa (SEQ ID NO:7)

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ORIGIN *S. cerevisiae*

MRLRTAIATLCLTAFTSATSNNSYIATDQTQNAFNDTHFCKVDR

NDHVSPSCNVTFNELNAINENIRDDLSALLKSDFFKYFRDLKYQCSFWDANDGLCLN

RACSDVVDWDTLPEYWQPEILGSFNNDTMKEADDSDECKFLDQLCQTSKKPVDIE

5 DTINYCDVNDFNGKNAVLIDLTANPERFTGYGGKQAGQIWSTIYQDNCFTIGETGESL

AKDAFYRLVSGFHASIGTHLSKEYLNTKTGKWEPNLDFMARIGNFPDRVNTMYFNIA

VVAKALWKIQPYLPFEFSFCDLVNKEIKNKMDNVISQLDTKIFNEDLVFANDLSLTLKD

EFRSRFKNVTKIMDCVQCDCRLWGKIQTGTGYATALKILFEINDADEFTKQHIVGKLT

KYELIALLQTFGRLSIESVNMFEKMYGKRLNGSENRLSSFFQNNFFNILKEAGKSI

10 RYTIENTINSTKEGKKKTNNSQSHVFDDLKMPKAEIVPRPSNGTVNKWKKAWNTEVNNV

LEAFRFIYRSYLDLPRNIWELSLMKVYKFWNKFIVGADVSEETREPISYKLDIQ" (SEQ ID

NO:8)

"Microorganism(s)" means a (i) prokaryote, including but not limited to, a member of

15 the genus *Streptococcus*, *Staphylococcus*, *Bordetella*, *Corynebacterium*, *Mycobacterium*,
Neisseria, *Haemophilus*, *Actinomycetes*, *Streptomyces*, *Nocardia*, *Enterobacter*, *Yersinia*,
Fancisella, *Pasturella*, *Moraxella*, *Acinetobacter*, *Erysipelothrix*, *Branhamella*,
Actinobacillus, *Streptobacillus*, *Listeria*, *Calymmatobacterium*, *Brucella*, *Bacillus*,
Clostridium, *Treponema*, *Escherichia*, *Salmonella*, *Klebsiella*, *Vibrio*, *Proteus*, *Erwinia*,

20 *Borrelia*, *Leptospira*, *Spirillum*, *Campylobacter*, *Shigella*, *Legionella*, *Pseudomonas*,
Aeromonas, *Rickettsia*, *Chlamydia*, *Borrelia* and *Mycoplasma*, and further including, but not
limited to, a member of the species or group, Group A *Streptococcus*, Group B
Streptococcus, Group C *Streptococcus*, Group D *Streptococcus*, Group G *Streptococcus*,
Streptococcus pneumoniae, *Streptococcus pyogenes*, *Streptococcus agalactiae*,

25 *Streptococcus faecalis*, *Streptococcus faecium*, *Streptococcus durans*, *Neisseria gonorrhoeae*,
Neisseria meningitidis, *Staphylococcus aureus*, *Staphylococcus epidermidis*,
Corynebacterium diphtheriae, *Gardnerella vaginalis*, *Mycobacterium tuberculosis*,
Mycobacterium bovis, *Mycobacterium ulcerans*, *Mycobacterium leprae*, *Actinomycetes*
israelii, *Listeria monocytogenes*, *Bordetella pertussis*, *Bordetella parapertussis*, *Bordetella*

30 *bronchiseptica*, *Escherichia coli*, *Shigella dysenteriae*, *Haemophilus influenzae*,
Haemophilus aegyptius, *Haemophilus parainfluenzae*, *Haemophilus ducreyi*, *Bordetella*,
Salmonella typhi, *Citrobacter freundii*, *Proteus mirabilis*, *Proteus vulgaris*, *Yersinia pestis*,
Klebsiella pneumoniae, *Serratia marcescens*, *Serratia liquefaciens*, *Vibrio cholera*, *Shigella*
dysenteriae, *Shigella flexneri*, *Pseudomonas aeruginosa*, *Francisella tularensis*, *Brucella*

35 *abortus*, *Bacillus anthracis*, *Bacillus cereus*, *Clostridium perfringens*, *Clostridium tetani*,

Clostridium botulinum, *Treponema pallidum*, *Rickettsia rickettsii* and *Chlamydia trachomatis*, (ii) an archaeon, including but not limited to *Archaeobacter*, and (iii) a unicellular or filamentous eukaryote, including but not limited to, a protozoan, a fungus, a member of the genus *Saccharomyces*, *Kluveromyces*, or *Candida*, and a member of the species

5 *Saccharomyces cerevisiae*, *Kluveromyces lactis*, or *Candida albicans*.

"Bacteria(um)(l)" means a (i) prokaryote, including but not limited to, a member of the genus *Streptococcus*, *Staphylococcus*, *Bordetella*, *Corynebacterium*, *Mycobacterium*, *Neisseria*, *Haemophilus*, *Actinomycetes*, *Streptomyces*, *Nocardia*, *Enterobacter*, *Yersinia*, *Fancisella*, *Pasturella*, *Moraxella*, *Acinetobacter*, *Erysipelothrix*, *Branhamella*,

10 *Actinobacillus*, *Streptobacillus*, *Listeria*, *Calymmatobacterium*, *Brucella*, *Bacillus*, *Clostridium*, *Treponema*, *Escherichia*, *Salmonella*, *Kleibsiella*, *Vibrio*, *Proteus*, *Erwinia*, *Borrelia*, *Leptospira*, *Spirillum*, *Campylobacter*, *Shigella*, *Legionella*, *Pseudomonas*, *Aeromonas*, *Rickettsia*, *Chlamydia*, *Borrelia* and *Mycoplasma*, and further including, but not limited to, a member of the species or group, Group A *Streptococcus*, Group B

15 *Streptococcus*, Group C *Streptococcus*, Group D *Streptococcus*, Group G *Streptococcus*, *Streptococcus pneumoniae*, *Streptococcus pyogenes*, *Streptococcus agalactiae*, *Streptococcus faecalis*, *Streptococcus faecium*, *Streptococcus durans*, *Neisseria gonorrhoeae*, *Neisseria meningitidis*, *Staphylococcus aureus*, *Staphylococcus epidermidis*, *Corynebacterium diphtheriae*, *Gardnerella vaginalis*, *Mycobacterium tuberculosis*,

20 *Mycobacterium bovis*, *Mycobacterium ulcerans*, *Mycobacterium leprae*, *Actinomyces israelii*, *Listeria monocytogenes*, *Bordetella pertussis*, *Bordetella parapertussis*, *Bordetella bronchiseptica*, *Escherichia coli*, *Shigella dysenteriae*, *Haemophilus influenzae*, *Haemophilus aegyptius*, *Haemophilus parainfluenzae*, *Haemophilus ducreyi*, *Bordetella Salmonella typhi*, *Citrobacter freundii*, *Proteus mirabilis*, *Proteus vulgaris*, *Yersinia pestis*,
25 *Kleibsiella pneumoniae*, *Serratia marcescens*, *Serratia liquefaciens*, *Vibrio cholera*, *Shigella dysenterii*, *Shigella flexneri*, *Pseudomonas aeruginosa*, *Francisella tularensis*, *Brucella abortis*, *Bacillus anthracis*, *Bacillus cereus*, *Clostridium perfringens*, *Clostridium tetani*, *Clostridium botulinum*, *Treponema pallidum*, *Rickettsia rickettsii* and *Chlamydia trachomatis*, and (ii) an archaeon, including but not limited to *Archaeobacter*.

30 As used herein, "heterologous nucleic acid sequence" refers to a nucleic acid sequence which is inserted, transformed, or transfected into a host cell or microorganism of interest. A heterologous nucleic acid sequence may be a coding sequence for all or part of a polypeptide and/or it may comprise non-coding regulatory elements such as a

promoter, enhancer, ribosome binding element or polyadenylation region. A heterologous nucleic acid sequence may be a nucleic acid sequence which not naturally found in the host cell, such as a nucleic acid sequence that encodes a polypeptide from a different organism, genus or species than the host cell. Alternatively, a heterologous nucleic acid sequence may be native to a host cell's genome but is inserted, transformed or transfected into the host cell to increase the function of native nucleic acid sequence or expression of polypeptide encoded by said nucleic acid sequence. For example, wild type *S. cerevisiae* may contain nucleic acid sequences which encode wild type Kex2p, but a heterologous nucleic acid encoding wild type Kex2p may be transformed into said *S. cerevisiae* to increase Kex2p production by said host cell. Similarly, wild type *S. cerevisiae* may contain nucleic acid sequences which encode wild type Kex2p, but a heterologous nucleic acid encoding Kex2p from a different organism may be inserted into said *S. cerevisiae* to increase Kex2p production by said host cell. Also contemplated by the present invention are host cells that contain heterologous nucleic acids sequences which are variants and/or fragments of wild nucleic acids from the same species of host cell.

As used herein, "recombinant polypeptide(s)" and grammatical variations thereof refers to a polypeptide not naturally synthesized by a transformed host cell or microorganism of interest and introduced into the host cell or microorganism by recombinant DNA. For example, *S. cerevisiae* may act as a host cell for the expression of human serum albumin, which does not occur in non-transformed or non-transfected *S. cerevisiae*. Recombinant polypeptides may include polypeptides that have been modified to facilitate isolation.

As used herein "affinity tag" refers to any moiety associated with a molecule that may give said molecule a selective affinity for another substance or molecule. For instance, an affinity tag may be used to facilitate purification of a molecule by providing the molecule with a selective affinity for a column's packing material. A non-limiting example of an affinity tag is a his-tag.

Nucleic acid is "operably linked" when it is placed into a functional relationship with another nucleic acid sequence. For example, DNA for a presequence or secretory leader is operably linked to DNA for a polypeptide if it is expressed as a preprotein that participates in the secretion of the polypeptide; a promoter or enhancer is operably linked to a coding sequence if it affects the transcription of the sequence; or a ribosome binding site is operably linked to a coding sequence if it is positioned so as to facilitate translation.

Generally, "operably linked" means that the DNA sequences being linked are contiguous, and, in the case of a secretory leader, contiguous and in reading phase. However, enhancers do not have to be contiguous. Linking is accomplished by ligation at convenient restriction sites. If such sites do not exist, the synthetic oligonucleotide

5 adaptors or linkers are used in accordance with conventional practice.

As used herein "harvesting" cells refers to collection of cells from cell culture. Cells may be concentrated during harvest to separate them from culture broth, for instance by centrifugation or filtration. Harvesting cells may further comprise the step of lysing the cells to obtain intracellular material, such as, but not limited to polypeptides and

10 polynucleotides. It should be understood by the skilled artisan that certain cellular material, including but not limited to, heterologously expressed polypeptide, may be released from cells during culture. Thus, a product (*e.g.*, a recombinantly expressed polypeptide) of interest may remain in culture broth after cells are harvested.

Also, provided are methods wherein the recombinant DNA construct encodes a

15 selectable marker. Such a selectable marker provides for either positive or negative selection. Methods are also provided comprising expressing said selectable marker and comparing the amount of selectable marker produced by at least one first transformed cell of the selecting step with the amount of selectable marker produced by at least one second transformed cell of the selecting step wherein the first and second transformed cell

20 produce the same selectable marker. As is understood in the art, selectable markers include, but are not limited to, dihydrofolate reductase (*dhfr*), β -galactosidase, fluorescent protein, secreted form of human placental alkaline phosphatase, beta-glucuronidase, yeast selectable markers *LEU2* and *URA3*, apoptosis resistant genes, and antisense oligonucleotides, as well as antibiotic resistance genes conferring the ability to grow in the

25 presence of antibiotics including, neomycin (*neo*), kanamycin, geneticin, hygromycin B, puromycin, zeocin, blasticidin, nourseothricin, bialaphos, phleomycin, and ampicillin. As is also understood in the art, cells can be sorted by a variety of means, including but not limited to, visual inspection or a cell sorter such as a BD FACS Aria, which can detect expression of a selectable marker.

30 The term "wild type" as is understood in the art refers to a host cell or a polypeptide or polynucleotide sequence that occurs in a native population without genetic modification. For example, a "wild type host cell" refers to an unmodified strain of a host

cell prior to any genetic modification being made or occurring in the genome of the host cell.

As used herein, “titer” or “titer yield” refers to the concentration of a product (e.g., recombinantly expressed polypeptide) in solution (e.g., culture broth or cell-lysis mixture or buffer) and it usually expressed as mg/L or g/L. An increase in titer yield may refer to an absolute or relative increase in the concentration of a product produced under two defined set of conditions.

“Incretin hormone” as used herein means any hormone that potentiates insulin secretion or otherwise raises the level of insulin. One example of an incretin hormone is GLP-1. GLP-1 is an incretin secreted by intestinal L cells in response to ingestion of food. In a healthy individual, GLP-1 plays an important role regulating post-prandial blood glucose levels by stimulating glucose-dependent insulin secretion by the pancreas resulting in increased glucose absorption in the periphery. GLP-1 also suppresses glucagon secretion, leading to reduced hepatic glucose output. In addition, GLP-1 delays gastric emptying time and slows small bowel motility delaying food absorption. GLP-1 promotes continued beta cell competence by stimulating transcription of genes involved in glucose dependent insulin secretion and by promoting beta-cell neogenesis (Meier, et al. *Biodrugs* 2003; 17 (2): 93-102).

“GLP-1 activity” as used herein means one or more of the activities of naturally occurring human GLP-1, including but not limited to, reducing blood and/or plasma glucose, stimulating glucose-dependent insulin secretion or otherwise raising the level of insulin, suppressing glucagon secretion, reducing fructosamine, increases glucose delivery and metabolism to the brain, delaying gastric emptying, and promoting beta cell competence, and/or neogenesis. Any of these activities and other activity associated with GLP-1 activity may be caused directly or indirectly by a composition having GLP-1 activity or a GLP-1 agonist. By way of example, a composition having GLP-1 activity may directly or indirectly stimulate glucose-dependent while the stimulation of insulin production may indirectly reduce plasma glucose levels in a mammal.

An “incretin mimetic” as used herein is a compound capable of potentiating insulin secretion or otherwise raise the level of insulin. An incretin mimetic may be capable of stimulating insulin secretion, increasing beta cell neogenesis, inhibiting beta cell apoptosis, inhibiting glucagon secretion, delaying gastric emptying and inducing satiety in a mammal. An incretin mimetic may include, but is not limited to, any polypeptide which

has GLP-1 activity, including but not limited to, exendin 3 and exendin 4, including any fragments and/or variants and/or conjugates thereof.

A “domain antibody” or “dAb” may be considered the same as a “single variable domain” which is capable of binding to an antigen. A single variable domain may be a human antibody variable domain, but also includes single antibody variable domains from other species such as rodent (for example, as disclosed in WO 00/29004), nurse shark and *Camelid* V_{HH} dAbs. Camelid V_{HH} are immunoglobulin single variable domain polypeptides that are derived from species including camel, llama, alpaca, dromedary, and guanaco, which produce heavy chain antibodies naturally devoid of light chains. Such V_{HH} domains may be humanized according to standard techniques available in the art, and such domains are considered to be “domain antibodies”. As used herein V_H includes camelid V_{HH} domains.

The phrase “single variable domain” refers to an antigen binding protein variable domain (for example, V_H, V_{HH}, V_L) that specifically binds an antigen or epitope independently of a different variable region or domain.

The term “antigen binding protein” as used herein refers to antibodies, antibody fragments and other protein constructs, such as domains, but not limited to, variable domains and domain antibodies, which are capable of binding to an antigen.

As used herein, “reduced amount” and grammatical variations thereof of an enzyme or fragment thereof or enzyme activity compared in a genetically modified host cell refers to a genetically modified host cell which produces less of at least one enzyme or shows less of at least one kind of enzyme activity when compared with a non-genetically modified host cell. Typically, the comparison in enzyme activity produced by a genetically modified host cell is with the wild type strain of the same species before genetic modification. However, the comparison can also be between genetically modified host and a wild type host from the genus but different species or strain or with another genetically modified strain. A reduction in at least one enzyme or enzyme activity also includes a complete abrogation of at least one enzyme or enzyme activity in which none of at least one enzyme is produced in a genetically modified host cell and/or none of at least one enzyme is functional or shows activity. Also included within this definition is a reduced amount of at least one enzyme activity. That is, enzymes which have more than one activity may maintain the amount of a first activity while a second activity of the same enzyme is reduced.

As used herein, "increased amount" and grammatical variations thereof of an enzyme or fragment thereof or enzyme activity in a genetically modified host cell refers to a genetically a genetically modified host cell which produces more of at least one enzyme or shows more of at least one kind of enzyme activity when compared with a non-
5 genetically modified host cell. Typically, the comparison in enzyme activity produced by a genetically modified host cell is with the wild type strain of the same species before genetic modification. However, the comparison can also be between genetically modified host and a wild type host from the genus but different species or strain or with another genetically modified strain. Also included within this definition is an increased amount of
10 at least one enzyme activity. That is, enzymes which have more then one activity may maintain the amount of a first activity while a second activity of the same enzyme is increased. Additionally, this term includes increases in enzyme activity apart from the amount of enzyme produced by a host cell. For instance, a genetically modified host cell may produced the same or similar amount of an enzyme or fragment and/or variant thereof
15 that is produced by a wild type host cell as measured by mass or quantity but there may be a measurable increase in the amount of at least one functional activity of said enzyme compared with wild type.

As herein used, the terms "stringent conditions" and a "stringent hybridization conditions" mean hybridization will occur only if there is at least 70% and at least 80%, but
20 at least 95% identity between the sequences. An example of stringent hybridization conditions is overnight incubation at 42°C in a solution comprising: 50% formamide, 5xSSC (150mM NaCl, 15mM trisodium citrate), 50 mM sodium phosphate (pH7.6), 5x Denhardt's solution, 10% dextran sulfate, and 20 micrograms/ml denatured, sheared salmon sperm DNA, followed by washing the filters in 0.1x SSC at about 65°C. Hybridization and wash
25 conditions are well known and exemplified in Sambrook, *et al.*, Molecular Cloning: A Laboratory Manual, Second Edition, Cold Spring Harbor, N.Y., (1989), particularly Chapter 11 therein, the disclosure of which is hereby incorporated in its entirety by reference.

As used herein "genetic modification" or "genetically modified" refers to any suppression, substitution, deletion and/or insertion of one or more bases or of a fragment
30 of a cell DNA sequence(s). Such genetic modification may be obtained *in vitro* (directly on isolated DNA) or *in situ*, for example by genetic engineering techniques or by exposing the cells to a mutagenic agent. Mutagenic agents include, for example, physical agents

such as energetic rays (X-rays, γ -rays, UV, etc.) or chemical agents capable of reacting with different functional groups of DNA, such as alkylating agents (EMS, NQO, etc.) bialkylating agents, intercalating agents, etc. Genetic modifications may also be obtained by genetic disruption for example according to the method disclosed by Rothstein et al.

5 (Meth. Enzymol. 194:281-301(1991)). According to this method, part or all of a gene is replaced through homologous recombination by an *in vitro* modified version. Genetic modifications can also be obtained by any mutation insertion on DNA sequences, such as transposons, phages, etc. Also, as used herein “genetically modified” can refer to a gene encoding a polypeptide or a polypeptide having at least one deletion, substitution or
10 suppression of a nucleic acid or amino acid, respectively. For example, a polypeptide in which at least one amino acid is substituted from the wild type form would be considered genetically modified.

Genetic modification may be reversed or attenuated by cellular mechanism. Alternatively, mutations can be non-reverting and or non-leaky. “Leaky mutations”
15 include mutations that result in a partial rather than a complete inactivation of wild type function.

The genetic modifications carried by the host cells of the invention may be located in a coding region of the DNA sequence of the cell and/or in a region affecting the expression of a gene. Modifications of the invention will generally, therefore, affect gene
20 product or regulation or promotion of gene product of proteins and/or enzymes involved in proteolysis and/or glycosylation. The reduced capacity of the cells of the invention to proteolytically cleave and/or glycosylate a heterologously expressed polypeptide may be due to structural and/or conformational changes, from the production of one or more enzymes having altered biological properties, from the absence of production of said one
25 or more enzymes or from the production of one or more enzymes at low levels.

The genetic modifications of the invention also affect gene product or regulation or promotion of gene product of proteins and/or enzymes involved in any of the functional activities of Kex2p, Pdi1, and ero1 described herein. The increased capacity of the cells of the invention to properly fold and secrete recombinantly expressed polypeptides may be
30 due to enzymes involved in these processes having altered biological properties or being produced at high levels.

In one aspect of the present invention, genetically modified host cells are provided comprising at least one isolated polynucleotide encoding a Killer Expression (KEX)

protease (Kex2p) or a fragment and/or variant thereof which has at least one Kex2p protease functional activity and at least one isolated polynucleotide encoding a Protein Disulfide-Isomerase (PDI) or a fragment and/or variant thereof which has at least one Pdi1 functional activity. The genetically modified host cell of the present invention include
5 genetically modified host cells comprising at least one isolated polynucleotide encoding Endoplasmic Reticulum Oxidoreductin (ero1) or a fragment and/or variant thereof which has at least one ERO functional activity.

Genetically modified host cells of the present invention also include genetically modified host cells which express or overexpresses at least one gene product of at least
10 one isolated polynucleotide encoding a protein and/or variant thereof which has at least one functional activity of said protein selected from: Kex2p, Pdi1, or Ero1 when said genetically modified host cell is grown in culture, compared to second host cell wherein said second host cell does not express or overexpress at least one gene product selected from KEX, PDI, and ERO. Also included in the present invention are genetically
15 modified host cells which overexpresses at least two proteins or fragment and/or variant thereof which has at least one functional activity of said protein selected from: Kex2p, Pdi1, or Ero1 when said genetically modified host cell is grown in culture compared to a second host cell wherein said second host cell is the same species and grown in the same culture conditions but does not overexpress at least two gene product selected from KEX,
20 PDI and ERO. In some instances, the second host cell may have genetic modification, but does not have genetic modifications that allow it to express or overexpress at least one gene product of at least one isolated polynucleotide encoding a protein and/or variant thereof which has at least one functional activity of said protein selected from: Kex2p, Pdi1, or Ero1. In some instances, the second host cell may be a wild type cell (ie, no
25 genetic modifications) of the same species as the modified host cell. In some instances, the second host may contain all of the same genetic modifications as the genetically modified host cell except for comprising a nucleic acid encoding a protein and/or variant thereof which has at least one functional activity of said protein selected from: Kex2p, Pdi1, or Ero1. Also contemplated within this invention are host cells which are
30 genetically modified to increase expression of endogenous polypeptides, including, but not limited to : Kex2p, Pdi1, and Ero1 from genes already contained in the host cell.

In another aspect of the present invention, genetically modified host cells are provided which further comprises at least one of the following genetic modifications:

pep4 protease knockout, lower ubc4 and/or ubc5 activity compared with wild type host cell, yps1 knockout, hsp150 knockout, and pmt1 knockout. These genetic modifications have been found to increase recombinant human serum albumin secretion capabilities and decrease unwanted posttranslational modifications.

5 Yeast strains used in the production of albumin fusion proteins include but are not limited to D88, DXY1 and BXP10. D88 [leu2-3, leu2-122, can1, pra1, ubc4] is a derivative of parent strain AH22his.sup.+ (also known as DB1; see, e.g., Sleep et al. Biotechnology 8:42-46 (1990)). The strain contains a leu2 mutation which allows for auxotrophic selection of 2 micron-based plasmids that contain the LEU2 gene. D88 also
 10 exhibits a derepression of PRB1 in glucose excess. The PRB1 promoter is normally controlled by two checkpoints that monitor glucose levels and growth stage. The promoter is activated in wild type yeast upon glucose depletion and entry into stationary phase. Strain D88 exhibits the repression by glucose but maintains the induction upon entry into stationary phase. The PRA1 gene encodes a yeast vacuolar protease, YscA endoprotease
 15 A, that is localized in the ER. The UBC4 gene is in the ubiquitination pathway and is involved in targeting short lived and abnormal proteins for ubiquitin dependant degradation. Isolation of this ubc4 mutation was found to increase the copy number of an expression plasmid in the cell and cause an increased level of expression of a desired protein expressed from the plasmid (see, e.g., International Publication No. WO99/00504,
 20 hereby incorporated in its entirety by reference herein).

DXY1, a derivative of D88, has the following genotype: [leu2-3, leu2-122, can1, pra1, ubc4, ura3:yap3]. In addition to the mutations isolated in D88, this strain also has a knockout of the YAP3 protease. This protease causes cleavage of mostly di-basic residues (RR, RK, KR, KK) but can also promote cleavage at single basic residues in proteins.
 25 Isolation of this yap3 mutation resulted in higher levels of full length HSA production (see, e.g., U.S. Pat. No. 5,965,386 and Kerry-Williams et al., Yeast 14:161-169 (1998), hereby incorporated in their entirety by reference herein).

BXP10 has the following genotype: leu2-3, leu2-122, can1, pra1, ubc4, ura3, yap3::URA3, lys2, hsp150::LYS2, pmt1::URA3. In addition to the mutations isolated in
 30 DXY1, this strain also has a knockout of the PMT1 gene and the HSP150 gene. The PMT1 gene is a member of the evolutionarily conserved family of dolichyl-phosphate-D-mannose protein O-mannosyltransferases (Pmts). The transmembrane topology of Pmt1p suggests that it is an integral membrane protein of the endoplasmic reticulum with a role in

O-linked glycosylation. This mutation serves to reduce/eliminate O-linked glycosylation of HSA fusions (see, e.g., International Publication No. WO00/44772, hereby incorporated in its entirety by reference herein). Studies revealed that the Hsp150 protein is inefficiently separated from rHA by ion exchange chromatography. The mutation in the HSP150 gene
5 removes a potential contaminant that has proven difficult to remove by standard purification techniques. See, e.g., U.S. Pat. No. 5,783,423, hereby incorporated in its entirety by reference herein.

Genetically modified host cells of the present invention include, but are not limited to fungal cells, yeast cells, and mammalian cells. Genetically modified host cells of the
10 present invention include, but are not limited to: *Saccharomyces*, *Kluyveromyces*, *Candida*, *Pichia*, *Schizosaccharomyces*, *Hansenula*, *Kloeckera*, *Schwanniomyces*, and *Yarrowia*. Genetically modified host cells of the present invention also include, but are not limited to, *S. cerevisiae*.

The genetically modified host cells of the present invention may further comprise
15 at least one polynucleotide encoding a recombinant polypeptide. Polynucleotide capable of expressing at least one heterologous polypeptide include, but are not limited to, vectors, DNA transformed into the genome of the host cell, virus or part of a virus, and/or plasmids. Polynucleotide capable of expressing a heterologous polypeptide may be transformed into the genome of the host cell and/or may be part of an expression vector
20 and/or episomal expression system.

In some aspects of the present invention, the nucleic acid encoding a recombinant polypeptide is contained in a plasmid. In other aspects, the nucleic acid encoding a recombinant polypeptide is transformed into the genome of host cell of the present invention.

25 As is understood in the art, DNA may be transformed into a host cell by several different methods. In yeast, any convenient method of DNA transfer may be used, such as electroporation, the lithium chloride method, the lithium acetate method, or the spheroplast method. To produce a stable strain suitable for high-density fermentation, it is desirable to integrate the DNA into the host chromosome. Integration occurs via
30 homologous recombination, using techniques known in the art. For example, DNA capable of expressing at least one heterologous protein can be provided with flanking sequences homologous to sequences of the host organism. In this manner, integration occurs at a defined site in the host genome, without disruption of desirable or essential

genes. Additionally and alternatively, DNA capable of expressing at least one heterologous protein is integrated into the site of an undesired gene in a host chromosome, effecting the disruption or deletion of the gene or expression of that gene product.

Increased expression, or overexpression, of a gene product may be achieved by integrating extra copies of DNA capable of expressing the gene product into the host chromosome. Additionally and alternatively, DNA encoding the gene product may be operably linked to a strong promoter, and the entire expression cassette may be integrated into the host chromosome at a defined site. For example, integration of DNA encoding Kex2p, Pdi1, or Ero1 operably linked to a strong promoter (e.g. PGK1 promoter) into the site of NTS2-2 allows overexpression of the respective gene product. In other embodiments, DNA may be introduced into the host *via* a chromosome, plasmid, retroviral vector, or random integration into the host genome.

Genetically modified host cells of the present invention include genetically modified host cells wherein at least one isolated polynucleotide encoding kex protease or a fragment and/or variant thereof which has at least one Kex2p functional activity is operably linked to at least one promoter selected from the group of: TEF1, PRB1 ADH1, ADH2, PYK1, PGK1, ENO, GAL1.10.7, GALS, MET25, CUP1, PHO5, tetO-CYC1, CaMV, HXT6, HXT7, and ARE. Suitably the promoter is PGK1. Genetically modified host cells of the present invention also include genetically modified host cells wherein at least one isolated polynucleotide encoding PDI or a fragment and/or variant thereof which has at least one Pdi1 functional activity is operably linked to at least one promoter selected from the group of: TEF1, PRB1 ADH1, ADH2, PYK1, PGK1, ENO, GAL1.10.7, GALS, MET25, CUP1, PHO5, tetO-CYC1, CaMV, HXT6, HXT7, and ARE. Suitably the promoter is PGK1. Additionally, genetically modified host cells of the present invention includes genetically modified host cells wherein at least one isolated polynucleotide encoding ERO or a fragment and/or variant thereof which has at least one ERO functional activity is operably linked to at least one promoter selected from the group of: TEF1, PRB1 ADH1, ADH2, PYK1, PGK1, ENO, GAL1.10.7, GALS, MET25, CUP1, PHO5, tetO-CYC1, CaMV, HXT6, HXT7, and ARE. Suitably the promoter is PGK1.

In another aspect, recombinant polypeptide expressed in genetically modified host cells of the present invention has at least one disulfide bond. In some aspects, the recombinant polypeptide is an albumin fusion protein. In some aspects, the recombinant

polypeptide comprises at least one therapeutic polypeptide having GLP-1 activity conjugated to albumin.

In some aspects, at least one fragment and variant of GLP-1 comprises GLP-1(7-36(A8G)) and is genetically fused to human serum albumin. In a further embodiment, polypeptides of the invention comprise one, two, three, four, five, or more tandemly oriented molecules of GLP-1 and/or fragments and/or variants thereof fused to the N- or C-terminus of human serum albumin or variant thereof. Other embodiments have such A8G polypeptides fused to the N- or C-terminus of albumin or variant thereof. An example of two tandemly oriented GLP-1(7-36)(A8G) fragments and/or variants fused to the N-terminus of human serum albumin comprises SEQ ID NO:1, which is presented in Figure 3. In another aspect, at least one fragment and variant of GLP-1 comprises at least two GLP-1(7-36(A8G)) tandemly and genetically fused to the human serum albumin. At least two GLP-1(7-36(A8G)) may be genetically fused at the N-terminus of the human serum albumin. At least one polypeptide having GLP-1 activity may comprise SEQ ID NO: 1.

Variants of GLP-1(7-37) may be denoted for example as Glu²²-GLP-1(7-37)OH which designates a GLP-1 variant in which the glycine normally found at position 22 of GLP-1(7-37)OH has been replaced with glutamic acid; Val⁸-Glu²²-GLP-1(7-37)OH designates a GLP-1 compound in which alanine normally found at position 8 and glycine normally found at position 22 of GLP-1(7-37)OH have been replaced with valine and glutamic acid, respectively. Examples of variants of GLP-1 include, but are not limited to,

Val ⁸ -GLP-1(7-37)OH	Gly ⁸ -GLP-1(7-37)OH	Glu ²² -GLP-1(7-37)O- H
Asp ²² -GLP-1(7-37)OH	Arg ²² -GLP-1(7-37)OH	Lys ²² -GLP-1(7-37)OH
Cys ²² -GLP-1(7-37)OH	Val ⁸ -Glu ²² -GLP-1(7-37)OH	Val ⁸ -Asp ²² -GLP-1(7-37)OH
Val ⁸ -Arg ²² -GLP-1(7-37)OH	Val ⁸ -Lys ²² -GLP-1(7-37)OH	Val ⁸ -Cys ²² -GLP-1(7-37)OH
Gly ⁸ -Glu ²² -GLP-1(7-37)OH	Gly ⁸ -Asp ²² -GLP-1(7-37)OH	Gly ⁸ -Arg ²² -GLP-1(7-37)OH
Gly ⁸ -Lys ²² -GLP-1(7-37)OH	Gly ⁸ -Cys ²² -GLP-1(7-37)OH	Glu ²² -GLP-1(7-36)OH
Asp ²² -GLP-1(7-36)OH	Arg ²² -GLP-1(7-36)OH	Lys ²² -GLP-1(7-36)OH
Cys ²² -GLP-1(7-36)OH	Val ⁸ -Glu ²² -GLP-1(7-36)OH	Val ⁸ -Asp ²² -GLP-1(7-36)OH
Val ⁸ -Arg ²² -GLP-1(7-36)OH	Val ⁸ -Lys ²² -GLP-1(7-36)OH	Val ⁸ -Cys ²² -GLP-1(7-36)OH
Gly ⁸ -Glu ²² -GLP-1(7-36)OH	Gly ⁸ -Asp ²² -GLP-1(7-36)OH	Gly ⁸ -Arg ²² -GLP-1(7-36)OH
Gly ⁸ -Lys ²² -GLP-1(7-36)OH	Gly ⁸ -Cys ²² -GLP-1(7-36)OH	Lys ²³ -GLP-1(7-37)OH
Val ⁸ -Lys ²³ -GLP-1(7-37)OH	Gly ⁸ -Lys ²³ -GLP-1(7-37)OH	His ²⁴ -GLP-1(7-37)OH

Val ⁸ -His ²⁴ -GLP-1(7-37)OH	Gly ⁸ -His ²⁴ -GLP-1(7-37)OH	Lys ²⁴ -GLP-1(7-37)OH
Val ⁸ -Lys ²⁴ -GLP-1(7-37)OH	Gly ⁸ -Lys ²³ -GLP-1(7-37)OH	Glu ³⁰ -GLP-1(7-37)OH
Val ⁸ -Glu ³⁰ -GLP-1(7-37)OH	Gly ⁸ -Glu ³⁰ -GLP-1(7-37)OH	Asp ³⁰ -GLP-1(7-37)OH
Val ⁸ -Asp ³⁰ -GLP-1(7-37)OH	Gly ⁸ -Asp ³⁰ -GLP-1(7-37)OH	Gln ³⁰ -GLP-1(7-37)OH
Val ⁸ -Gln ³⁰ -GLP-1(7-37)OH	Gly ⁸ -Gln ³⁰ -GLP-1(7-37)OH	Tyr ³⁰ -GLP-1(7-37)OH
Val ⁸ -Tyr ³⁰ -GLP-1(7-37)OH	Gly ⁸ -Tyr ³⁰ -GLP-1(7-37)OH	Ser ³⁰ -GLP-1(7-37)OH
Val ⁸ -Ser ³⁰ -GLP-1(7-37)OH	Gly ⁸ -Ser ³⁰ -GLP-1(7-37)OH	His ³⁰ -GLP-1(7-37)OH
Val ⁸ -His ³⁰ -GLP-1(7-37)OH	Gly ⁸ -His ³⁰ -GLP-1(7-37)OH	Glu ³⁴ -GLP-1(7-37)OH
Val ⁸ -Glu ³⁴ -GLP-1(7-37)OH	Gly ⁸ -Glu ³⁴ -GLP-1(7-37)OH	Ala ³⁴ -GLP-1(7-37)OH
Val ⁸ -Ala ³⁴ -GLP-1(7-37)OH	Gly ⁸ -Ala ³⁴ -GLP-1(7-37)OH	Gly ³⁴ -GLP-1(7-37)OH
Val ⁸ -Gly ³⁴ -GLP-1(7-37)OH	Gly ⁸ -Gly ³⁴ -GLP-1(7-37)OH	Ala ³⁵ -GLP-1(7-37)OH
Val ⁸ -Ala ³⁵ -GLP-1(7-37)OH	Gly ⁸ -Ala ³⁵ -GLP-1(7-37)OH	Lys ³⁵ -GLP-1(7-37)OH
Val ⁸ -Lys ³⁵ -GLP-1(7-37)OH	Gly ⁸ -Lys ³⁵ -GLP-1(7-37)OH	His ³⁵ -GLP-1(7-37)OH
Val ⁸ -His ³⁵ -GLP-1(7-37)OH	Gly ⁸ -His ³⁵ -GLP-1(7-37)OH	Pro ³⁵ -GLP-1(7-37)OH
Val ⁸ -Pro ³⁵ -GLP-1(7-37)OH	Gly ⁸ -Pro ³⁵ -GLP-1(7-37)OH	Glu ³⁵ -GLP-1(7-37)OH
Gly ⁸ -Glu ³⁵ -GLP-1(7-37)OH	Val ⁸ -Ala ²⁷ -GLP-1(7-37)OH	Val ⁸ -His ³⁷ -GLP-1(7-37)OH
Val ⁸ -Glu ²² -Lys ²³ -GLP-1(7-37)OH	Val ⁸ -Glu ²² -Glu ²³ -GLP-1(7-37)OH	Val ⁸ -Glu ²² -Ala ²⁷ -GLP-1(7-37)OH
Val ⁸ -Gly ³⁴ -Lys ³⁵ -GLP-1(7-37)OH	Val ⁸ -His ³⁷ -GLP-1(7-37)OH	Gly ⁸ -His ³⁷ -GLP-1(7-37)OH
Val ⁸ -Glu ²² -Ala ²⁷ -GLP-1(7-37)OH	Gly ⁸ -Glu ²² -Ala ²⁷ -GLP-1(7-37)OH	Val ⁸ -Lys ²² -Glu ²³ -GLP-1(7-37)OH
Gly ⁸ -Lys ²² -Glu ²³ -GLP-1(7-37)OH.	Val ⁸ -Glu ³⁵ -GLP-1(7-37)OH	

Variants of GLP-1 may also include, but are not limited to, GLP-1 or GLP-1 fragments having chemical modification of one or more of its amino acid side groups. A chemical modification includes, but is not limited to, adding chemical moieties, creating new bonds, and removing chemical moieties. Modifications at amino acid side groups include, without limitation, acylation of lysine-ε-amino groups, N-alkylation of arginine, histidine, or lysine, alkylation of glutamic or aspartic carboxylic acid groups, and deamidation of glutamine or asparagine. Modifications of the terminal amino group include, without limitation, the des-amino, N-lower alkyl, N-di-lower alkyl, and N-acyl modifications. Modifications of the terminal carboxy group include, without limitation, the amide, lower alkyl amide, dialkyl amide, and lower alkyl ester modifications. Furthermore, one or more side groups, or terminal groups, may be protected by protective groups known to the ordinarily-skilled protein chemist.

GLP-1 fragments or variants may also include polypeptides in which one or more amino acids have been added to the N-terminus and/or C-terminus of GLP-1(7-37)OH of said fragment or variant. The amino acids in GLP-1 in which amino acids have been

added to the N-terminus or C-terminus are denoted by the same number as the corresponding amino acid in GLP-1(7-37)OH. For example, the N-terminus amino acid of a GLP-1 compound obtained by adding two amino acids to the N-terminus of GLP-1(7-37)OH is at position 5; and the C-terminus amino acid of a GLP-1 compound obtained by adding one amino acid to the C-terminus of GLP-1(7-37)OH is at position 38. Thus, position 12 is occupied by phenylalanine and position 22 is occupied by glycine in both of these GLP-1 compounds, as in GLP-1(7-37)OH. Amino acids 1-6 of a GLP-1 with amino acids added to the N-terminus may be the same as or a conservative substitution of the amino acid at the corresponding position of GLP-1(1-37)OH. Amino acids 38-45 of a GLP-1 with amino acids added to the C-terminus may be the same as or a conservative substitution of the amino acid at the corresponding position of glucagon or exendin-4.

In another aspect, the at least one polypeptide having GLP-1 activity comprises at least one fragment and/or variant of human GLP-1 fused with human serum albumin. In another aspect, at least one fragment and variant of GLP-1 comprises GLP-1(7-36(A8G)).

The at least one fragment and variant of GLP-1 is genetically fused to human serum albumin. In another aspect, the recombinant polypeptide of the present invention comprises at least two GLP-1(7-36(A8G)) tandemly and genetically fused to the human serum albumin. The two GLP-1(7-36(A8G)) are genetically fused at the N-terminus of the human serum albumin. In some instances, the recombinant polypeptide comprises SEQ ID NO:1.

In one embodiment of the present invention, the recombinant polypeptide comprises a polypeptide having 99% sequence identity to the polypeptide set forth in SEQ ID NO:1 or a polypeptide having an amino acid sequence of SEQ ID NO:1 which is truncated at the C-terminus and/or at the N-terminus. In one aspect, the recombinant polypeptide has GLP-1 activity. In one aspect the polypeptide is truncated at the N-terminus by 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 amino acids compared to SEQ ID NO:1 or a polypeptide having 99% sequence identity to SEQ ID NO: 1 over the entire sequence. In one aspect the recombinant polypeptide is truncated at the C-terminus by 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 amino acids compared to SEQ ID NO:1 or a polypeptide having 99% sequence identity to SEQ ID NO: 1 over the entire sequence.

In yet another embodiment, at least one recombinant polypeptide expressed in the host cells of the invention comprises one or more of the following: at least one antigen binding protein, at least one single variable domain, and/or at least one domain antibody.

Polypeptides comprising at least one antigen binding domain may also comprise at least one polypeptide and/or peptide receptor agonist and/or antagonist. In some instances, the polypeptide agonist may be a GLP-1 receptor agonist. As is understood in the art, more than one recombinant polypeptide may be expressed in the same cell. By way of example, a recombinant polypeptide having GLP-1 activity can be expressed in the same cell as an antigen binding protein. The polypeptide having GLP-1 activity may be expressed from the same polynucleotide as the antigen binding protein, operably linked to the nucleic acid sequenced necessary for expression. Alternatively, and by way of example, a polypeptide having GLP-1 activity may be expressed independently of a second recombinant polypeptide such as an antigen binding protein, either from the same episome DNA or genome but operably linked to different polynucleotide sequences necessary for expression or from DNA sequences located on separate vectors.

Also provided are genetically modified host cells comprising at least one isolated polypeptide encoding a Killer Expression (KEX) protease (Kex2p) or a fragment and/or variant thereof which has at least one Kex2p functional activity, at least one isolated polypeptide encoding a Protein Disulfide Isomerase (Pdi1) or a fragment and/or variant thereof which has at least one PDI functional activity and at least one heterologous nucleic acid sequence encoding a Endoplasmic Reticulum Oxidoreductin (Ero1) or a fragment and/or variant thereof which has at least one ERO functional activity. The genetically modified host cell of the present invention comprises at least one nucleic acid encoding a recombinant polypeptide. In another aspect of the present invention, the genetically modified host cell increases the expression of said recombinant polypeptide when grown in culture compared with a host cell of the same species and genetic modifications but which does not comprise at least one isolated polynucleotide sequence encoding a Killer Expression (KEX) protease Kex2p or a fragment and/or variant thereof which has at least one KEX functional activity, at least one isolated polynucleotide encoding a Protein Disulfide-Isomerase (Pdi1) or a fragment and/or variant thereof which has at least one Pdi1 functional activity and at least one isolated polynucleotide encoding a Endoplasmic Reticulum Oxidoreductin (Ero1) or a fragment and/or variant thereof which has at least one Ero1 functional activity. In some instances, the genetically modified host cell is *S. cerevisiae*.

In another aspect, the recombinant polypeptide expressed in genetically modified host cell of the present invention comprises an amino acid sequence having at least 95%, 96%, 97%, 98%, 99% or 100% sequence identity to SEQ ID NO:1.

In another aspect, methods of producing a recombinant polypeptide comprising culturing a genetically modified host cell of the present invention are provided. In other aspects, the methods further comprise recovering said recombinant polypeptide from culture medium. In other aspects, a recombinant polypeptide made by said methods is provided. In another aspect, the recombinant polypeptide made by methods of the present invention comprises an amino acid sequence having 99% sequence identity to SEQ ID NO:1. In other aspects, the recombinant polypeptide comprises the amino acid sequence set forth in SEQ ID NO:1. In another aspect, the recombinant polypeptide comprises a leader sequence. In one aspect the leader sequence is a modified KEX leader sequence comprising the amino acid sequence set forth in SEQ ID NO:10. As is understood in the art host cell and growth conditions can affect the final product of recombinant protein produce by a host cell. For instance, post translation modifications can be effected by host cell type and growth conditions. These post-translation modification, including, but not limited to, glycosylation and methylation of a recombinant protein can effect such aspects as, but not limited to, protein folding and protein activity or potency of the recombinant protein produced by said host cell.

In yet another aspect of the present invention, a pharmaceutical composition comprising a recombinant polypeptide made by methods of the present invention is provided. Also provided are methods of treating a patient in need thereof, comprising administering a therapeutically effective amount of said pharmaceutical composition. In some instances, the patient has a disease or condition selected from: type I diabetes, type II diabetes, glucose intolerance, hyperglycemia, Alzheimer's disease, obesity, cardiovascular disorder, congestive heart failure, and retinopathy.

As used herein, "therapeutic polypeptide" refers to proteins, polypeptides, antibodies, peptides or fragments or variants thereof, having one or more therapeutic and/or biological activities, and in particular, at least one biological activity that is useful for treating, preventing or ameliorating a disease. Therapeutic polypeptides encompassed by the invention include but are not limited to, proteins, polypeptides, peptides, antibodies, and biologics. (The terms peptides, proteins, and polypeptides are used interchangeably herein) A non-inclusive list of biological activities that may be possessed by a therapeutic

polypeptide includes, any of the GLP-1 activities described herein, enhancing the immune response, promoting angiogenesis, inhibiting angiogenesis, regulating endocrine function, regulating hematopoietic functions, stimulating nerve growth, enhancing an immune response, or inhibiting an immune response.

5 As used herein, a “patient” is an animal, preferably a mammal, and most preferably a human, with a disease, condition or disorder.

 As used herein, a “therapeutically effective amount” refers to an amount that is effective in treating, preventing or ameliorating a disease, condition or disorder. The amount of the pharmaceutical composition of the invention which will be effective in the
10 treatment, inhibition and prevention of a disease or disorder associated with aberrant expression and/or activity of a therapeutic polypeptide can be determined by standard clinical techniques. In addition, *in vitro* assays may optionally be employed to help identify optimal dosage ranges. The precise dose to be employed in the formulation will also depend on the route of administration, and the seriousness of the disease or disorder,
15 and should be decided according to the judgment of the practitioner and each patient's circumstances. Effective doses may be extrapolated from dose-response curves derived from *in vitro* or animal model test systems.

 As used herein, “pharmaceutical composition” comprises a therapeutic polypeptide and a pharmaceutically acceptable carrier. In a specific embodiment, the term
20 “pharmaceutically acceptable” means approved by a regulatory agency of the Federal or a state government or listed in the U.S. Pharmacopeia or other generally recognized pharmacopeia for use in animals, and more particularly in humans. The term “carrier” refers to a diluent, adjuvant, excipient, or vehicle with which the therapeutic is administered. Such pharmaceutical carriers can be sterile liquids, such as water and oils,
25 including those of petroleum, animal, vegetable or synthetic origin, such as peanut oil, soybean oil, mineral oil, sesame oil and the like. Water is a preferred carrier when the pharmaceutical composition is administered intravenously. Saline solutions and aqueous dextrose and glycerol solutions can also be employed as liquid carriers, particularly for injectable solutions. Suitable pharmaceutical excipients include starch, glucose, lactose,
30 sucrose, gelatin, malt, rice, flour, chalk, silica gel, sodium stearate, glycerol monostearate, talc, sodium chloride, dried skim milk, glycerol, propylene, glycol, water, ethanol and the like. The composition, if desired, can also contain minor amounts of wetting or emulsifying agents, or pH buffering agents. These compositions can take the form of

solutions, suspensions, emulsion, tablets, pills, capsules, powders, sustained-release formulations and the like. The composition can be formulated as a suppository, with traditional binders and carriers such as triglycerides. Oral formulation can include standard carriers such as pharmaceutical grades of mannitol, lactose, starch, magnesium stearate, sodium saccharine, cellulose, magnesium carbonate, etc. Examples of suitable pharmaceutical carriers are described in "Remington's Pharmaceutical Sciences" by E. W. Martin. Such compositions will contain a therapeutically effective amount of the compound or therapeutic polypeptide, preferably in purified form, together with a suitable amount of carrier so as to provide the form for proper administration to the patient. The formulation should suit the mode of administration.

As is understood in the art, to "grow in culture" and grammatical variations thereof refers to inoculating a nutrient medium with host cells and incubating the cell culture, typically under conditions optimal or standard for growth of the particular host cell, to allow cells to grow and/or divide. As is understood in the art, the enzymatic activity of one or more enzymes produced by host cells in culture can be affected by the growth conditions of the culture. For example, the proteolytic activity of a protease produced by a host cell in culture could be decreased by altering one or more of the following conditions: pH, dissolved oxygen, temperature, osmolarity, one or more media components, specific protease inhibitors, growth time and/or rate, cell concentration, duration of culture, and/or glucose feed rate (e.g., fed batch). Addition of complex protein hydrolysates to the culture may be especially effective at inhibition of proteolysis. Moreover, the conditions may be altered at one or more specific times during the culture in such a way as to maximize the effect. Similarly, glycosylation of proteins produced in culture can be affected by similar factors. Therefore, growth conditions for reducing or increasing enzymatic activity of a host cell, such as proteolytic or glycosylation activity, in culture can be optimized by adjusting one or more of the non-limiting factors listed above.

Also, as is understood in the art production of heterologous protein and/or recombinant protein in a host cell may be increased by controlling many of the same factors noted above. In addition, the addition of factors that increase vector copy number, including, but not limited to, the addition of rapamycin to growth media, may also increase production. Other factors that may increase production include, but are not limited to, co-expression of one or more chaperon proteins, such as protein disulfide-isomerase (PDI). Additionally, hemoglobin (HB) can be co-expressed with at least one heterologous

polypeptide in a host cell to enhance oxygen availability for oxidative metabolism, thus, increasing polypeptide production.

In another aspect, the recombinant polypeptide expressed from the genetically modified host cells of the present invention comprises a leader sequence. In some aspects, the leader sequence is a *KEX2* leader sequence or a modified *KEX2* leader sequence.

Wild type *KEX* leader sequence is shown below as SEQ ID NO:9.

Met Lys Trp Val Ser Phe Ile Ser Leu Leu Phe Leu Phe Ser Ser Ala
Tyr Ser Arg Ser Leu Asp Lys Arg (SEQ ID NO:9)

In some instances a modified *KEX* leader sequence shown as SEQ ID NO:10 is used.

Met Lys Trp Val Ser Phe Ile Ser Leu Leu Phe Leu Phe Ser Ser Ala Tyr Ser
Gly Ser Leu Asp Lys Arg (SEQ ID NO:10)

In some instances, the *KEX* leader sequence can have 90%, 91%, 92%, 93%, 94%, 95%, 96%, 97%, 98%, 99%, or 100% sequence identity to SEQ ID NO:9 over the entire sequence.

Heterologous proteins or recombinant proteins that are secreted from a host cell during production may comprise a leader sequence which facilitates secretion. Leader sequences may be modified to improve secretion and therefore overall production and recovery of heterologously expressed protein; for example different leader sequences from various secreted proteins may be operably linked to the heterologous protein and assessed for enhanced expression. Alternatively, a given leader sequence may be modified by site directed mutagenesis, or by means of a combinatorial library approach to identify an improved leader sequence variant. Chimeric leader sequences, comprising regions from two or more leader peptides, may be found to improve heterologous protein expression level.

Examples

The following examples illustrate various non-limiting aspects of this invention.

Example 1 – *S. cerevisiae* strain overexpressing *KEX2*, *PDII* and *ERO1*

A *S. cerevisiae* strain overexpressing *KEX2*, *PDII* and *ERO1* was constructed using a yeast host expression system (*S. cerevisiae* BXP10) developed at Delta

Biotechnology Ltd. (Delta) in Nottingham, UK. BXP10 originated from *S. cerevisiae* strain AH22, obtained from ATCC, which was derived from s288c. The construction of BXP10 involved a series of random mutagenesis and targeted specific gene disruptions to increase recombinant human serum albumin (rHSA) secretion capabilities and decrease unwanted posttranslational modifications.

Figure 1 shows the creation of BXP10-*KEX2-PDII-ERO1*, a strain which overexpresses *KEX2*, *PDII* and *ERO1*. Expression cassettes containing *KEX2*-KanMX operably linked to PGK1 promoter, *PDII*-HphMX operably linked to PGK1 promoter, or *ERO*-BsdMX operably linked to PGK1 promoter were sequentially integrated into the NTS2-2 loci (non transcribed spacer region in rDNA repeats) of BXP10, so that the following strains were created: BXP10-*KEX2* (strain overexpressing *KEX2*), BXP10-*KEX2-PDII* (strain overexpressing *KEX2* and *PDII*) and BXP10-*KEX2-PDII-ERO1* (strain overexpressing *KEX2*, *PDII* and *ERO1*).

To construct the expression cassette of *KEX2*, *KEX2* ORF, *PGK1* gene promoter (P_{PGK1}) and *ADHI* gene transcription termination sequence (T_{ADHI}) were amplified individually by PCR from BXP10 genomic DNA, and were assembled later using another PCR reaction (a “sewing” or “fusion” PCR reaction). The assembled P_{PGK1} -*KEX2*- T_{ADHI} fragment was cloned into pRS314KanMX to generate pRS314KanMXpPGK1-*KEX2*. This plasmid was used as the template in a final round of PCR to add 5'- and 3'- flanking sequences (105 bp and 101 bp, respectively) which are homologous to the NTS2-2 integration sites. The resulting DNA fragment was transformed into BXP10 host strain by electroporation and plated out on plates containing G418. The G418 resistant clones were further confirmed to be positive for the site specific integration by colony PCR.

The plasmid pRS314HphMXpPGK1-*PDII* that harbors expression cassette of *PDII* was constructed by replacing *KEX2* ORF and KanMX regions in pRS314KanMXpPGK1-*KEX2* with PCR amplified *PDII* ORF and hygromycin B resistance marker, HphMX. This plasmid was used as the template in a final round of PCR to add 5'- and 3'-flanking sequences (105 bp and 101 bp respectively) which are homologous to the NTS2-2 integration sites. The resulting DNA fragment was transformed into BXP10-*KEX2* host strains by electroporation and plated out on plates containing hygromycin B. The hygromycin B resistant clones were further confirmed to be positive for the site specific integration by colony PCR.

The *ERO1* ORF was amplified from the genomic DNA of BXP10 by PCR and then was further cloned into pRS314pPGK1BsdMX to make pRS314BsdMXpPGK1-*ERO1*. This plasmid was used as the template in a final round of PCR to add 5'- and 3'- flanking sequences (105 bp and 101 bp respectively) which are homologous to the NTS2-2 integration sites. The resulting DNA fragment was transformed into BXP10-*KEX2-PDII* host strain by electroporation and plated out on plates containing Blasticidin S. The Blasticidin resistant clones were further confirmed to be positive for the site specific integration by colony PCR.

Figure 2 shows the Southern blot analysis confirming integration of *KEX2* and *PDII* into the NTS2-2 loci of BXP10, to create BXP10-*KEX2* and BXP10-*KEX2-PDII* strains. For *KEX2*, the 2.6 kb band corresponds to the endogenous *KEX2* copy, and the 1.6 kb band corresponds to the successfully integrated copy. For *PDII*, the 1.3 kb band corresponds to the endogenous *PDII* copy and the 1.7 kb band corresponds to the successfully integrated copy.

Figure 3 shows the Western blot analysis of *PDII* and *KEX2* showing overexpression of *PDII* and *KEX2* in BXP10-*KEX2-PDII* clones. Among the five BXP10-*KEX2-PDII* clones, clone #2 showed highest expression of both *PDII* and *KEX2*, and was therefore selected as the host strain to construct BXP10-*KEX2-PDII-ERO1*.

Host strains were then transformed with the pCID3610 plasmid, which contains a recombinant fusion protein ("pCID3610 protein") consisting of two copies of human glucagon-like peptide 1 (GLP-1, fragment 7-36(A8G)) and recombinant human albumin (rHA). Each GLP-1 sequence has been modified with a glycine substituted for the naturally-occurring alanine at position 8 in order to confer resistance to proteolysis. The second GLP-1 sequence functions as a peptide spacer between the first GLP-1 sequence and rHA. pCID3610 protein is a non-glycosylated protein consisting of 645 amino acids and has a molecular weight of 72,970.4 Da. pCID3610 is described in detail in US Patent No. 7,569,384 which is incorporated herein in its entirety.

The pCID3610 plasmid was constructed at Human Genome Sciences at Rockville, MD, using the pSAC35-based expression vector. pSAC35 contains the *LEU2* gene of *S. cerevisiae* as a selection marker that complements the leucine auxotrophy in BXP10. pSAC35 also contains a strong yeast promoter (*PRBI*), a unique cloning site (NotI), and sequence from *E. coli* plasmid pUC9 to permit cloning and propagation in *E. coli*. In addition, pSAC35 is a disintegrative vector and once it is transformed in yeast, the pUC9-

derived sequences are excised by site-specific recombination. This excision is accomplished by FLP recognition targets (FRT) and the expression of the yeast FLP (“flip”) recombinase from the 2 micron plasmid. Other segments in pSAC35 include the REP1 and REP2 regions of the D-gene. The REP1 and REP2 genes encode products that help regulate plasmid copy number and also play a role in plasmid segregation during cell division. The product of the D-gene increases FLP expression by relieving the repression caused by REP1 and REP2. pCID3610 is described in detail in US Patent No. 7,569,384 which is incorporated herein in its entirety.

The full-length cDNA of human albumin (HA) was isolated from a human cDNA library and cloned into a plasmid, pAT153ALB, in the laboratory of Dr. F.E. Baralle at Oxford University, U.K. The pAT153ALB was subsequently modified by Delta by introducing novel restriction sites to ease cloning into pSAC35.

The expression vector plasmid, pCID3610, was constructed from pSAC35 by introduction of the GLP-1-rHSA fusion gene assembled as follows. First, synthetic genes were prepared encoding the leader peptide and a mature GLP-1 variant having a single A to G substitution at position 2 of the mature peptide. The variant GLP-1 peptide was reverse translated using optimal codons for yeast, and tandem copies were synthesized via PCR using overlapping oligonucleotides. This synthetic gene was used as the template in a second round of PCR to add 5'- and 3'- restriction sites to permit its cloning into the 5'- end of the rHSA gene. Finally, a signal peptide encoding sequence was ligated onto the 5' end of the GLP-1 construct. The resulting fragment was ligated into pSAC35 at the unique NotI site and transformed into DH5 α resulting in the expression vector pCID3610. The nucleotide sequence of pCID3610 was confirmed. Then, pCID3610 was transformed into DH5 α again for further amplification and isolation of the plasmid DNA.

To construct the BXP10-*KEX2-PDII-ERO1* strain expressing pCID3610, pCID3610 was transformed into BXP10-*KEX2-PDI-ERO1* by electroporation, and cells were then plated onto ESFM2 agarose plates, and Leu⁺ colonies were selected after 4 days of incubating the plates at 30C. Twelve (12) colonies of transformants were further streaked on ESFM2 agarose plates to obtain single clones. One colony from each streak was inoculated in ESFM2 medium for screening using 24 deep-well culture plates.

After 3 day incubation with agitation, supernatant from each of the 12 clonal cultures were analyzed on SDS-PAGE. Figure 4 shows the SDS-PAGE of the 12

supernatant samples. Then, 4 clones from the 12 clones (clone #2, clone #8, clone #10 and clone #12) were selected for further fermentation tests (selected clones marked with arrows in Figure 4). Because of variable evaporation of media from each well on the culture plate, the four clones were selected based on consideration of the final volume of each culture at the end of growth, OD measurement of cell culture, and band intensity on the SDS-PAGE gel.

The four selected clones were then run in DASGIP mini-bioreactors using a fermentation program, and the resulting titer yields and protein quality compared to those of BXP10 expressing pCID3610, a host strain which does not overexpress *KEX2*, *PDII* and *EROI*. Figure 5 shows analysis of the titer yield and protein quality of protein produced in the fermentation run. Protein quality is measured by the percentage of protein product that has an extra 6 amino acids (6-AA) at the N-terminus due to inefficient leader sequence cleavage. Clone #2 and clone #8 showed significant increase in pCID3610 protein concentration compared to BXP10 expressing pCID3610, which generated only up to 1.6 g/L pCID3610 protein under the same fermentation conditions (data for BXP10 expressing pCID3610 not shown in Figure 5). Further, the levels of 6-AA in all clones (<1% of protein product having extra 6-AA) were significantly decreased compared to 6-AA levels in BXP10 expressing pCID3610 protein, which had 4-7% of the protein product having extra 6-AA (data for BXP10 expressing pCID3610 not shown in Figure 5). These results suggest that overexpression of *KEX2*, *PDII* and *EROI* has greatly improved the host strain (BXP10) to produce more of better quality pCID3610 protein.

Although the titer yield and 6-AA levels in clone #2 and clone #8 were comparable, clone #8 was selected as the lead clone because it showed slightly better results in the fermentation run. To confirm the improved titer yield and protein quality of pCID3610, clone #8 was run in a 15 L fermentor. The average titer yield from four (4) batches of runs was 2.5 g/L, which is a 40-50% increase from the titer yield using BXP10 expressing pCID3610.

Two separate frozen stocks of BXP10-*KEX2*-*PDII*-*EROI* clone #8 were then prepared. The first frozen stock ("Research Cell Bank Vial") was prepared by growing clone #8 in 200 ml of ESFM2 medium that contained all 3 antibiotics (G418, hygromycin and blasticidin). When the cell culture reached OD₆₀₀ ~3.0, cells were harvested, washed, resuspended and aliquoted to make 20% trehalose frozen stocks.

Cells from the Research Cell Bank Vial were then thawed and grown in ESFM2

medium at 30°C and 250 rpm. Culture density was monitored by measuring OD₆₀₀ of the culture. Figure 6 shows the growth curve of the cells. At about OD₆₀₀ = 2.54, cells were harvested, washed and resuspended to make a second frozen stock (“Pre-Master Cell Bank”). Figure 7 shows the growth curve of cells from the Pre-Master Cell Bank.

5 The stability of BXP10-*KEX2-PDII-ERO1* clone #8 was then tested by *in vitro* cell age and 15 L production studies. Briefly, clone #8 cells from the Pre-Master Cell Bank were passaged through seven consecutive shaking flask steps, which corresponds to approximately 51 cell generations. Then, the cells were inoculated in 15 L fermentors and run through a fermentation program. This fermentation process added another 14
10 generations. The supernatant titer yield reached 5.3 g/L with 6-AA levels less than 1.5%. The data indicated that BXP10-*KEX2-PDII-ERO1* clone #8 is stably producing pCID3610 protein after about 65 generations.

To construct the expression cassette of *KEX2*, the *PGK1* gene promoter (P_{PGK1}), *KEX2* ORF and *ADH1* gene transcription termination sequence (T_{ADH1}) were amplified
15 individually by PCR from BXP10 genomic DNA respectively, and were assembled later using another PCR reaction (a “sewing” or “fusion” PCR reaction). The assembled P_{PGK1}-*KEX2*-T_{ADH1} fragment was cloned into pRS314KanMX to generate pRS314KanMXpPGK1-*KEX2*. This plasmid was then used as a template in a final round of PCR to add 5’- and 3’- flanking sequences (105 bp and 101 bp, respectively) which are
20 homologous to the NTS2-2 integration sites. The resulting PCR fragment was transformed into BXP10 host strain by electroporation and plated out on plates containing G418. The G418 resistant clones were further confirmed to be positive for the site specific integration by colony PCR.

The *PDII* ORF was amplified from BXP10 genomic DNA. This DNA fragment
25 and Hygromycin B resistance marker, HphMX were used to replace *KEX2* ORF and KanMX regions in pRS314KanMXpPGK1-*KEX2*, which resulted in plasmid pRS314HphMXpPGK1-*PDII*. This plasmid was then used as the template in a final round of PCR to add 5’- and 3’-flanking sequences (105 bp and 101 bp respectively) which are homologous to the NTS2-2 integration sites. The resulting DNA fragment was
30 transformed into BXP10-*KEX2* host strains by electroporation and plated out on plates containing hygromycin B. The hygromycin B resistant clones were further confirmed to be positive for the site specific integration by colony PCR.

Similarly, the *ERO1* ORF was amplified from the genomic DNA of BXP10 by

PCR and then was further cloned into pRS314pPGK1BsdMX to make pRS314BsdMXpPGK1-*ERO1*. This plasmid was used as the template in a final round of PCR to add 5'- and 3'- flanking sequences (105 bp and 101 bp respectively) which are homologous to the NTS2-2 integration sites. The resulting DNA fragment was

5 transformed into BXP10-*KEX2-PDII* host strain by electroporation and plated out on plates containing Blasticidin S. The Blasticidin resistant clones were further confirmed to be positive for the site specific integration by colony PCR.

CLAIMS

1. A host cell comprising at least one heterologous nucleic acid sequence encoding a Killer Expression protease (Kex2p) having at least 90% sequence identity to the amino acid sequence set forth in SEQ ID NO: 4, at least one heterologous nucleic acid sequence encoding a Protein Disulfide-Isomerase (Pdi1) having at least 90% sequence identity to the amino acid sequence set forth in SEQ ID NO: 6, at least one heterologous nucleic acid sequence encoding an Endoplasmic Reticulum Oxidoreductin (Ero1) having at least 90% sequence identity to the amino acid sequence set forth in SEQ ID NO: 8, and at least one nucleic acid encoding a recombinant polypeptide, wherein said host cell increases the titre yield of said recombinant polypeptide when grown in culture compared with a host cell of the same species and genetic modifications but which does not comprise at least one heterologous nucleic acid sequence encoding a Killer Expression protease (Kex2p) having at least 90% sequence identity to the amino acid sequence set forth in SEQ ID NO: 4, at least one heterologous nucleic acid sequence encoding a Protein Disulfide-Isomerase (Pdi1) having at least 90% sequence identity to the amino acid sequence set forth in SEQ ID NO: 6, and at least one heterologous nucleic acid sequence encoding an Endoplasmic Reticulum Oxidoreductin (Ero1) having at least 90% sequence identity to the amino acid sequence set forth in SEQ ID NO: 8.
2. The host cell of claim 1, wherein said host cell expresses or overexpresses at least one gene product of said at least one heterologous nucleic acid sequence encoding a protein selected from: Kex2p, Pdi1 and Ero1 when said host cell is grown in culture.
3. The host cell of any one of claims 1 and 2 wherein said host cell is a fungal cell.
4. The host cell of claim 3 wherein said fungal cell is a yeast cell.
5. The host cell of claim 4, wherein the genera of said yeast cell is selected from the group consisting of: *Saccharomyces*, *Kluyveromyces*, *Candida*, *Pichia*, *Schizosaccharomyces*, *Hansenula*, *Kloeckera*, *Schwanniomyces*, and *Yarrowia*.
6. The host cell of any one of claims 1 to 5 wherein said host cell is *S. cerevisiae*.
7. The host cell of any one of claims 1 and 2 wherein said host cell is a mammalian cell.
8. The host cell of any one of claims 1 to 7, wherein said at least one heterologous nucleic acid sequence encoding Kex2p is operably linked to at least one promoter selected from the group of: TEF1, PRB1, ADH1, ADH2, PYK1, PGK1, ENO, GAL1.10.7, GALS, MET25, CUP1, PHO5, tetO-CYC1, CaMV, HXT6, HXT7 and ARE.

9. The host cell of any one of claims 1 to 7, wherein said at least one heterologous nucleic acid sequence encoding Pdi1 is operably linked to at least one promoter selected from the group of: TEF1, PRB1, ADH1, ADH2, PYK1, PGK1, ENO, GAL1.10.7, GALS, MET25, CUP1, PHO5, tetO-CYC1, CaMV, HXT6, HXT7 and ARE.
10. The host cell of any one of claims 1 to 7, wherein said at least one heterologous nucleic acid sequence encoding Ero1 is operably linked to at least one promoter selected from the group of: TEF1, PRB1, ADH1, ADH2, PYK1, PGK1, ENO, GAL1.10.7, GALS, MET25, CUP1, PHO5, tetO-CYC1, CaMV, HXT6, HXT7 and ARE.
11. The host cell of any of claims 1 to 10, wherein said host cell further comprises at least one of the following genetic modifications: pep4 protease knockout, lower ubc4 and/or ubc5 activity compared with wild type host cell, yps1 knockout, hsp150 knockout, and pmt1 knockout.
12. The host cell of any of claims 1 to 11 wherein said at least one nucleic acid encoding a recombinant polypeptide is contained in a plasmid.
13. The host cell of any of claims 1 to 11 wherein said at least one nucleic acid encoding a recombinant polypeptide is integrated into the genome of said host cell.
14. The host cell of any one of claims 1 to 13 wherein said recombinant polypeptide has at least one disulfide bond.
15. The host cell of any one of claims 1 to 14 wherein said recombinant polypeptide is an albumin fusion protein.
16. The host cell of any one of claims 1 to 15 wherein said recombinant polypeptide comprises at least one therapeutic polypeptide having GLP-1 activity genetically fused to albumin.
17. The host cell of any one of claims 1 to 16 wherein said recombinant polypeptide has a polypeptide having at least 95% sequence identity to the amino acid sequence set forth in SEQ ID NO:1.
18. The host cell of any one of claims 1 to 17 wherein the recombinant polypeptide comprises an amino acid sequence set forth in SEQ ID NO: 1.
19. The host cell of any one of claims 1 to 18 wherein said recombinant polypeptide comprises a leader sequence.
20. The host cell of claim 19 wherein said leader sequence is a *KEX2* leader sequence or a modified *KEX2* leader sequence.

21. The host cell of any one of claims 1 to 20 wherein the recombinant protein comprises a modified leader sequence as set forth in SEQ ID NO: 10.
22. A method of producing a recombinant polypeptide comprising culturing a host cell of any one of claims 1 to 21.
23. The method of claim 22 further comprising recovering said recombinant polypeptide from culture medium.
24. The host cell of any one of claims 1 to 21 wherein said heterologous nucleic acid sequence encoding Kex2p is the sequence set forth in SEQ ID NO:3.
25. The host cell of any one of claims 1 to 21 and 24 wherein said heterologous nucleic acid sequence encoding Pdi1 is the sequence set forth in SEQ ID NO:5.
26. The host cell of any one of claims 1 to 21 and 24 to 25 wherein said heterologous nucleic acid sequence encoding Ero1 is the sequence set forth in SEQ ID NO:7.