

PRESS RELEASE

ProtAffin AG completes second closing of Series A financing

14th January 2008, Graz, Austria: ProtAffin Biotechnologie AG, a biotechnology company developing protein therapeutics that act by targeting glycan structures, today announced that it has completed a second closing of its Series A financing. The Entrepreneurs Fund BV invested €1.35m in the second closing, in addition to the €2.65m first closing in May 2007 from Aescap Venture Management BV and Z-Cube Srl. This brings the total funds raised in the Series A financing to €4m.

The Company will use the funds to progress its lead product PA401 through pre-clinical development and to further validate and broaden the CellJammer[®] discovery technology. While Heparin is a glycan-based product successfully used in preventing coagulation for over 40 years, the therapeutic potential of targeting protein-glycan interactions in inflammation and cancer has so far been under-exploited. ProtAffin is using its CellJammer[®] technology to develop biological products which have an anti-inflammatory activity by binding to heparin-like glycans driving inflammation. The Company's lead product PA401 has been derived from IL-8, and has shown potent efficacy in a number of *in vivo* models of inflammatory diseases. The Company plans to develop PA401 for ischemia/reperfusion injury in the setting of kidney transplantation.

Following the financing, Mr. Klaas de Boer from The Entrepreneurs Fund has been appointed to ProtAffin's Supervisory Board. Prior to working at The Entrepreneurs Fund, Mr de Boer was a consultant at McKinsey & Company in Amsterdam and St. Petersburg. He created and led a corporate venturing team at Vanenburg Group whose investments included WebEx, and also worked as an independent venture consultant. He brings over 10 years of venture development and board experience.

Dr Jason Slingsby, CEO of ProtAffin commented: "I am delighted that we have attracted The Entrepreneurs Fund to our investor syndicate. This additional financing allows us to further progress the pre-clinical development of our lead anti-inflammatory product PA401, while also further developing our CellJammer[®] discovery technology. The Entrepreneurs Fund is an experienced investor in biotechnology and we are pleased to expand our network of entrepreneurial experience through their involvement in the Company."

Mr. Klaas de Boer from Entrepreneurs Fund commented: "ProtAffin is developing a new class of protein based products which we believe could be broadly adopted within the Industry. We were attracted by their focus on taking their lead product into clinical trials to validate the technology, whilst also working to create a sustainable pipeline. Protein-based products are extremely attractive to big pharma and ProtAffin has a unique positioning in using biologics to target glycans involved in disease ."

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About ProtAffin Biotechnologie AG

ProtAffin was spun-out from the Karl-Franzens University of Graz, Austria in July 2005 by Dr Jason Slingsby and Professor Andreas Kungl. Since its foundation, the Company has raised €4.3m in equity financing and €1m in grant support. ProtAffin is a pre-clinical biotechnology company developing protein-based products targeting inflammation. Its novel class of biologics targets heparin-like glycan structures driving inflammatory processes. The Company currently has 12 employees in its offices and labs in Graz, Austria. The Company also has a Corporate Office in Vienna, Austria on the campus of the Novartis Institute of Biomedical Research.

About The Entrepreneurs Fund

The Entrepreneurs Fund (www.efbv.net) is the venture capital member of the COFRA Group, a global, family-controlled group of businesses. The Entrepreneurs Fund has €100 million under management, which it invests in early stage and growth companies owning strong technology/IP, with a focus on Europe. Sectors of interest include life sciences, material sciences, automotive related technologies, general aviation and water technologies. The Entrepreneurs Fund is an active investor working closely with outstanding management teams in developing their businesses. The Entrepreneurs Fund brings the long term perspective, experience and global outlook of a family business in its 5th generation. Successful exits of the fund include Celtel and REC. The latter, together with the investment in Q-Cells, have resulted in the creation of a separate investment fund, Good Energies, focussing on the renewable energy industry

About Aescap Venture Management

Aescap Venture Management BV is a venture capital firm focusing on the creation and growth of European biomedical companies. Through early and active involvement in the companies, Aescap Venture will achieve an accelerated development of its portfolio companies and their products. In January 2007, Aescap announced that Aescap Venture Fund I had a final close at €102 million. The founders of Aescap are Michiel de Haan, the founder and CEO of Atlas Venture until 2000 and Dinko Valerio PhD, the founder and former CEO of Crucell, a Euronext / NASDAQ-listed biotechnology company. Additional Partners are Patrick Krol MBA, a successful entrepreneur and expert in Life Science marketing and business development and Kreske Nickelsen MSc/MBA, previous Director at 3i, with 10 years experience in European Life Science venture capital.

About Z-Cube S.r.l.

Z-Cube S.r.l., Zambon's corporate venture company, focuses on life science ventures leveraging the industrial competences of its team. Z-Cube was founded in 2003 to support young life-science start-up and spin-off companies with novel therapeutics that address significant unmet medical needs.

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