

BioMedInvest co-leads CHF 50 Million (EUR 32 Million) Series B financing round of Esbatech AG

Basel, August 2, 2006

BioMedInvest announces the completion of a CHF 50 Million Series B financing of Esbatech AG. The CHF 50 Million financing round was led by a global syndicate of new investors, including SV Life Sciences (SVLS) (UK), Clarus Ventures (USA), HBM BioVentures (Cayman Islands), together with existing lead investors BioMedInvest AG (Switzerland) and VI Partners (Switzerland). Other existing investors, such as Novartis Venture Fund (Switzerland), and several private investors also participated.

Dr. Dominik Escher, CEO of ESBATech AG, commented: "Attracting this global blue chip investors group is another important validation of ESBATech's antibody-fragment technology, product pipeline, management team and business strategy. This financing round enables us to further develop and advance our lead product, ESBA105, in several inflammatory indications to completion of clinical phase IIa and to progress additional antibody fragment candidates into clinical development over the next three years."

Graham Boulnois Ph.D., Partner with SV Life Sciences commented: "ESBATech has built an attractive human antibody fragment platform with a strong intellectual property position. This platform fits well into the broader therapeutic antibody space and will provide a pipeline of commercially attractive, new drugs based on stable antibody fragments derived from fully human scaffolds. It also provides a significant opportunity for partnering. We are delighted to be working with the Company and the other investors to build a leading company in this exciting area."

Michael Steinmetz Ph.D., Managing Director of Clarus Ventures, added: "Antibody fragments are an emerging therapeutic tool with substantial and continuously increasing commercial potential. We are particularly attracted by ESBATech's unique approach which generates highly stable antibody fragments derived from fully human scaffolds. ESBATech is well-positioned as a leader in this exciting emerging market."

Dr. Gerhard Ries, General Partner at BioMedPartners said: "ESBATech is well positioned to transition its antibody fragment therapeutic candidates from preclinical to clinical phase. We are very happy with the investment in Esbatech."

About ESBATech AG

Privately-held ESBATech AG is a Zurich-based drug discovery and development company focused on advancing antibody fragments for therapeutic applications. For more information about ESBATech, please visit www.esbatech.com

About BioMedPartners

BioMedPartners is a leading independent European venture capital firm, providing private equity and mezzanine financing to early- to mid-stage healthcare and life-science companies. Since 2003, BioMedPartners has invested in nearly 20 highly innovative enterprises of which four already have successfully completed their IPO (Arpida AG, Santhera Pharmaceuticals AG) or have been acquired or merged with leading companies in the industry (Glycart Biotechnology AG, Carex AG). With more than CHF 150 million in capital under management and a strong team of experienced specialist with a broad expertise and an extensive scientific and financial network, BioMedPartners has established itself as one of the leading early-stage healthcare investors in Europe. For additional information please visit: www.biomedvc.com

About SV Life Sciences

SV Life Sciences is a venture capital adviser and manager that makes selected investments in entrepreneurs and management teams. SV Life Sciences provides finance to businesses at all stages of development and across the human life sciences sector. These sectors range from biotechnology & pharmaceuticals to medical devices & instruments, to healthcare information technology and services. SV Life Sciences currently advises or manages five funds - four limited partnership funds - SV Life Sciences Funds I, II, III and IV – and International Biotechnology Trust plc, an investment trust listed on the London Stock exchange (Ticker - IBT.L). Together these funds have a capital of approximately \$1,100 million which is primarily invested in North America and Europe, but will consider innovative investments in other regions. Our team of 27 professionals has a diverse, complimentary set of skills and experience that allow us to tailor a team to work with almost any life sciences business.

About Clarus Ventures

Founded by a team of accomplished investment professionals with extensive and complementary industry backgrounds, Clarus Ventures is a life sciences venture capital firm with a team that has a long history of success in creating value. Deep relationships with world thought leaders and decision makers allow this team to identify unique investment opportunities and shepherd them to maturity. Clarus augments its core expertise of investing in biopharmaceuticals and medical technology with the deep and diverse expertise of the team in research and development, commercialization, business development and operations management at the global level. For additional information on Clarus Ventures please visit www.clarusventures.com.

About HBM

HBM Partners AG, founded in 2001, is a leading investment advisory group in the sectors of biotechnology, emerging pharmaceutical and medical technology. HBM Partners AG's team of professionals has extensive experience in drug development, the biomedical sciences and the financial markets. Currently, HBM Partners AG manages/advises several investment entities including HBM BioVentures and HBM BioCapital with total assets of over US\$1 billion. To date, HBM vehicles have financed over 50 private companies in Europe and the US of which more than 20 companies have gone public or were sold to strategic buyers. For further information please visit www.hbmpartners.com.

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