

Ysios Capital Partners announces the first closing of the largest Spanish biotech fund at €67 million

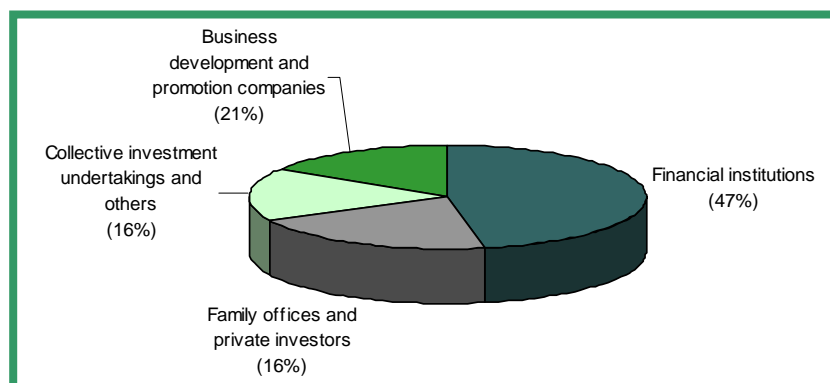
- The final closing of the fund, which could reach the €80 million mark, is expected to take place later this year
- Fonditel, Kutxa, Sodena and Banco Santander are among the main institutional investors
- The fund will be invested in 10 to 12 biotechnology companies in the field of human health, with initial projects to be finalized in the next few months

Barcelona, 15 September 2008.

Ysios Capital Partners (www.ysioscapital.com), a new Spanish venture capital firm, today announced a € 67 million first closing of Ysios BioFund I, the largest venture capital fund specializing in biotechnology in Spain. This initial closing marks the start of Ysios Capital Partners' investments, while the firm expects the final closing of the fund, at up to € 80 million, before year end.

Amongst the investors in this initiative are **Fonditel**, the pension fund for Telefónica employees, and financial institutions including **Kutxa**, through the company CK Korporación Kutxa, S.L. and its venture capital fund Sendogi Capital FCR, managed by Talde, **Banco Santander**, **La Caixa**, **Banesto** and **Caja Murcia**. The project has also been backed by three state-owned institutions aimed at providing support, enabling business development and enhancing innovation among SMEs: the **Sociedad de Desarrollo de Navarra (SODENA)**, the **Institut Català de Finances** and the **Empresa Nacional de Innovación, S.A. (ENISA)**. Some of the private investors who have participated in the fund are the **Bernat** family office and limited companies **Marmara Capital, S.L.** and **JV Risk Technologies, S.L.**, which is owned by Antonio Vila Casas and Sebastián Julià, respectively the founder and former Managing Director of the pharmaceutical company Prodesfarma.

Investor type	Percentage of investment
Financial institutions	47%
Business development and promotion companies	21%
Family offices and private investors	16%
Collective investment undertakings and others	16%
TOTAL	100%



Moreover, Ysios Capital Partners expects to be backed by several other investors to complete the fund, which it expects to close definitively by the end of the year once it has reached € 80 million. One such investor is **ACC1Ó CIDEM/COPCA**, which will soon be joining Ysios BioFund I.

For **Joël Jean-Mairet, a partner at Ysios Capital Partners**, *“it has taken us slightly longer than anticipated to convince investors because of the uncertainty affecting financial markets in recent months. Notwithstanding, we have secured backing from some major institutions for our first fund, which demonstrates their confidence in us and confirms the huge potential of the biotech industry in Spain”.*

Portfolio of several biotechnology projects

Ysios BioFund I **has a portfolio of several investment projects that will soon be finalized.** Ysios Capital Partners will invest in 10 to 12 biotech firms developing medical technologies or therapeutic and diagnostic products in Spain, though as much as 30% of the fund size may be invested in foreign companies. Ysios will participate in start-ups, later-stage companies and pharmaceutical company spin-offs.

The managing firm will have a representative on the board of the companies in which it invests and will be highly proactive to support the management team in drawing up strategic plans, setting operating priorities and articulating possible exit scenarios. While invested, Ysios will use its financial capacity to provide additional financing in future funding rounds whenever the business plan indicates solid increase of the company value with a further injection of capital.

Ysios will seek to exit from its investments via an initial public offering, merger or acquisition with an industrial partner within 4 to 6 years.

The biotech sector: an outstanding investment opportunity

The biotechnology industry in Spain is the fastest growing in Europe, the US and Canada, and is now the fourth biggest industry in the EU. There are some 650 biotech-related companies in Spain, employing over 88,000 people and achieving a turnover of around € 22.5 billion. In the last seven years alone the total turnover in the sector has increased by 200% and it has seen a 750% rise in employee numbers.

This upward trend is set to continue in the coming years. Biotechnology is one of the sectors that will enable Spain to drive forward an innovative economic structure and overall competitiveness. This provides favourable conditions for nurturing the generation, development and consolidation of biotechnology firms over the years, making Spain a singular opportunity for biotech venture capital firms.

The Ysios Capital Partners team

Ysios Capital Partners is a team of eight experts specializing in venture capital and in the creation and development of healthcare and biotechnology companies, and was created by its partners: **Joël Jean-Mairet**, former CEO of GLYCART Biotechnology AG; **Julia Salaverría**, former fund manager for Talde, and **Josep Lluís Sanfeliu**, former Corporate Finance and Business Development executive at Almirall.

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