

Media Release

September 14, 2010



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Okairos Raises €16 Million in Series B Financing

Basel, Switzerland – September 14, 2010 – Okairos today announced the completion of a Series B private financing round totaling €16 million. The funds will be used to advance the company's emerging portfolio of prophylactic and therapeutic vaccines against major life-threatening diseases through clinical proof-of-concept.

The financing was led by Versant Ventures and joined by the Boehringer Ingelheim Venture Fund. All existing investors – BioMedPartners, LSP and Novartis Venture Funds – also participated in the round.

The financing will enable Okairos to develop next-generation vaccines, which elicit a strong T-cell response and thereby make use of the cellular arm of the immunological response to tackle major infectious diseases in multiple indications, including malaria, HIV, hepatitis C and universal influenza.

“Our investors recognize the huge unmet need in chronic infections,” said Dr Riccardo Cortese, Chief Executive Officer and co-founder of Okairos. “Existing technologies have not lived up to their promise and this investment will allow us to explore a new approach that exploits the body's immune response.”

Versant Ventures' Managing Director Brad Bolzon said: “We believe Okairos' proprietary technology in adenovirus vectors could provide a solution to fight some of the world's most life-threatening and virulent diseases. The deep insights of the management team in genetic vaccines and their proven track record in drug development compelled us to make this investment in one of the fastest growing markets.”

Dr Michel Pairet, Head of the Boehringer Ingelheim Venture Fund added: “We see Okairos as a great investment opportunity, aligned with our strategy that defines T-cell vaccines as one

of our top priorities. There is also great potential in the development of therapeutic cancer vaccines.”

The global vaccine market is currently valued in excess of \$20 billion (1) and is predicted to increase annually by around 10% over the next five years (2).

About Okairos

Okairos is a clinical-stage biopharmaceutical company formed in 2007 from IRBM, a Merck, Inc. subsidiary. Okairos develops genetic vaccines for major infectious diseases, including malaria, hepatitis C, HIV and universal influenza. Using a novel proprietary technology, the company follows a pioneering approach to engage the cellular arm of the immune system, specifically T-cells, to fight infectious diseases. Therefore, it addresses a significant unmet medical need to provide vaccines for life-threatening infections. Okairos is headquartered in Basel, Switzerland, and has laboratories in Rome and Naples, Italy.

Okairos' technology platform is centered on the development of new, potent adenovirus vectors to generate a pipeline of T-cell vaccines against a range of infectious diseases, for which there is currently no effective vaccine. The company is also exploring therapeutic vaccines to treat cancer. www.okairos.com

About Versant Ventures

Versant Ventures is a leading healthcare venture capital firm specializing in seed, early stage, and selective later-stage investments in medical devices, biotechnology and pharmaceuticals. The firm is currently investing a \$500 million fund and has total funds under management of \$1.6 billion. Versant Ventures has funded 95 healthcare companies. Versant's seasoned team of 12 managing directors has 125 years of venture capital investing experience and approximately 115 years of operating experience. Founded in 1999, Versant has offices in San Francisco, Menlo Park and Orange County, California. www.versantventures.com

About the Boehringer Ingelheim Venture Fund (BIVF)

The BIVF was formed in March 2010 and invests in biotechnology and start-up companies that provide ground-breaking therapeutic approaches and technologies to help drive innovation in medical science. These may include - but are not limited to –novel technologies to address undruggable targets, new- generation vaccines and new biological entities, such as antibody-dependent oncolysis. Novel therapeutic targets and disease-related biomarkers, as well as new approaches in regenerative medicine, are an additional focus. www.boehringer-ingelheim-venture.com

About BioMedPartners

BioMedPartners is an independent European investment firm located in Basel that provides private equity and mezzanine financing to private early-to mid-stage healthcare and life science companies. Since 2003, BioMedPartners has invested in over 30 companies, five of which have already successfully completed an IPO (Arpida AG, Santhera Pharmaceuticals AG, Evolva Holding AG), or a trade sale (ESBATEch AG, GlycArt Biotechnology AG). Currently, BioMedPartners manages three funds (BioMedInvest I & II and BioMedCredit). With total funds of more than CHF250 million under management and a strong team of experienced specialists and industry experts, BioMedPartners has established itself as one of the leading early-stage healthcare investors in Europe. www.biomedvc.com

About Life Sciences Partners (LSP)

LSP is a leading independent European investment firm, providing financing to private and public life-science companies. Since the late 1980s, LSP's management has invested in a large number of highly innovative enterprises, many of which have grown to become leaders of the global life-science industry. For example, LSP was a founding investor in Movetis, Crucell, DNage, Qiagen, Rhein Biotech and Pharming. With over €500 million under management and offices in Amsterdam, Munich and Boston, LSP is one of Europe's largest and most experienced specialist life-science investors. www.lspvc.com

About Novartis Venture Funds (NVF)

NVF currently manages over \$750 million in committed capital. NVF invests in companies that have the potential to change a core therapeutic field or explore new business areas that are critical to patient care. NVF primary interest is in the development of novel therapeutics and platforms, as well as medical devices, diagnostics and delivery systems. NVF invests for financial objectives at all stages, but prefers to invest in the early-stages of company development. With eight investment professionals, located in Basel, Switzerland and Cambridge, MA, the team has extensive experience in pharmaceutical R&D and venture capital. www.venturefund.novartis.com

References

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2. Vaccines 2010 Report: World Market Analysis, Key Players, and Critical Trends in a Fast-Changing Industry, August 2010, Kalorama Information <http://www.kaloramainformation.com/Vaccines-Key-Players-2684026/>

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