

Press release

Covagen extends financing round and adds Edmond de Rothschild Investment Partners (EdRIP) to investor syndicate

Zurich, Switzerland, January 8, 2010

Covagen, an ETH Zurich spin-off company pioneering the development of a novel class of protein therapeutics (Fynomers), announced today the closing of a financing round with its existing shareholder Ventech and Edmond de Rothschild Investment Partners (EdRIP), who are joining as new investors. Gilles Nobécourt will join Covagen's Board of Directors as representative of EdRIP. After fifteen years of holding various positions in the pharmaceutical industry Gilles Nobécourt joined the Life Science Team of EdRIP in 2002.

"We are very pleased that we could attract additional funding and add EdRIP to Covagen's investor syndicate. The additional investment provided by Ventech and EdRIP validates the interest in our technology and therapeutic programs", said Dr. Julian Bertschinger, Chief Executive Officer of Covagen.

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About Covagen:

Covagen develops next generation protein drugs for the treatment of inflammatory diseases and cancer by using its proprietary protein engineering technology, which has been developed at ETH Zurich (Switzerland). Covagen's innovative platform comprises the recently developed Covalent DNA Display technology and a novel single domain protein scaffold, which - in analogy to antibodies - can be engineered to yield high affinity binding proteins called Fynomers that can be used for therapeutic applications. In addition, the modular structure of Covagen's Fynomers and its favorable biophysical properties potentially allow for treatment modalities that are difficult or impossible to be exploited with antibodies. For more information, please visit <http://www.covagen.com>.

About Edmond de Rothschild Investment Partners (EdRIP):

Paris-based Edmond de Rothschild Investment Partners are dedicated to minority investments into privately-owned companies. They have currently EUR 775 million under management which is being invested primarily as life sciences venture capital and growth capital. Their Life Science Team of six professionals brings together over 30 years of experience in the Life Science industry and more than 50 years of private equity and venture capital experience. The team has approximately EUR 300 million under management after having raised EUR 150 million through BioDiscovery III in 2008, and focuses on investing in therapeutic products, medical devices and molecular diagnostics.

Edmond de Rothschild Investment Partners is an independently managed affiliate of La Compagnie Financière Edmond de Rothschild Banque. For more information please visit: <http://www.edrip.fr>.

About Ventech:

Ventech is a venture capital firm with more than USD 540 million under management. Created 10 years ago, Ventech invests in innovative companies in both the Information Technology and Life Science sectors. Originally based in Paris, Ventech is now also present in China. In the Life Science sector, the objective is to invest primarily in Europe and the US with a specific focus towards drug discovery, diagnostics and medical device technologies. More information is available at <http://www.ventechvc.com>.