



Press Release

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Atlas Venture and Global Life Science Ventures invest in Nitec Pharma AG

Basel, Switzerland -- 1 October 2004 – Nitec Pharma AG announced today that it has secured a \$10 million investment from leading venture capital firms Atlas Venture and Global Life Science Ventures (GLSV). Nitec Pharma AG is a pharmaceutical company recently established in Switzerland as a spin-out of Merck KGaA, Darmstadt, Germany. The company focuses on the development of anti-inflammatory drugs with an improved benefit-risk profile for patients suffering from chronic inflammatory diseases, and this series A investment will be used to progress phase III clinical trials for their late stage candidate. As part of the investment Joël Besse, Senior Partner of Atlas Venture, and Dr. Peter Reinisch, Partner of Global Life Sciences Ventures, will join the company's advisory board.

“Nitec Pharma AG is an emerging specialty pharmaceutical company, which intends to bring new treatment options for chronic inflammatory diseases to the market. The company primarily focuses on improving the efficacy and side effect profile of an existing drug using innovative drug delivery technologies“, said Joël Besse of Atlas Venture. Dr. Peter Reinisch of GLSV added: “Nitec’s approach will result in easier-to-use and more effective products in a field of high medical need. We are pleased to provide support to a newly formed company in Switzerland with a product in the advanced stages of clinical testing.”

Nitec Pharma AG was founded in Basel-Land, Switzerland, by Dr. Achim Schaeffler and Jochen Mattis, two former executives from Merck KGaA, who have extensive experience in the pharmaceutical industry and a combined expertise in product and business development, regulatory affairs and strategic marketing. Nitec Pharma will focus on inflammation and pain and therefore intends also to in-licence new and innovative products.

Nitec Pharma AG’s initial product candidate, which is a new formulation of a well established therapeutic principle, has been developed in collaboration with Skye Pharma plc.

SkyePharma, which developed the proprietary Geomatrix™ oral delivery technology used in the formulation, will receive royalty payments on any potential sales through Nitec Pharma’s licensing agreements.

Merck KGaA will have the marketing rights of the product in Germany and Austria.



About Atlas Venture

Atlas Venture is the leading international early-stage venture capital firm, investing in life sciences, communications and information technology companies. With investing offices in Boston, London, Munich and Paris, Atlas Venture divides its investments between the United States and Europe. Founded in 1980, Atlas Venture has organized six international funds, and currently manages \$2.1 billion in committed capital. The Atlas Venture investment team is comprised of seasoned operating executives and career venture capitalists who have been deeply involved in the formation and development of more than 300 companies worldwide. For more information about Atlas Venture, go to www.atlasventure.com.

About Global Life Science Ventures

GLSV is a leading, independent venture capital fund focusing exclusively on the life sciences. With offices in Germany, Switzerland, and the UK, GLSV is dedicated to providing finance primarily to early-stage groups, originating from universities, scientific institutions or industry, as well as selected later stage companies, including buy-outs. The group currently advises and manages funds greater than €200 million. Up to now, GLSV has financed 30 leading biotechnology companies, five of which have completed a successful exit through IPO or trade-sale. GLSV has built a broadly diversified portfolio of companies in pharmaceuticals, diagnostics, medical devices, and biotechnology. For more information about GLSV, go to www.glsv-vc.com.

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