



Pieris raises € 25 M (US\$ 38 M) in Series B financing round

New investment round led by OrbiMed Advisors, world's largest healthcare investment firm

Freising-Weihenstephan, Germany – March 27th 2008. Pieris AG, a biopharmaceutical company developing Anticalins[®], a novel class of targeted human protein therapeutics, announced today the closing of a Series B financing round.

Led by new investor OrbiMed Advisors LLC, a major global fund dedicated to healthcare, together with Novo Nordisk A/S via Novo Nordisk Biotech Fund, Novo Nordisk's internal corporate venture fund, the € 25 million (US\$ 38 million) financing enables the Company to progress its proprietary Anticalin[®] product portfolio and prioritise clinical development of its VEGF-modulating cancer product, PRS-050. All existing investors participated in this financing round.

Commenting on the announcement, Evert Kueppers, Chief Executive Officer of Pieris, said: "This financing event marks a significant milestone in the evolution of Pieris as a product-focused biopharmaceutical company. Having engaged renowned investors such as OrbiMed and Novo Nordisk, Pieris is now in the position to deliver on its strategy of developing Anticalins[®] as the next class of biopharmaceutical products. We welcome Michael Sheffery as a new member of the Supervisory Board and I am looking forward to working with him".

Michael Sheffery Ph.D., General Partner at OrbiMed Advisors stated: "Pieris has reached an exciting stage in its development, having focused its business to prioritise product development in areas fundamentally suited to its proprietary technologies. OrbiMed views this investment as highly significant at a time of enormous commercial interest in biologic therapies".

Hans A. Kuepper Ph.D., Chairman of Pieris' Supervisory Board and Partner of Global Life Science Ventures, Germany, commented further: "Pieris has made remarkable progress in the course of the past year and this financing event enables the Company to further execute its strategy and to leverage the value in its proprietary Anticalin[®] approach".

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For further information, please contact:

Pieris AG

Phone +49 (0) 8161 1411 400

Claus Schalper, Chief Financial Officer

Notes to editors

About Pieris AG

Pieris is a biopharmaceutical company engaged in the discovery and development of Anticalins[®], a novel class of targeted human proteins designed to diagnose and treat serious human disorders. Exploiting extensive know-how in protein engineering as part of a broad intellectual property portfolio, the Company applies a balanced risk business model to the development of Anticalin product candidates.

About Anticalin[®] Technology

Anticalins[®] are engineered binding proteins derived from the scaffold of natural human lipocalins. Anticalins are selected to have prescribed binding properties with selectivity and affinity fundamentally similar to that of monoclonal antibodies. Being human in origin, Anticalins are predicted to have minimal immunogenicity in man. Furthermore, compared to conventional antibodies Anticalins benefit from their small size (20 kDa), robust physicochemical properties and simple composition that together allow highly soluble and stable products to be manufactured from bacteria. Anticalins are amenable to further engineering to balance their favorable tissue penetration with adjustable serum half life. Moreover, Anticalins have been developed as Duocalins[®], whose dual targeting format allows multiple targets to be bound and modulated through a single molecule.

Pieris exclusively owns the Anticalin patent estate, which offers complete freedom to operate outside the patent boundaries defined by conventional antibody products. Key patents have already been granted both in the US and in Europe.

About PRS-050

PRS-050 Anticalin[®] has been designed to specifically bind and block the signalling activity of vascular endothelial growth factor (VEGF) in cancer. Optimised for extended serum half-life, PRS-050 exhibits comparable binding and functional *in vitro* activity to approved VEGF antagonists. Potent inhibition of VEGF-induced enhanced vascular permeability and angiogenesis, as well as anti-tumour activity, have already been demonstrated for PRS-050 in various well-validated *in vivo* preclinical studies.

As a next generation VEGF antagonist, PRS-050 exploits several favourable characteristics of Anticalins[®], including compact protein structure, high intrinsic stability, broad formulation flexibility and small molecular size with the potential to penetrate neovascularized tumour tissue more effectively. PRS-050 is currently being prepared for a Phase I study in patients with advanced malignancies.

Further information on Pieris AG is available at www.pieris-ag.com

Anticalin[®] and Duocalin[®] are registered trademarks of Pieris AG.

About OrbiMed Advisors, LLC

OrbiMed is a preeminent asset management firm focused on the global health sciences industry, with over \$6 billion in assets under management across a family of venture capital funds, hedge funds and other investment vehicles. OrbiMed's investment advisory activities were founded in 1989 by Samuel D. Isaly, with a vision to invest across the spectrum of healthcare companies from small privately-held firms to large multinational companies.

OrbiMed's investment team includes over 20 experienced professionals with backgrounds in science, medicine, finance and law. OrbiMed's professionals work together in a collaborative, team-oriented approach. OrbiMed seeks to be the capital provider of choice for life sciences companies pursuing growth and new opportunities. Where appropriate, particularly within its venture capital activities, OrbiMed supports its invested companies in achieving strategic, financial and operational objectives via participation at the Board of Directors level. OrbiMed professionals currently serve on the Board of Directors of many different life sciences companies.

Further information on OrbiMed is available at www.orbimed.com

About Novo Nordisk A/S

Novo Nordisk is a healthcare company and a world leader in diabetes care. In addition, Novo Nordisk has a leading position within areas such as haemostasis management, growth hormone therapy and hormone replacement therapy. Novo Nordisk manufactures and markets pharmaceutical products and services that make a significant difference to patients, the medical profession and society. With headquarters in Denmark, Novo Nordisk employs approximately 26,000 employees in 80 countries, and markets its products in 179 countries. Novo Nordisk's B shares are listed on the stock exchanges in Copenhagen and London. Its ADRs are listed on the New York Stock Exchange under the symbol 'NVO'.

Further information on Novo Nordisk A/S is available at www.novonordisk.com