



Press Release

## **Italian Pharmaceutical Company PHARMESTE Receives 6M Euro Series B Venture Capital Financing to Develop Innovative Treatments for Neuropathic Pain**

**Milan, 1st October 2008** – PharmEste, an Italian pharmaceutical company spun out from the University of Ferrara has concluded a second financing stage for a total of 6 Million Euro which will be mainly used for the clinical development of the V 377 Molecule for the treatment of neuropathic pain.. This investment round included existing investors Z-Cube s.r.l. (the corporate venture of the Zambon Company S.p.A) and Quantica SGR (the first Asset Management Company exclusively dedicated to innovative venture capital activities) as well as new investors Emilia Venture and MP Healthcare Venture Management (MPH).

MP Healthcare Management is the corporate venture group of Mitsubishi Tanabe Pharma Corporation. and the Mitsubishi Chemical Holdings Corporation. MPH has offices in Boston and San Francisco, and invests in innovative lifesciences companies developing breakthrough therapeutics, diagnostics and technology platforms.

“This operation allows us to access the necessary financial resources to support our ambitious projects for the clinical development of the Transient Receptor Potential Vanilloid 1 (TRPV1) protein to be used in the treatment of neuropathic pain, and to further develop our technology platform” said Claudio Semeraro, CEO of PharmEste. “Furthermore, MP Healthcare Venture Management’s participation enhances our access to industry expertise and potential trade channels in Japan through its parent company Mitsubishi Tanabe Pharma”. During the 18 months since the first financial round, PharmEste has identified and developed potentially best-in-class TRPV1 compounds for pain and urinary incontinence, a sector with considerable activity from large foreign multinationals, confirming the high-standard scientific research that is being carried out in Italy.

This new financial venture allows for the most advanced research in Italy to acquire the necessary tools, know how and resources to develop drug treatments able to compete internationally.

“Our group had been considering for some time certain investment opportunities in biotech companies specializing in the development of innovative molecules for the treatment of significant diseases” said Takahiro Mukohira, Vice President of MP Healthcare. “PharmEste seems to us as one of the most advanced companies, globally, with strong chances of achieving success in this sector”.

PharmEste is presently developing and testing new first generation TRPV1 antagonists. These drugs can be beneficial to over 7 million patients worldwide who are affected by various types of neuropathic pain, for a total current cost of 2.5 billion Euro, which is expected to triple over the next few years.

This new financing round follows a previous one dated January 2007, when Z-Cube s.r.l., Quantica SGR, Zernike Meta Venture and State Street Global Investments sgr (now Fondamenta Sgr) invested a total of over 3.2 million Euro in PharmEste.



**The Partners of the PharmEste Project are:**

**Z-Cube srl:** corporate venture of Zambon Company S.p.A., specialises in the field of life sciences, applying innovative investment strategies that leverage the industrial competences of its team.. As well as PharmEste, Z-Cube has already launched other ventures on the market. In 2005 it actually supported the spin-off of the Max-Planck Institute of Biochemistry (Munich, Germany); SuppreMol GmbH (a company engaged in the development of drugs for the treatment of autoimmune diseases), financed through a first round of 4 Million Euro and a second round of 16 Million Euro in 2008. It has a wide international network of investors and industry leaders.

**Quantica SGR:** is the first Asset Management Company in Italy with the sole purpose of managing closed-end funds for venture capital activities, investing in high-tech spin-offs stemming from the Italian scientific research and implementing industrially the outcomes of research. Quantica SGR manages the Principia **Fund I and II**, promoted by experienced managers and born from prestigious scientific research in Italy, such as that of the CNR (the Italian National Research Council) as well as over forty university institutions.

**MPS VENTURE Sgr,** a subsidiary company of the Montepaschi Group, operating nationwide in the management of closed-end funds since 2003. Mps Venture Sgr, is currently leading in Italy as for the number of closed-end investment funds managed, with 6 closed-end funds for a total amount of approximately 400 million euro. Among these, Emilia Venture aims to acquire shares in SMEs operating in Emilia Romagna, or contiguous regions, as well as the opportunity to make investment in start up companies provided they show concrete relaunch opportunities. The operations carried out to date by the Mps Venture-managed funds are 30, while the divestitures made are 15.

**MP Healthcare Venture Management (MPH)** is the corporate venture group of the Mitsubishi Tanabe Pharma Corporation and Mitsubishi Chemical Holdings Corporation. With offices in Boston and San Francisco, MPH invests in innovative biopharmaceutical, diagnostics and technology platform companies globally.

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