

Launch of Macroflux Corporation

Launch of Macroflux Corporation Macroflux Corporation has raised \$75 million in an equity financing to create a new transdermal drug development company.

Originally a group within ALZA Corporation, The Macroflux Corporation spin-out is being led by Nomura Phase4 Ventures, a specialist investor in healthcare. The syndicate includes significant investments from New Enterprise Associates (NEA) and funds managed by HBM Partners. The \$75M financing will enable the company to progress several product opportunities through clinical development. ALZA Corporation, a wholly owned subsidiary of Johnson & Johnson, will retain an equity stake in the venture.

The Macroflux® system is based on a small patch and applicator that is intended to provide a needle-free solution for transdermal delivery of therapeutic proteins, peptides and vaccines. It is designed to combine painless and convenient drug administration with rapid delivery and high bioavailability. The patch incorporates a thin titanium screen with precision drug coated microprojections that, when applied to the skin, create superficial pathways through the skin's outer layer allowing transport of molecules. Prior to spin-out the Macroflux business successfully completed early clinical trials with five different drugs in over three hundred subjects.

Peter Daddona, CSO of Macroflux Corporation, said "With this financing we will be able to more fully realise the potential of our novel transdermal delivery system".

Judy Hemberger, CEO of Macroflux Corporation added, "We look forward to working with our highly experienced Board and new investors in order to execute on our new strategy of delivering new solutions for patients currently taking drugs by injection".

Denise Pollard Knight, CEO, Nomura Phase4 Ventures, commented, "Macroflux® system has the potential to be an advanced and highly differentiated solution for delivery of a broad range of drugs through the skin. This financing will allow the company to build on the significant progress already made by ALZA Corporation to accelerate the development of a proprietary pipeline as an independent company".

Macroflux Corporation® has 26 employees and will continue to be based in Mountain View, California. The Macroflux® team brings deep experience in drug delivery and development. Some members of the core team have been involved in the development of the Macroflux® transdermal delivery system from inception. Judy Hemberger, the Chief Executive Officer was formerly co-founder and Chief Operating Officer of Pharmion Corporation.

Macroflux's Board of Directors will include Jim Barrett, General Partner at NEA, Mike Raab, Partner at NEA, Justin Duckworth, investment advisor at HBM Partners AG, John Brown (previously CEO of Acambis plc) and John Richard (Chairman of Altus Pharmaceuticals Inc). Both John Brown and John Richards are advisors to Nomura Phase4 Ventures.

Macroflux Corporation Nomura Phase4 Ventures

Notes to Editors Nomura Phase4 Ventures (NPV) is a London-based specialist investment unit of Nomura, the Japanese financial services group. NPV, formerly Nomura's BioPharma Private Equity Group, has been investing since 1998. It invests primarily in mid- to late-stage private companies from the biopharmaceuticals, speciality pharmaceuticals and medical devices sectors in North America and Europe. NPV is currently investing through the Nomura Phase4 Ventures LP fund. The NPV team's investment expertise is leveraged further by working closely with a number of senior advisors with extensive operating experience in pharmaceutical and biotechnology companies. More information about NPV can be found at www.nomura.com/npv.

Nomura Phase4 Ventures Limited is authorised and regulated by the FSA.

Contact
The Macroflux Corporation

Nomura Phase4 Ventures
Jessica Shepherd-Smith

Corporate Communications

Nomura International plc

www.nomura.com

Tel: +44 (0) 20 7521 2480

\n Jessica.shepherd-smith@uk.nomura.com