

AUGUST 2009

OnBioVC tracked 29 financings for August '09 versus 26 deals in August '08. The eighth month of 2009 combined bioscience investment proceeds totaled approximately \$528.7M, an increase of roughly \$30.1M compared to the \$498.6M of investments tracked in the eighth month of '08, yielding a month-over-month investment increase of ~6.0%. The first eight month capital totals place 2009 at a run rate of \$6,512M; if this value holds than a variance of approximately (\$1,447M) would be expected relative to the 2008 tracked total capital raise of \$7,960M.

The largest deal of August '09 went to the Menlo Park, CA-based Pacific Biosciences. The company is focusing their single molecule real time (SMRT™) detection platform to the real-time monitoring of biological processes at single molecule resolution and in specific relevant contexts enabling more complete characterization of molecular interactions that define cellular processes; the SMRT™ DNA Sequencing platform enables long reads of full scale genetic variation.

Oncology focused entities was where the most deal activity was focused, five entities accounted for \$63.5M, the largest financing, a \$29M Series D, closed by Cambridge, MA-based Gloucester Pharmaceuticals who is a clinical-stage entity focused on T-cell lymphomas and other hematologic malignancies.

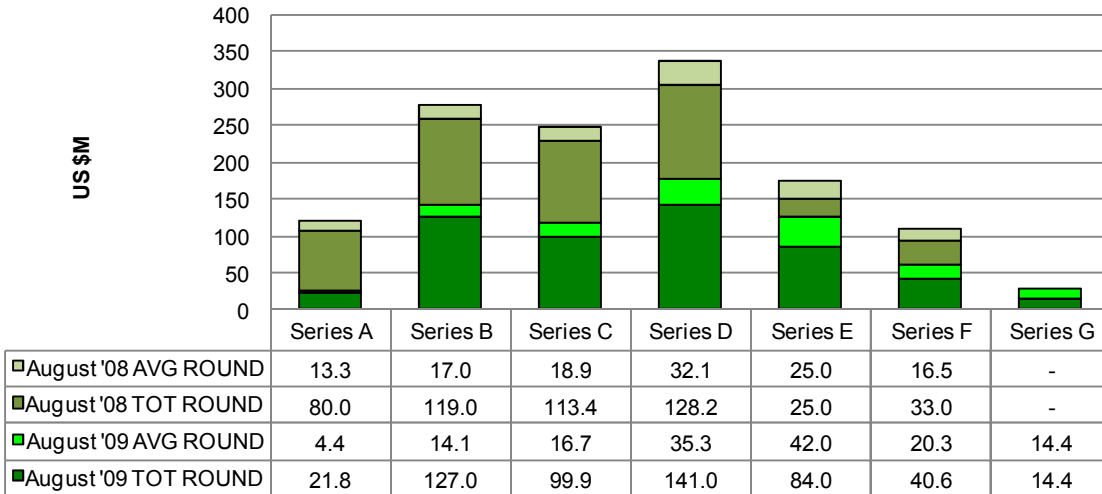
California continued its dominance in attracting investment dollars. CA was home to 10 financings in August '09 accounting for \$276.1M. The next most active state(s)/region (s), were MA, home to 5 financings accounting for \$81.4M, and a lot of South East-US activity where five deals across GA, NC and KY raised \$55.1M.

The Medical Device sector attracted the most investment dollars for August '09 (\$246.0M), however it was the Biopharma sector who accounted for the most number of deals at 15. Diagnostics and Biofuels raised \$47.2M.

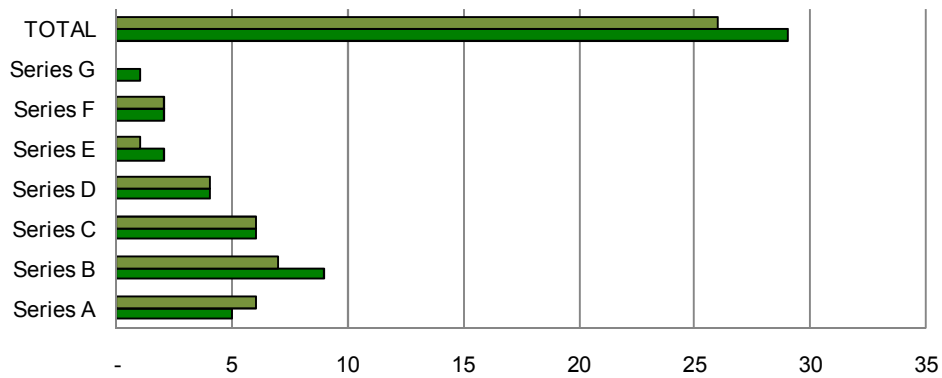
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| COMPAY FOCI | # of Financings |
|----------------------|-----------------|
| Oncology | 5 |
| Antiviral | 3 |
| Device (Cardiology) | 2 |
| Device (Diagnostic) | 2 |
| Device (Obesity) | 2 |
| Device (Sequencing) | 2 |
| Antiinfective | 1 |
| Biofuels | 1 |
| Bioinformatics | 1 |
| Cardiovascular | 1 |
| CNS | 1 |
| Device (Closure) | 1 |
| Device (Delivery) | 1 |
| Device (Fluid Assay) | 1 |
| Device (Prosthetics) | 1 |
| Drug Delivery | 1 |
| homeostasis | 1 |
| Hypophosphatasia | 1 |
| Ophthalmology | 1 |

Aggregate Dollars Raised per Round August '08 v. August '09

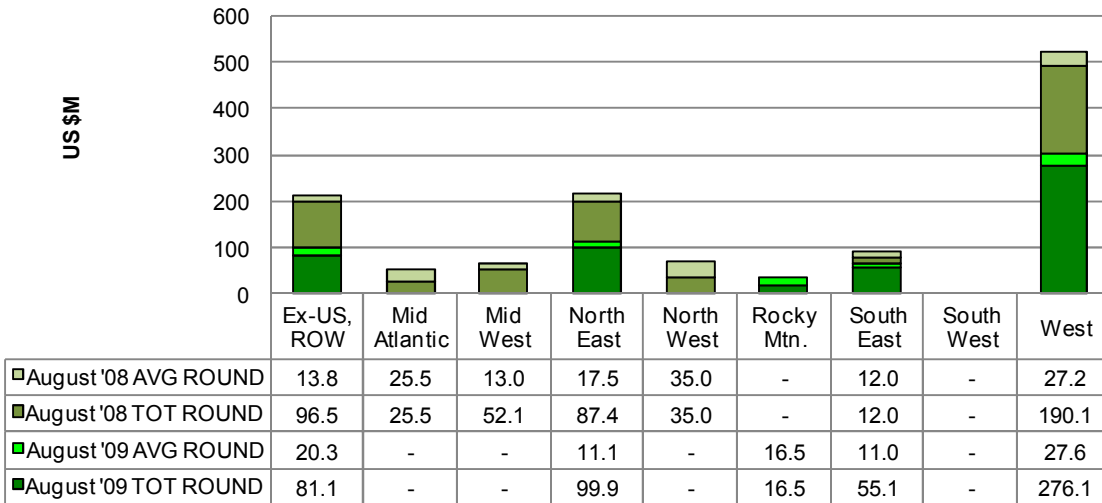


Total Financings per Round August '08 v. August '09

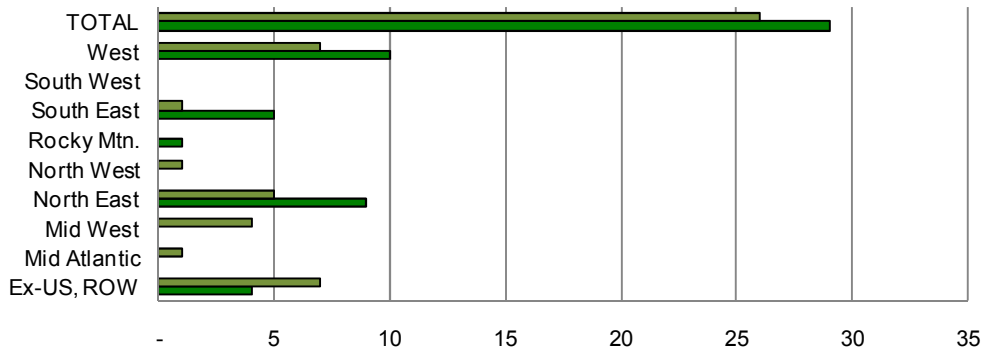


| | Series A | Series B | Series C | Series D | Series E | Series F | Series G | TOTAL |
|------------------|----------|----------|----------|----------|----------|----------|----------|-------|
| August '08 DEALS | 6 | 7 | 6 | 4 | 1 | 2 | - | 26 |
| August '09 DEALS | 5 | 9 | 6 | 4 | 2 | 2 | 1 | 29 |

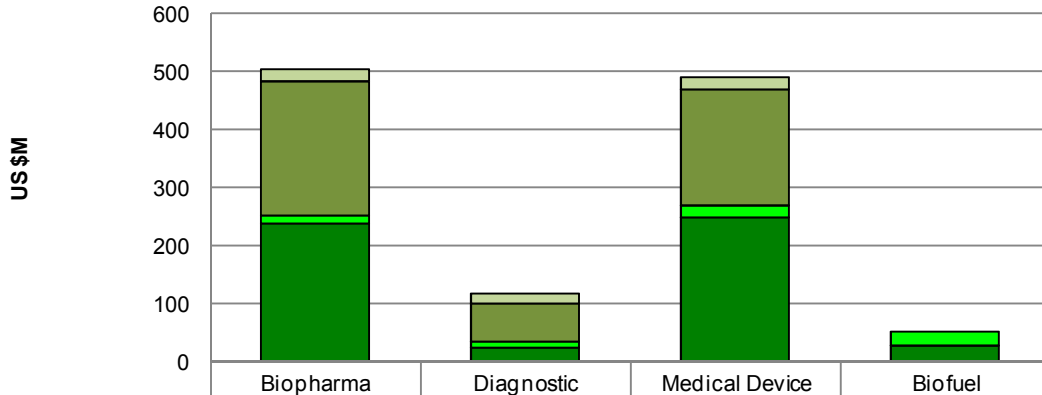
Aggregate Dollars Raised per Region August '08 v. August '09



Total Financings per Region August '08 v. August '09

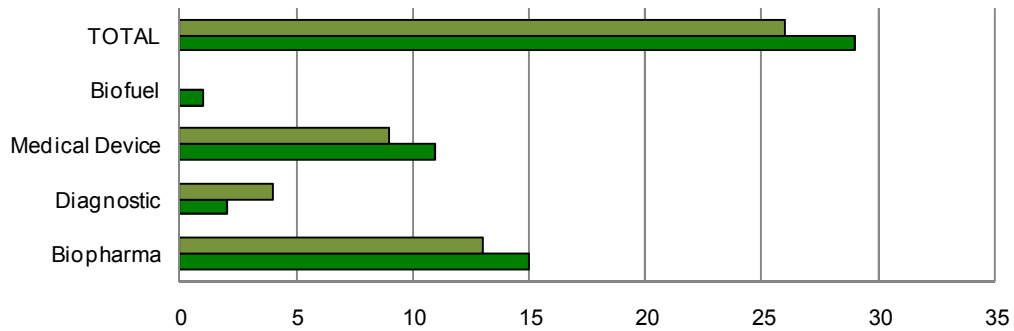


**Aggregate Dollars Raised per Sector
August '08 v. August '09**



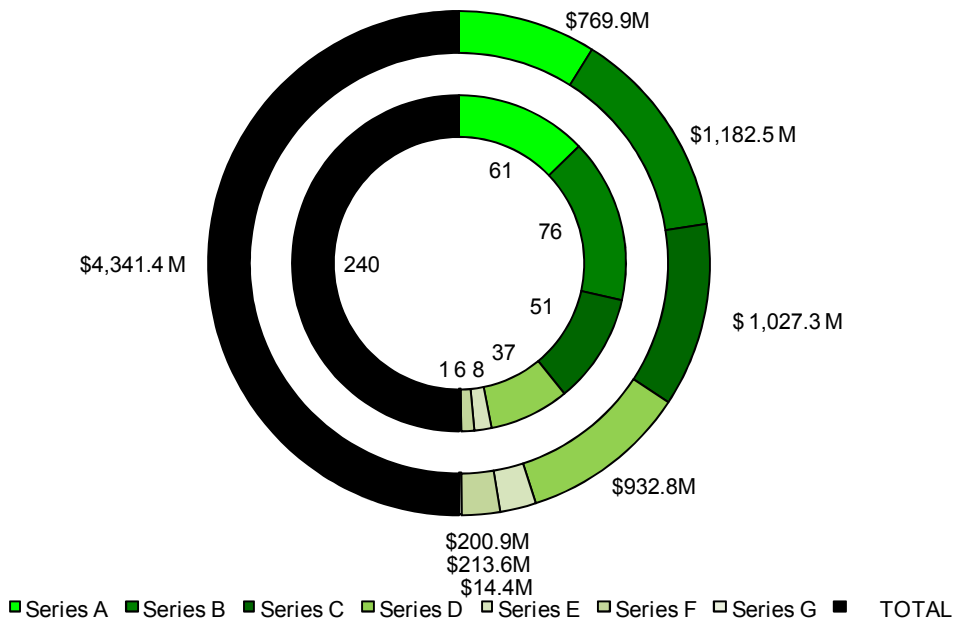
| | Biopharma | Diagnostic | Medical Device | Biofuel |
|----------------------|-----------|------------|----------------|---------|
| August '08 AVG ROUND | 17.9 | 16.7 | 22.1 | - |
| August '08 TOT ROUND | 232.9 | 66.7 | 199 | - |
| August '09 AVG ROUND | 15.7 | 11.2 | 22.4 | 24.8 |
| August '09 TOT ROUND | 235.5 | 22.4 | 246.0 | 24.8 |

**Total Financings per Sector
August '08 v. August '09**

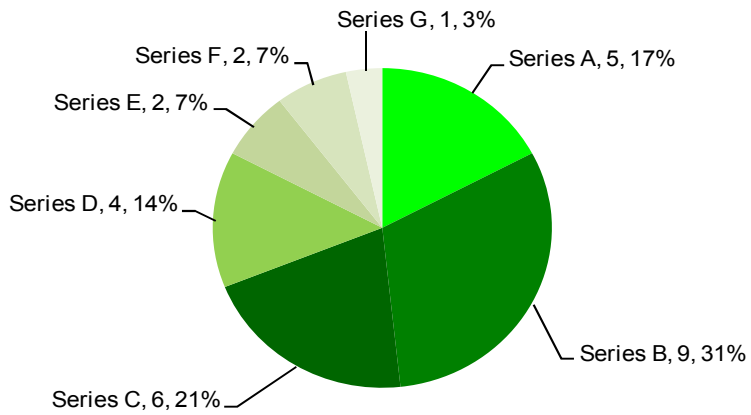


| | Biopharma | Diagnostic | Medical Device | Biofuel | TOTAL |
|------------------|-----------|------------|----------------|---------|-------|
| August '08 DEALS | 13 | 4 | 9 | - | 26 |
| August '09 DEALS | 15 | 2 | 11 | 1 | 29 |

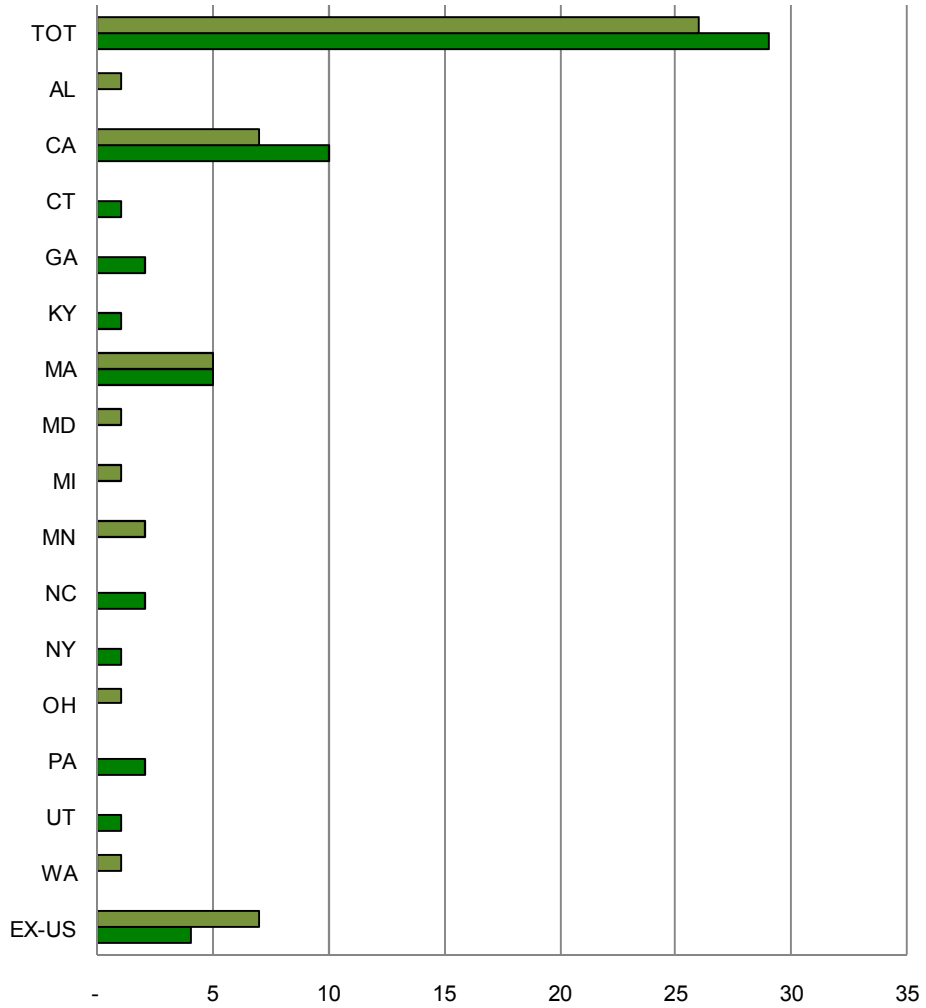
2009 YTD Aggregate Financings



August '09 Financing Round Frequencies

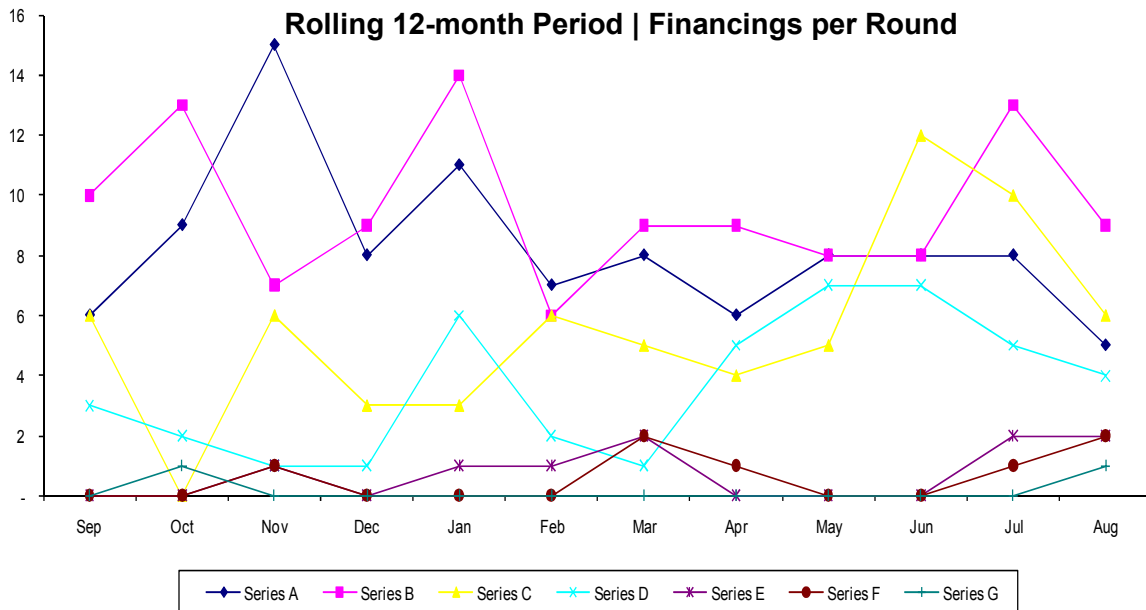
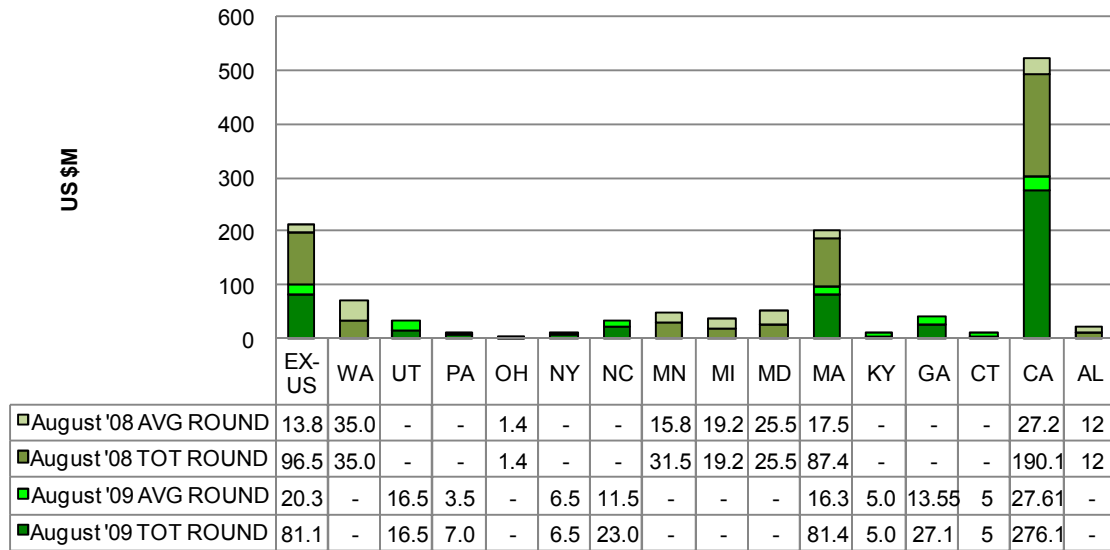


**Total Financings per State
August '08 v. August '09**

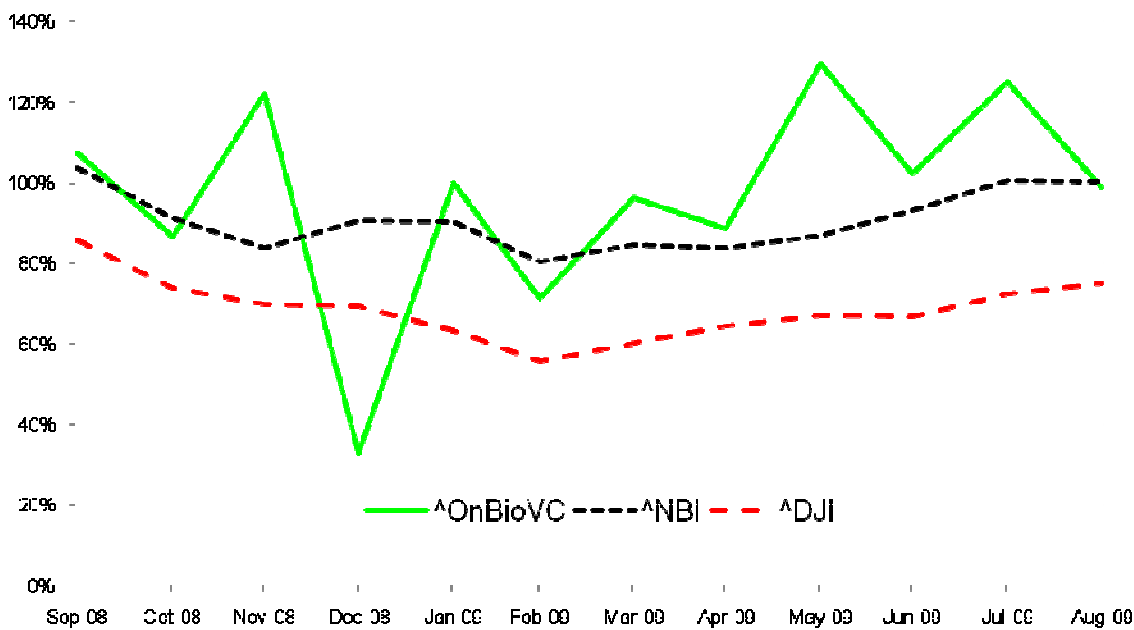


| | EX-US | WA | UT | PA | OH | NY | NC | MN | MI | MD | MA | KY | GA | CT | CA | AL | TOT |
|--------------------|-------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|
| ■ August '08 DEALS | 7 | 1 | - | - | 1 | - | - | 2 | 1 | 1 | 5 | - | - | - | 7 | 1 | 26 |
| ■ August '09 DEALS | 4 | - | 1 | 2 | - | 1 | 2 | - | - | - | 5 | 1 | 2 | 1 | 10 | - | 29 |

Aggregate Dollars Raised per State August '08 v. August '09



ONBIOVC-INDEX™ vs. NASDAQ Biotech Index vs. Dow Jones Industrial Average



Comparing Apples to Bowling-balls:

The OnBioVC-Index™ tracks private bioscience venture investment activity on a relative basis and benchmarks this activity versus the performance of the public markets by charting against the Nasdaq Biotech Index and the broader Dow Jones Industrial Average.

For the month of August 2009, the pace of bioscience venture investment activity as tracked by the OnBioVC-Index™ dramatically slowed, perhaps as a function of typical summer slowdown. For the first time since Feb 2009 the OnBioVC™ Index underperformed, on a relative basis, the surging Nasdaq Biotech Index by a mere basis point and, maintained a 24 bps advantage over the similarly advancing Dow Jones Industrial Average.

The S&P500 index rose 3.4% during August and 50.9% since the March 9 bear-market bottom, nine of 10 sectors in the S&P 500 rose in the month. In an environment of rise public market caps Seattle, WA-based Omeros is planning to take advantage of the potentially thawing initial public offering market. This planned offering comes on the heels of Cumberland Pharmaceuticals who successfully raised approximately \$85M in their August 2009 IPO.

Data Sources: 1) Indicium Data 2) S&P Index Services 3) BNET Pharma 4) Zack's 5) Yahoo! Finance 6) Fierce Pharma

ONBIOVC.com TREND ANALYSIS

August '09

| COMPANY | ROUND | RAISE (\$M) | REGION | STATE | SECTOR | I° INDICATION |
|-------------------------------|-------|-------------|----------------|-------|------------|----------------------|
| 3-V Biosciences | B | 30.0 | West | CA | Biopharma | Antiviral |
| Acetylon Pharmaceuticals | A | 7.2 | North East | MA | Biopharma | Oncology |
| Adamas Pharmaceuticals | D | 40.0 | West | CA | Biopharma | Antiviral |
| AdvanDx | C | 8.0 | North East | MA | Diagnostic | Device (Diagnostic) |
| Alimera Sciences | C | 5.0 | South East | GA | Biopharma | Ophthalmology |
| Amyris Biotechnologies | C | 24.8 | West | CA | Biofuel | Biofuels |
| Barosense | D | 27.0 | West | CA | Device | Device (Obesity) |
| CardioMEMS | F | 22.1 | South East | GA | Device | Cardiovascular |
| Chimerix | E | 16.0 | South East | NC | Biopharma | Antiviral |
| CohereX Medical | B | 16.5 | Rocky Mountain | UT | Device | Device (Cardiology) |
| Complete Genomics | D | 45.0 | West | CA | Device | Device (Sequencing) |
| Constellation Pharmaceuticals | B | 17.2 | North East | MA | Biopharma | Oncology |
| Curemark | A | 6.5 | North East | NY | Biopharma | CNS |
| DNAexus | A | 1.5 | West | CA | Biopharma | Bioinformatics |
| Embrella Cardiovascular | B | 1.6 | North East | PA | Device | Device (Cardiology) |
| Enobia Pharma | C | 50.0 | International | EX | Biopharma | Hypophosphatasia |
| Gloucester Pharmaceuticals | D | 29.0 | North East | MA | Biopharma | Oncology |
| Inspired Technologies | B | 5.4 | North East | PA | Device | Device (Delivery) |
| iWalk | B | 20.0 | North East | MA | Device | Device (Prosthetics) |
| Jennerex Biotherapeutics | C | 5.1 | West | CA | Biopharma | Oncology |
| Kolltan Pharmaceuticals | A | 5.0 | North East | CT | Biopharma | Oncology |
| Liquidia | C | 7.0 | South East | NC | Biopharma | Drug Delivery |
| NiTi Surgical Solutions | F | 18.5 | International | EX | Device | Device (Closure) |
| Pacific Biosciences | E | 68.0 | West | CA | Device | Device (Sequencing) |
| Probe Scientific | A | 1.6 | International | EX | Device | Device (Fluid Assay) |
| ProFibrix | B | 11.0 | International | EX | Biopharma | homeostasis |
| Union Springs Pharmaceuticals | B | 5.0 | South East | KY | Biopharma | Antiinfective |
| ValenTx | B | 20.3 | West | CA | Device | Device (Obesity) |
| XDx | G | 14.4 | West | CA | Diagnostic | Device (Diagnostic) |

Based in Boulder, Colorado, OnBioVC provides timely coverage and comprehensive analysis of global bioscience venture capital investment activity.
www.OnBioVC.com

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Integrated Solutions for Emerging Life Science

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Modeled after successful medical research parks across the country, the Colorado Science + Technology Park at [Fitzsimons](#) offers an unrivaled range of opportunity to life science research and development companies of all sizes, from small start-ups to established industry leaders. Within the Park, more than six million square feet of corporate and bioresearch facility space are being developed for companies and firms focusing on the science and technology sectors.

From cutting-edge lab facilities to advanced technical support systems, everything at the Colorado Science + Technology Park at Fitzsimons is designed specifically for the life science industry - turnkey solutions are currently available. It's a place where the best and brightest will come together to take ideas from the bench to bedside; a place where creativity and collaboration reach critical mass.

Forest City Science + Technology Group is a division of Forest City Enterprises, a national real estate development firm founded more than 80 years ago and traded on the New York Stock Exchange. Forest City creates award-winning communities for people to live, work, and play.

The Science + Technology Group, recognized as one of the country's premiere developers of life science campuses, has a completed portfolio of over two million square feet and more than 5 million square feet of wet-lab and office space under development in several major US life science markets including Boston, Philadelphia, Baltimore, Chicago, and Denver.

Forest City Science + Technology Group has the vision, practical experience, and the capabilities to design, build, lease, fit out, finance, operate, and meet the complex needs of each client - from early stage to mature organizations.



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**THE
CBSA
ADVANTAGE**



The BioScience Industry in Colorado

Colorado's bioscience industry is poised to become one of the most exciting and advanced clusters in the country. The State is currently home to a thriving industry, comprised of over 400 biotechnology, medical device, pharmaceutical, health care providers, research institutions and those businesses that provide critical services and products to bioscience companies.

Opportunities for Growth in the Biosciences Industry

The pipeline of new technologies and new companies emerging from Colorado's research institutions is strong; the number of Colorado bioscience related companies and their employees are growing faster than the national average. At the center of this exciting growth is the Colorado Bioscience Association (CBSA), shaping the policies and developing the programs to help Colorado's companies grow and prosper.

**Become a Part of this World Class Bioscience Cluster.
Join the CBSA. For More Information Visit:
[www. CoBioScience.com](http://www.CoBioScience.com)**

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ABOUT

OnBioVC provides timely coverage and comprehensive analysis of global bioscience venture capital investment activity.

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