PRESS Release

Capsulution Nanosciences advances with drug delivery systems program

Further increase of capital strengthens development capacity

Berlin, February 27th, 2006 - In January the Capsulution NanoScience AG, a Berlin based nanotechnology company that is specialised in the development of innovative packaging systems for active substances, has successfully completed additional capital increases of more than 1.3 million Euro.

Over the next 12 months, the fresh capital will be used for the realization of supplementary preclinical trials with Capsulution's nanocapsules in order to validate their advantages in comparison to other common drug formulations in the area while transporting pharmaceutical agents within a living organism. The developers of Capsulution expect that the use of their nanocapsules will show a better performance in evaluating the bioavailability for poorly water soluble pharmaceuticals, resulting in a more effective and convenient therapy for the patient. Additional research is aiming for a targeted release of the medical substances within the organism in a time-controlled manner. The new effectiveness of the Capsulution nanocapsules could replace the common progress of multiple medication treatments especially for modern cancer therapy methods. For the international pharma clients, Capsulution's modern approach to encapsulation technology and innovative developments represents a unique opportunity to be a step ahead of the keen competition. A further part of the capital will be allocated to a joint development project in the medical device business aiming at combining Capsulution´s nano-encapsulation technology with medical products.

Capsulution develops innovative solutions for pharmaceutically active compounds - so-called drug delivery systems - to transport these safely and with increased effectiveness to the desired location of action in the human body. To achieve this, Capsulution applies its worldwide-patented nano-encapsulation technology – so called LBL-Technology®. Because of their minute size, their diverse functionalities as well as their highly reproducible production the capsules are suitable for a wide range of applications.

The latest shares have mainly been subscribed by Bernhard Penno, a private investor and entrepreneur from Germany. Another part of the shares has been subscribed as a follow-up investment by the KBB, a fund managed by BC Brandenburg Capital GmbH. "I'm fascinated by the strong benefit of Capsulution's products and their enormous market potential", said Bernhard Penno, the new private shareholder. "In addition, Capsulution's team is highly skilled and dedicated, thus ensuring a successful investment story to me."

For any further inquiries and information of Capsulution Nanoscience AG, please contact the mentioned contact persons.

About BC Brandenburg Capital GmbH
BC Brandenburg Capital is an early stage focussed venture capital company currently managing 5 funds. With over 10 years of market experience and an at present invested capital of more than EUR 40 million, BC accompanies over 40 enterprises as a partner and advisor. The main investment areas include Information and Communication Technology, Life Sciences, Microelectronics and Industrial Automation.

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About Capsulution NanoScience AG

Capsulution NanoScience AG develops innovative nano-sized capsules. The company applies its worldwide-patented so-called LBL-Technology®. Based on their minute size, their functionality and their highly reproducible production process the capsules can be used for a multitude of different applications. Accordingly, the precisely sized capsules can be made to function in a manner to suit the intended application, and can be given the appropriate biochemical, electrical, optical and magnetic properties as required by the customer.

In order to meet customers' needs for complete product solutions Capsulution has recently designated a Japanese licensee as the preferred developer, manufacturer and distributor for automated LBL-units. The contract, which included significant upfront payments as well as royalties for Capsulution, assures the easy adaptation of the LBL-capsule manufacturing process by Capsulution's industrial clients. Only six month after the signing of the licence agreement, EBARA has started operation of the first prototype plant (LBL-Unit®) for the manufacture of Capsulution's LBL capsules. The mobile unit will already be applied for first feasibility studies on behalf of several renowned Japanese industrial clients, who are active in the pharmaceutical, cosmetic and food sectors.

By applying Capsulution's proprietary nano-encapsulation technology clients expect significantly enhanced product properties, like the improvement of the bioavailability of novel cancer and asthma drugs in the human body as well as convenience and compliance. The pilot plant that took up operation at the beginning of October 2005 in Tokyo will initially produce between one and five kilograms of encapsulated active compounds per day.

Today, the Berlin-based company has 17 highly qualified employees. Amongst Capsulution's clients and partners are key industry players.

Press Release and Press Box online:
http://www.pressebox.de/pressefach/capsulution-nanoscience-ag