

**For immediate release
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Forbion Capital Partners leads \$33 Million Series C financing of PneumRx, Inc.

Naarden, The Netherlands, 4 January 2011 – Forbion Capital Partners today announces that it has led the Series C investment of PneumRx, Inc. with a syndicate of leading life sciences investors. PneumRx, a medical device company dedicated to bringing innovation and improvements to the treatment of lung disease raised \$33 million.

The oversubscribed Series C round was led by Forbion Capital Partners, co-led by Endeavour Vision and also included a prominent strategic corporate partner. The syndicate was joined by existing investors Adams Street Partners, Telegraph Hill Partners, Alta Partners, and Spray Venture Partners, among others. Silicon Valley Bank and Leader Ventures also contributed to the capital raise in PneumRx.

PneumRx recently established a subsidiary in Germany, PneumRx GmbH, and has begun selling its innovative RePneu Lung Volume Reduction Coil (LVRC) System in Europe. It plans to use the funds to expand European commercialization and to conduct an FDA-approved pivotal clinical trial to support a PMA application. PneumRx expects to begin its pivotal clinical trial in early 2011 and intends to submit its pivotal trial results to support a PMA application to be able to sell the RePneu LVRC System in the United States.

The RePneu LVRC System is a minimally invasive device intended to improve lung function in emphysema patients by bronchoscopically implanting Nitinol coils into the lungs to compress damaged tissue (lung volume reduction) and restore elastic recoil to the lung. This treatment offers a minimally invasive alternative to lung volume reduction surgery, and works independently of collateral ventilation. More than 1500 LVR Coils have been implanted to date in over 170 procedures. The LVRC System is CE Marked and is currently available in select markets in Europe, with plans for broader expansion.

“We are thrilled to have completed our Series C round and are pleased to add a top-tier med-tech corporate partner in this later financing round. We believe that this partnership will be extremely beneficial as PneumRx prepares for its future pivotal trial, commercialization and reimbursement efforts in the US. We also appreciate the addition of two prominent European venture firms to our board. We look forward to working more closely with Forbion and Endeavour Vision as we expand our commercial efforts in Europe,” said Erin McGurk, Founder, President and CEO of PneumRx, Inc. “2010 was an exciting year for PneumRx, receiving our CE Mark and achieving our first European sales and we look forward to expanding into the US in 2011, with our plans for our pivotal clinical trial. We are pleased to be able to bring our RePneu Lung Volume

Reduction Coil treatment to a greater number of emphysema patients suffering from this debilitating disease.”

Martien van Osch, Managing Partner at Forbion Capital Partners said, "PneumRx brings an effective therapy for a large group of emphysema patients. For most of these patients there are, to date, no good treatment alternatives. Over 1500 coils have been implanted to date and the safety and efficacy profile is very exciting. We are proud to lead this current financing round and to help the company establish a presence and commercial infrastructure in Europe."

Daniel Bertholet, Investment Director at Endeavour Vision, commented, "Having reviewed all the companies in this sector, I am convinced that PneumRx has developed the most promising Lung Volume Reduction device to treat emphysema patients and is likely to become the preferred clinical option in a few years. We are delighted to join the company in order to support both the European market launch and the pivotal clinical study."

Martien van Osch and Daniel Bertholet will both join the Board of Directors.

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Notes to editors:

About Forbion Capital Partners

Forbion Capital Partners is a dedicated Life Sciences venture capital firm with offices in Naarden, The Netherlands, and Munich, Germany. Forbion invests in life sciences companies in drug discovery & development as well as medical device companies addressing substantial unmet medical needs. Forbion's investment team of nine investment professionals has built an impressive performance track record since the late nineties with successful investments in Rhein Biotech, Crucell, Neutec, Glycart, Borealis, Impella, Alantox, Acorda, Fovea and PanGenetics. Current assets under management exceed \$500M, split between three active funds and comprising some 27 promising portfolio companies. Forbion Capital Partners Fund II is supported by the European Investment Fund through its ERP and LfA facilities. Forbion co-manages Biogeneration Ventures, an early stage fund focused on (academic) spin-outs and seed investments in the Netherlands.

For more information, please visit www.forbion.com.

About PneumRx, Inc.

PneumRx, Inc. is a rapidly growing medical device company focused on the development and commercialization of innovative products to treat emphysema using minimally-invasive techniques. It is a privately held company located in Mountain View, California. For more information, please visit www.pneumrx.com.

About Endeavour Vision

Endeavour Vision, located in Geneva, Switzerland, is a venture capital investment firm which globally invests in both the Life Sciences and Information/Communication Technology sectors. For more information, please visit www.endeavourvision.com.

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