

**FOR IMMEDIATE RELEASE**

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## **CATALYST BIOSCIENCES RAISES \$30 MILLION SERIES B FINANCING TO ADVANCE THERAPEUTIC PROTEASES**

**South San Francisco, CA, February 9, 2006** – Catalyst Biosciences, Inc., a privately held biotechnology company focused on engineering and developing novel therapeutic protease products, today announced it has raised \$30 million in its Series B financing.

The investment was led by Morgenthaler Ventures. Also participating in the financing was HealthCare Ventures and all of Catalyst's previous investors, including Sofinnova Ventures, Burrill & Company, RCT BioVentures and Novartis Venture Fund. In connection with the financing, Dr. Ralph "Chris" Christoffersen of Morgenthaler Ventures and Augustine Lawlor of HealthCare Ventures will join the Catalyst Board of Directors.

Proteases are naturally-occurring, protein-degrading enzymes that have been used against their normal physiological targets as safe, effective therapeutic agents for over fifteen years (for example, Genentech's Activase® and Eli Lilly's Xigris®). Catalyst is focused on significantly expanding the therapeutic application of proteases through high-throughput protein engineering. The Company's product discovery platform includes methods to rapidly create and optimize tailor-made protease drug candidates, called Alterases™, applicable across a broad spectrum of clinical categories.

"We are extremely pleased that Catalyst has attracted a group of exceptional new investors who share our vision for therapeutic proteases as a breakthrough platform for drug development," said David O'Reilly, president of Catalyst. "This financing provides Catalyst with the resources required to move its first two internal programs into clinical development and to continue to expand our Alterase product engine."

"Therapeutic proteases represent a class of molecules with the potential breadth and scope of antibodies, and with advantages including very high potency, automatic biomarker creation and rapid lead discovery," said Chris Christoffersen, general partner at Morgenthaler Ventures. "Catalyst is a very promising company that we believe has the opportunity to define and lead this new field, and to develop products to meet medical needs unmet by current approaches."

### **About Catalyst Biosciences:**

Catalyst Biosciences is developing the next generation of biopharmaceuticals by harnessing the catalytic power of proteases. Catalyst's product discovery platform

includes methods to rapidly create and optimize tailor-made protease drug candidates, called Alterases, applicable across a broad spectrum of clinical categories. Catalyst has focused its product development efforts in the areas of inflammation and cancer, where it has clearly demonstrated the advantages of protease therapeutics for important classes of disease targets. For more information, visit [www.catbio.com](http://www.catbio.com).

**About Morgenthaler Ventures:**

Founded in 1968, Morgenthaler is a leading, national venture-capital firm with offices in Menlo Park, CA (headquarters); Boston, MA; Cleveland, OH; Boulder, CO; and Princeton, NJ; and with an investment focus on life sciences and information technology. Morgenthaler's biotech investments, past and present, include such companies as Athena Neurosciences, Avidia, Bayhill Therapeutics, GlobeImmune, Morphotek, Orexigen, Replidyne, Ribozyme Pharmaceuticals, Sequana Therapeutics, Threshold Pharmaceuticals, and Vical. Morgenthaler has a total of \$2.5 billion under management. Its most recent fund, capitalized at \$450 million, was raised in October of 2005. The firm ([www.morgenthaler.com](http://www.morgenthaler.com)) has funded more than 200 companies over its 37-year history.

**About HealthCare Ventures**

HealthCare Ventures is one of the world's largest venture capital firms specializing in health care, making investments in early stage and emerging growth companies that have the potential for exceptional growth. The firm has successfully raised and managed eight funds in the past eighteen years. HCV brings together scientists to create biopharmaceutical companies positioned to exploit important advances in medical science. HCV has started leading biopharmaceutical companies in genetic therapy, genomic sciences, drug discovery and delivery, neuroscience, cancer therapy, and organ and cellular transplantation. HCV's general partners work closely with portfolio company management on strategy, planning, recruitment, funding, corporate partnerships, business development and commercial development.