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PRESS RELEASE

DIREVO Announces Sale of its Subsidiary DIREVO Industrial Biotechnology GmbH and Series A Financing

Cologne (Germany), September 16, 2008 – DIREVO Biotech AG announced today the sale of its fully owned subsidiary DIREVO Industrial Biotechnology GmbH that was incorporated recently for an undisclosed cash amount to a group of investors. In addition, the new company completed a EUR 8 million financing in the form of Series A Preferred Stock. The participating institutions included Bankhaus Wlbern (Hamburg) and NRW Bank (Dsseldorf) as lead investors, TVM-Capital (Munich), Danisco A/S (Copenhagen), a Sparkasse KlnBonn (Cologne) affiliated private equity firm, Signet Healthcare (New York), Mulligan BioCapital (Hamburg), several private investors, including Nobel laureate Prof. Dr. Manfred Eigen, and management.

The company received from its parent company DIREVO Biotech AG, which was recently acquired by Bayer HealthCare AG, exclusive access to the DIREVO technology platform for all markets and applications outside the field of biopharmaceuticals development and has the rights to duplicate the DIREVO technology platform and for its application in its field of business. The Company currently has a total of 17 full time employees and receives administrative and technical services from the parent company until successful build up of its own capabilities which is expected to be completed within a year from now.

"This is part of the overall company strategy towards maximizing the value of DIREVO's technologies and capabilities", said Dr. Thomas von Rden, CEO of DIREVO Biotech AG.

"Having dedicated investors to the IBT business and having closed our series A financing will enable DIREVO Industrial Biotechnology GmbH to rapidly build-up our own capabilities in protein engineering and strain optimization", Anindya Mukherjee, Managing Director of IBT GmbH, added.

"Following the tremendous success story with the DIREVO Biotech AG acquisition by Bayer HealthCare AG, we are now looking forward to building a leading Industrial Biotechnology company", concluded Prof. Dr. Heinrich Schulte, speaking for the group of investors.

DIREVO Industrial Biotechnology GmbH

DIREVO Industrial Biotechnology GmbH was formed as a spin-out from DIREVO's industrial biotechnology business unit and AC Biotec GmbH.

The company focuses on Food & Feed and Biorefinery markets and provides solutions through discovery, development and scale up of enzymes and strains. It develops products both independently and with global leaders such as Danisco/Genencor and Nestl. For example, a collaboration with Danisco A/S has yielded a significantly improved enzyme which is marketed as part of a Danisco/Genencor product.

The company is lead by Mr. Anindya Mukherjee, who joined DIREVO from DSM in the year 2007, and Dr. Hans-Gnter Brnker, who joined DIREVO coming from amaxa AG beginning of the year 2008. Additional members of the senior management team are Dr. Henrik Moellgaard as Head of R&D, joining from Christian Hansen in 2007, and Dr. Simon Curvers Managing Director of AC Biotec GmbH that was acquired in 2007.

DIREVO Industrial Biotechnology GmbH is privately held and located in Cologne, Germany. Additional information is available at: www.direvo.com

About Bankhaus Wölbern

The Wölbern Group initiates private equity investments via fund solutions of the issuing house Wölbern Invest AG and direct investments via Wölbern EquityPartner AG, 100%-subsidiary of Bankhaus Wölbern. The inducement of the investments within the frame of fund solutions is Prof. Dr. Heinrich Maria Schulte, Wölbern-Owner, medic and entrepreneur. The investor and co-founder of successful biotechnology companies is setting new investment trends with investments in new industries as well as in classical buyouts.

About NRW.Bank

As the state development bank of North Rhine-Westphalia, NRW.BANK has implemented a wide range of financial development tools. Promoting technology and innovation is one of the main tasks of NRW.BANK. The NRW.BANK.Venture Fonds with a total volume of EUR 40 million is able to provide equity financing for early stage companies. Financing for technology-oriented companies in the seed phase is offered by the NRW.BANK.Seed Fonds. Mid cap companies with strong growth potential benefit from the NRW.BANK.Mittelstandsfonds, which invests equity capital up to 7 million. With total assets of approximately EUR 150 billion, NRW.BANK is the largest institution among Germany's regional development banks. More information: www.nrwbank.de.

About TVM Capital Life Sciences

The TVM Capital Life Sciences Practice with €820 million (\$1.26B USD) under management is one of the largest venture and growth investors in biotechnology and pharmaceuticals in Europe and the US, with a growing presence in Asia and the Middle. Twenty years of successful investing and value creation, in traditional early and late-stage venture as well as venture growth and growth capital, makes the TVM Capital Life Science Practice a unique partner for the needs of the biotechnology and pharmaceutical industry. Founded in 1983, TVM Capital is headquartered in Munich with offices in Boston and New York. More information: www.tvm-capital.com.

About Danisco A/S

With a rich and innovative portfolio, Danisco is a world leader in food ingredients, enzymes and bio-based solutions. Using nature's own materials, science and the knowledge of our 9,500 people, we design and deliver bio-based ingredients that meet market demand for healthier and safer products. Danisco's ingredients are used globally in a wide range of industries – from bakery, dairy and beverages to animal feed, laundry detergents and bioethanol – offering functional, economic and environmental benefits. Headquartered in Denmark and operating from more than 120 locations, Danisco's key focus is to become our customers' First choice and a truly market-driven global business. In addition, we have one of the most efficient sugar production platforms in Europe. Find out more at www.danisco.com.

About Sparkasse KölnBonn

Sparkasse KölnBonn is the largest communal savings bank under public law in Germany. Besides a full range of banking services to retail and corporate customers they also offer equity solutions: Private equity and Mezzanine for established midsize companies and venture capital for innovative high-growth companies. The venture capital investments of Sparkasse KoelnBonn are always realized together with other investors well versed in the particular industry and are concentrated on the area around the two cities Cologne and Bonn. Biocampus Cologne, one of the major biotechnology parks in Germany, where DIREVO is located, is also part of their portfolio.

About Signet Healthcare Partners

Signet Healthcare Partners was founded in 1998 with the establishment of the Corporate Opportunities Funds. Since 1998, we have organized three funds and completed investments in approximately 27 companies. The team is comprised of five professionals with principal offices in New York City. This team brings over 100 years experience of collective healthcare experience in the specialty pharmaceutical, medical device, private equity and investment banking businesses. For the past nine years, Signet Healthcare has maintained its dedicated focus to diversified healthcare investments - primarily serving as lead investor to expansion stage companies engaged in specialty pharmaceuticals, medical devices and the pharma services industries.