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Aerovance Secures \$20 Million in Debt Financing

BERKELEY, Calif., March 28, 2008 – Aerovance Inc. today announced it has secured \$20 million in venture debt financing. Oxford Finance Corporation led the syndicate, which includes Silicon Valley Bank and Comerica Bank. Aerovance drew down \$10 million from the financing line at closing. The remaining \$10 million is available upon the achievement of corporate milestones.

“This financing reflects continued interest and enthusiasm in Aerovance and our clinical programs,” said Mark Perry, Aerovance’s president and chief executive officer. “With this additional capital, we will continue to pursue our strategic goals, including a global partnership for our lead program, Aerovant™, and to build value in the company through development of our respiratory and inflammatory disease candidates.”

Aerovant™ is a recombinant human IL-4 variant that is a potent inhibitor of both the IL-4 and IL-13 receptors. Aerovance acquired the worldwide rights to the drug candidate when the company was formed as a spin-out of Bayer Pharmaceuticals Corporation in 2004.

Aerovance Inc. is a Berkeley, Calif.-based biopharmaceutical company focused on the development and commercialization of breakthrough therapies for the treatment of respiratory and inflammatory diseases. For more information, visit www.aerovance.com.

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