



Press Release

ESBATEch AG
Wagistr. 21
CH-8952 Zurich-Schlieren
Switzerland

Phone +41-44-733 4900
Fax +41-44-733 4990

Zurich, Switzerland – February 25, 2008

ESBATEch's Antibody Fragments Demonstrate Penetration into the Eye with Topical Delivery via Eye Drops

Preclinical results to be presented at two international scientific meetings

ESBATEch AG, a leading developer of antibody fragment therapeutics, today announced that it has achieved high concentrations of its antibody fragments in all segments of the eye with topical delivery via eye drops. These data were confirmed in several independent preclinical *in vivo* tests. Anticipated therapeutic concentrations of ESBATEch's antibody fragments were observed in the anterior chamber (front of the eye) and in the posterior segments (back of the eye) including vitreous humour, retina, and choroid. ESBATEch's lead antibody fragment ESBA105 is a TNF α antagonist that is scheduled to enter clinical development later in 2008.

ESBATEch also announced today that it will present its preclinical eye penetration data at two upcoming scientific conferences. Dominik Escher, Ph.D., ESBATEch's Chief Executive Officer will present at *Antibody Engineering Asia* in Singapore on February 26, 2008. David Urech, Ph.D., Head of Research & Development at ESBATEch will present at the *ISOPT 2008* (International Symposium on Ocular Pharmacology and Therapeutics) in Budapest on February 29, 2008.

Dr. Urech commented, "ESBATEch's proprietary, repeatable screening platform was employed and generated multiple promising antibody fragment product candidates against several targets for topical ophthalmic use. Antibody fragments have a number of advantages over whole antibodies, resulting from their smaller molecular size. The primary advantage of human antibody fragment is their ability to penetrate tissues much better than whole antibodies. We believe that with our highly stable and monomeric single-chain antibody fragments, we now meet the protein requirements that allow for sufficient delivery of immune binders into all segments of the eye via eye drops."

Dr. Escher added, “These exciting results provide the basis to proceed into clinical development later this year. Based on these pharmacodynamic properties, in combination with the reported concentrations of relevant cytokines from patients, we are confident that we can hit the therapeutic window in the chosen ophthalmic indication.”

About Antibody Fragments

Antibody fragments are an emerging area of focus within the monoclonal antibody market and represent a new class of therapeutics. Due to their smaller molecular size, antibody fragments have a number of advantages over whole antibodies. Antibody fragments comprise only the naturally occurring antigen-binding pocket of the monoclonal antibody, and not the Fc part that is required to trigger an immune response. This new class of new products opens applications which are advantageous compared to monoclonal antibodies in indications where no such immune response is required. Thus, endogenous proteins are preferred targets for these new biologics.

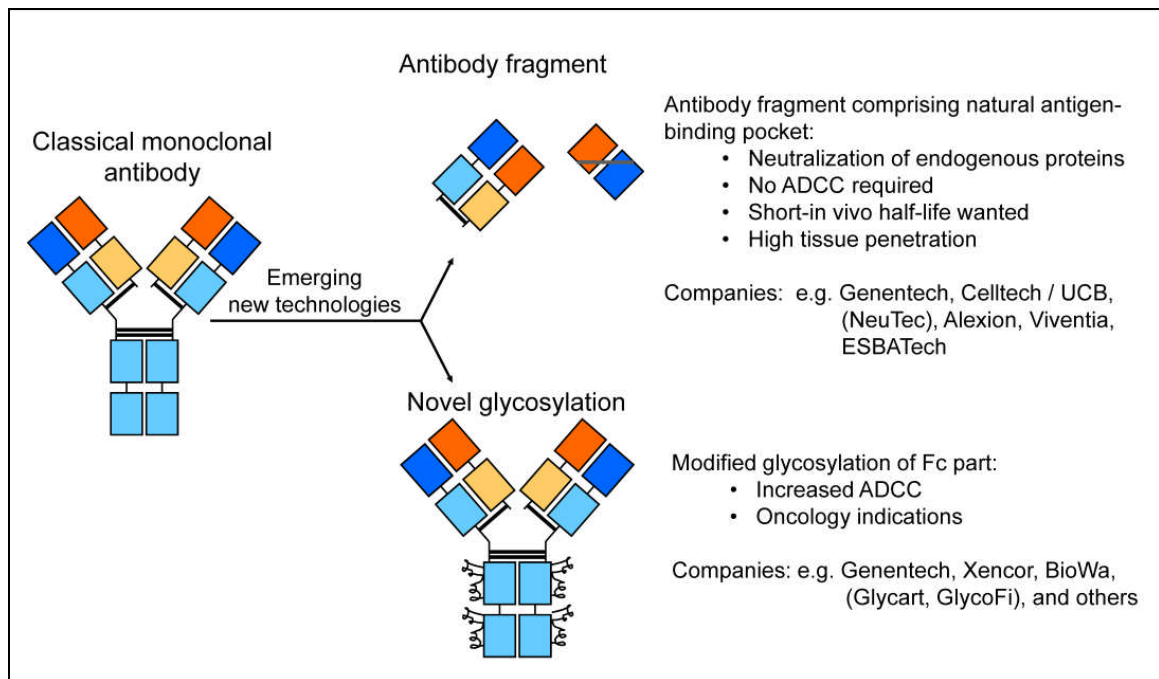


Fig. 1 Emerging technologies open new applications of monoclonal antibody including antibody fragments, which comprise the naturally occurring antigen-binding pocket of the monoclonal antibody.



About ESBATEch AG

ESBATEch AG is a Zurich, Switzerland-based, privately held drug discovery and development company focused on advancing antibody fragments for therapeutic applications. The company applies its proprietary, fully human single-chain antibody frameworks to generate product candidates against targets of clinical relevance. ESBATEch is focused on delivering high concentrations of its therapeutic antibody fragments to the targeted sites, in combination with extremely low systemic load, in order to achieve low risk of systemic drug reactions using topical and local delivery. Current venture investors include SV Life Sciences, Clarus Ventures, HBM BioVentures, HBM BioCapital, Novartis Venture Fund, BioMedinvest and VI Partners. For more information about ESBATEch, please visit, www.esbatech.com.

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Contacts:

Europe:

Dr. Dominik Escher

CEO

ESBATEch AG

+41-44-733 49 00

escher@esbatech.com

US:

Donna L. LaVoie or Bryan P. Murphy

LaVoie Group

978-745-4200 X103 or X105

dlavoie@lavoiegroup.com

bmurphy@lavoiegroup.com