



## **FOR IMMEDIATE RELEASE**

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### **AVEO Pharmaceuticals Closes \$53 Million in Series D Funding**

Cambridge, MA – May 3, 2007 – AVEO Pharmaceuticals, a biopharmaceutical company focused on the discovery and development of novel, targeted cancer medicines, today announced that it has closed a \$53 million Series D financing. Proceeds from this financing will be used to accelerate the development of AVEO’s pipeline of novel, clinical-stage cancer therapies.

Participants in the oversubscribed round include new investors Biogen Idec, Bessemer Venture Partners, Merlin BioMed Group, Mitsubishi UFJ Financial Group and Vatera Holdings, an investment vehicle owned by Michael Jaharis, founder of Kos Pharmaceuticals. In addition, this round includes a \$10 million equity investment from Schering-Plough Corporation as part of the recently announced collaboration agreement to develop and commercialize AVEO’s AV-299, a novel anti-HGF antibody. This round also included new funding from AVEO’s current institutional investors: Highland Capital Partners, Venrock Associates, MPM Capital, Prospect Ventures, Flagship Ventures, Oxford Bioscience Partners, Greylock Partners, Lotus Biosciences and GE Capital.

“Attracting additional capital from leading investors and biopharmaceutical organizations at a substantially increased valuation is a testament to the progress we have made over the last five years and the significant commercial potential of our growing pipeline of targeted cancer therapies,” said Tuan Ha-Ngoc, president and CEO of AVEO Pharmaceuticals. “This funding further strengthens our ability to aggressively advance our lead oncology product candidates into the next stage of clinical trials, while continuing to explore opportunities to build our pipeline both internally and through strategic acquisitions or licensing of exciting preclinical or clinical targeted oncology compounds.”

AVEO is leveraging breakthrough discoveries in cancer genetics to guide the development of novel, targeted therapeutics. AVEO’s unique, differentiated expertise in cancer biology enables the company to pursue highly efficient clinical development strategies in oncology and provides a discovery engine for high-value targets. This

approach has resulted in a balanced pipeline of novel cancer therapies focused on well-validated targets (VEGFR, EGFR), as well as promising novel targets (HGF). Through a combination of internal drug discovery and selective in-licensing of targeted therapeutics, AVEO is building a diversified product pipeline and moving toward its vision of becoming a fully integrated biopharmaceutical company.

“Bessemer Venture Partners seeks to invest in biopharmaceutical companies pursuing high-potential new drugs for important diseases with unmet needs. AVEO has been built on some of the most important new science aimed at bringing genetics and molecular biology to bear on the treatment of cancer. Combining world-leading basic biology research with proven management experience, AVEO has constructed an exciting portfolio of opportunities,” commented Christopher Gabrieli, senior partner at Bessemer Venture Partners. “We are delighted to be able to join such an experienced and proven management team, outstanding group of investors and top-tier pharmaceutical partners.”

### **About AVEO**

AVEO is a private biopharmaceutical company focused on the discovery and development of novel, targeted cancer therapeutics. The company utilizes its proprietary, genetically-defined cancer models for the identification and validation of novel cancer targets, and has begun to build an impressive portfolio of drug discovery and development programs around these high-value targets. AVEO also uses its Human Response Prediction™ Platform to identify genetic profiles that correspond with patient responsiveness. AVEO expects to commence Phase 2 clinical studies in the third quarter of 2007 for AV-951, its oral, second-generation VEGF receptor inhibitor and most advanced clinical program. AV-412, AVEO’s EGFR/HER2 inhibitor, is currently in Phase 1 clinical trials. AV-299, a novel anti-HGF mAb, is currently being manufactured by XOMA under a supply agreement in anticipation of entering the clinic in early 2008. AVEO is located in Cambridge, Massachusetts. For more information, please visit the company's website at [www.aveopharma.com](http://www.aveopharma.com).

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