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MacroGenics Completes Series B Financing

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MacroGenics, Inc., a growing biotechnology company developing antibodies and vaccines to treat cancer, autoimmune disorders, and infectious diseases, announced the completion of its Series B financing of \$30.5M led by Alta Partners and TPG Ventures. Participants in this new round of financing include Mithra Group, Red Abbey Venture Partners, and Emerging Technology Partners, in addition to current Series A shareholders, InterWest Partners, MPM Capital, OrbiMed, Cogene BioTech Ventures, Vivo Ventures, and Hunt Ventures.

We are fortunate to have such an esteemed group of new investors join our current shareholders to help finance the next phase of the company, commented Dr. Scott Koenig, President and CEO. We have made tremendous progress over the past two years in developing lead therapeutic candidates for treating antibody-mediated autoimmune diseases and cancer, while advancing our core platform in antibody engineering. Capital raised in this financing will be used to support the clinical development of these product candidates as well as recent in-licensed opportunities in infectious diseases.

MacroGenics unique understanding of the interaction of antibodies with their receptors has created a best-in-class antibody engineering platform and generated several exciting and novel clinical and preclinical product candidates that have the potential to treat autoimmune disorders, cancer and infectious diseases, commented Ed Hurwitz, General Partner of Alta Biopharma III and new member of the Board of Directors at MacroGenics. The proceeds of this financing will allow MacroGenics to deliver clinical proof-of-concept on several products and firmly establish the company as a leading next-generation antibody therapeutics company.

We are delighted with the opportunity to work with an outstanding and accomplished management and founder team, as well as a terrific group of investors to continue the effort to build an important new biotherapeutics company, remarked Dr. Geoffrey Duyk, Managing Director at TPG Ventures. Dr. Duyk will also join the Board of Directors at MacroGenics following the financing.

About MacroGenics

MacroGenics, Inc., incorporated in 2000 by scientific founders Dr. Jeffrey Ravetch from Rockefeller University, and Drs. Lee Hood, Alan Aderem, and Ruedi Aebersold of the Institute for Systems Biology, has been actively engaged in exploiting technologies related to the biology of Fc receptors expressed by immune cells and the Fc region of the antibody molecule, along with tools of proteomics and genomics to identify new therapeutic targets. Two of the product candidates to emerge from initial discovery efforts became part of a co-development agreement with Genzyme Corporation in October 2003 and the first of these molecules is expected to enter clinical testing in early 2005. A recently in-licensed attenuated vaccine to prevent West Nile virus (WNV) infections is planned to begin Phase 1 clinical studies later this year in a trial sponsored by the Laboratory of Infectious Diseases, National Institute of Allergy and Infectious Diseases, part of the National Institutes of Health. MacroGenics will be responsible for manufacturing and clinical development following the initial trial. Two therapeutic antibodies, one to treat patients with diseases caused by WNV and the other to treat individuals with lymphoma, are completing their pre-clinical development and are expected to enter clinical testing by early 2006. The company has identified a number of other promising targets and lead molecules that are being evaluated as future antibody and vaccine candidates. To date, the company has raised \$61.7M in venture-backed financing.

About Investors

Alta Partners was founded in 1996 by four of the senior partners of Burr, Egan, Deleage & Co. (BEDCO), a pioneering venture capital firm formed in 1979 that focused on early-stage investing in life sciences, information technology, and communications. Alta Partners currently manages seven funds aggregating approximately \$1.5 billion in committed capital, and has had nine IPOs to date in 2004. As one of the most active life science investors, Alta Partners has funded over 120 companies at opportunities from company formation through late-stage. For more information please visit us online at altapartners.com.

TPG Ventures closed their first institutional fund in 2001 with over \$500 million in capital. Their investment focus is on

information technology and biotechnology companies, with an emerging practice in consumer-based acceleration opportunities. TPG Ventures is an affiliate of Texas Pacific Group, a private equity investment firm founded in 1993 with offices in San Francisco, Fort Worth, and London. Texas Pacific Group and its affiliated partnerships have aggregate committed capital of more than \$13.5 billion, with more than \$2.7 billion invested in technology and telecommunications worldwide (www.tpgventures.com)

InterWest Partners (www.interwest.com), founded in 1979, is a leading diversified venture capital firm focused on building long-term relationships with entrepreneurs and portfolio companies. With more than \$2 billion of capital raised, including its new investment fund of \$600 million, InterWest has 11 experienced partners in Menlo Park, CA and Dallas, TX, who bring together deep domain knowledge in life sciences and information technology. InterWest Partners has consistently helped grow some of the most influential companies in information technology and life sciences. The firm's investments in life sciences include: ArthroCare (ARTC), Cor Therapeutics (CORR; acquired by Millennium Pharmaceuticals, MLNM), Corgentech (CGTK), Corixa (CRXA), Coulter Pharmaceutical (CLTR; acquired by Corixa Pharmaceuticals, CRXA), Cubist Pharmaceuticals (CBST), Epicor Medical (acquired by Saint Jude Medical, STJ) Inspire Pharmaceuticals (ISPH), Myogen (MYOG), Spinal Dynamics (acquired by Medtronic, MDT), TheraSense (THER; acquired by Abbott Labs, ABT) and Ventritex (VNTX; acquired by St. Jude Medical, STJ).

MPM Capital L.P. is a global investment management firm focused solely on life sciences investing. One of the largest investment management firms dedicated to the life sciences sector, MPM Capital has offices in Boston, San Francisco, and Munich. MPM's portfolio includes early stage start-ups as well as large capitalization public companies, representing biopharmaceutical and medical device companies, encompassing platform technology as well as product-driven opportunities. The firm manages over \$2.1 billion in assets through the MPM BioVentures Family of venture capital funds and the MPM BioEquities public market funds. For additional information, please visit www.mpmcapital.com.

Mithra Group is a Boston-based venture capital firm with \$100 million in committed capital. Founded in February 2004, Mithra Group invests in high growth life sciences companies in both the US and India that are focused on the generation of new therapies, diagnostics and technologies which contribute to improved medical care. For more information visit: www.mithragroup.com.

OrbiMed is a preeminent asset management firm focused exclusively on the global health sciences industry, with over \$5 billion in assets under management across a family of private equity funds, hedge funds and other investment vehicles. OrbiMed invests across the industry spectrum: from small privately-held drug discovery and medical device companies to large publicly-traded global pharmaceutical companies. OrbiMed's investment team includes 15 experienced professionals with expertise in science, medicine, finance, law, and business development. OrbiMed seeks to be the capital provider of choice for life sciences companies pursuing growth and new opportunities by assisting, where appropriate, with financial, strategic and operational objectives.

Red Abbey Venture Partners is a value-added co-investor which recently closed on a \$50 million fund to invest in life sciences companies with high quality management teams, novel therapeutics, and proprietary, disruptive technologies. Formed in December 2003 by Frank Bonsal, Philip Goelet, Skip Klein, and Matt Zuga, Red Abbey is based in Baltimore, MD and can be reached at www.redabbey.com or (410) 494-4230.

Emerging Technology Partners, LLC is a Rockville, Maryland based venture capital fund focused on equity investments into exceptional life sciences companies.

Vivo Ventures is a life sciences focused venture capital firm formed in 1996 with more than \$200 MM under management. The firm has over 90 years of scientific, medical, and operational expertise in biotechnology, and more than 60 private and public life sciences companies are represented across the four funds in its portfolio.

Cogene BioTech Ventures is a life sciences and health care venture capital firm based in Houston, Texas. Cogene's core business is based on early-stage and expansion-stage venture investing across the broad spectrum of life sciences, including biopharmaceuticals and biotechnology platforms that enable better, faster and cheaper therapeutic drug discovery. Other areas of investment focus include bionanotechnology, therapeutic medical devices and health care IT / software.

Hunt Ventures, based in Dallas, makes life sciences and technology investments in early stage companies and is a part of Ray L. Hunt's Hunt Consolidated, Inc., which includes oil and gas, real estate and private equity investments.

CONTACTS FOR PRESS RELEASE

Dr. Scott Koenig, CEO; KoenigS@macrogenics.com; 301-354-0680

Mr. Michael Richman, COO; RichmanM@macrogenics.com; 301-354-0681