



PhaseBio Pharmaceuticals, Inc. Raises \$25 Million in Series B Funding, Initiates Collaboration with OSI Pharmaceuticals

Research Triangle Park, NC January 7, 2010 - PhaseBio Pharmaceuticals, Inc. (PhaseBio™), a leading company in the discovery and development of therapeutic fusion proteins based on its proprietary Elastin-Like Polypeptide (ELP) technology, has raised \$25 million in a Series B financing round. New investors New Enterprise Associates (NEA) and OSI Investment Management, a subsidiary of OSI Pharmaceuticals (OSI), led the round, with participation from existing investors Hatteras Venture Partners, Johnson & Johnson Development Corporation and Fletcher Spaght Ventures.

“We are excited to add NEA and OSI to our group of existing investors that have provided strong support to the company,” said Christopher Prior, Ph.D., Chief Executive Officer of PhaseBio Pharmaceuticals. “The financing provides us funding that will allow us to build our pipeline of ELP-based therapeutics including advancing our lead programs through Phase 1/2 proof-of-concept studies in patients.”

In conjunction with the financing, NEA General Partner James Barrett, Ph.D., and Principal Justin Klein, M.D., J.D., will join PhaseBio’s Board of Directors as will Robert Ingram, the former CEO/Chairman of GlaxoWellcome. Mr. Ingram is also a partner at Hatteras Venture Partners.

“PhaseBio’s therapeutic platform has the potential to deliver best-in-class biologics addressing numerous diseases. The company has made excellent progress in the establishment of their discovery capabilities and the progress of their pipeline,” said Dr. Barrett. “We are pleased to join the company’s Board of Directors and look forward to working closely with this talented team to advance the company’s promising portfolio of bio-therapeutics.”

Additionally, the company announced that it has executed a Product Option Agreement with OSI Investment Management. “We were very attracted to PhaseBio’s expertise in fusion protein technology and their ELP platform,” stated Dr. Anker Lundemose, Executive Vice President Corporate Development & Strategic Planning of OSI Pharmaceuticals. “In particular, the experience that Chairman Craig Rosen and CEO Chris Prior have had in successfully developing multiple therapeutic fusion proteins attracted us to this program. We look forward to the scientific team at PhaseBio bringing forward promising opportunities for clinical development.”

Craig Rosen, Executive Chairman of PhaseBio stated, “This company’s transformational ELP technology will create a variety of exciting product opportunities in the coming years.”

About PhaseBio Pharmaceuticals, Inc.

PhaseBio Pharmaceuticals, Inc. (PhaseBio), located in Research Triangle Park, NC, is a development stage, privately held protein engineering company focused on developing the next generation of biopharmaceuticals. The company's versatile technology is based on biopolymers of elastin-like repeating subunits to which drugs can be attached or peptides and proteins genetically fused, enhancing the pharmacology and delivery of therapeutics.

About New Enterprise Associates

New Enterprise Associates, Inc. (NEA) is a leading venture capital and growth equity firm focused on helping entrepreneurs build transformational businesses across multiple stages, sectors and geographies. With approximately \$11 billion in committed capital, NEA invests in information technology, healthcare and energy technology companies at all stages in a company's lifecycle, from seed stage through IPO. Since the firm's founding in 1978, NEA's experienced management team has invested in over 650 companies, of which more than 165 have gone public and more than 265 have been acquired. In the U.S., NEA has two offices in the Washington, D.C. metropolitan area and one in Menlo Park, California. In addition, New Enterprise Associates (India) Pvt. Ltd. has offices in Bangalore and Mumbai, India and New Enterprise Associates (Beijing), Ltd. has offices in Beijing and Shanghai, China. For additional information, visit www.nea.com.

Contact:

June Edgerton
june.edgerton@phasebio.com
919-535-8861
4020 Aerial Center Parkway, Ste. 101
Morrisville, NC 27560