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MPM Capital Makes First Investment in Indian CRO Sai Advantium

South San Francisco, CA -- May 13 -- MPM Capital, the largest venture capital investor dedicated solely to healthcare, announced today that it has made a \$20 million investment in Sai Advantium Pharma, a leading chemistry-driven drug discovery and development service company headquartered in Hyderabad, India. This is the first new capital investment in Sai Advantium, MPM Capital's first investment in India, as well as one of the largest life sciences venture capital investments made in the country thus far. MPM Managing Director William Greene, M.D. is joining Sai Advantium's Board of Directors. Sequoia Capital is an existing investor and also has representation on the company's Board of Directors.

According to Dr. Greene, "We have been evaluating investment opportunities in India for some time, looking for quality management teams in the life sciences who are leading companies poised for dramatic growth. Sai Advantium stood out as a leader in one of the most exciting emerging areas for global biotech and pharma, namely the outsourcing of drug discovery and development support. We have been deeply impressed by the determination of the founders and senior management team to be the best in this critical space.

Dr. Greene added, "The company is adding capabilities and building an absolutely world class team of scientists who know how to develop complex molecules and who understand what pharma and biotech partners really need and want. Already a leader in servicing the small- and mid-size biotech community, the capital improvements, decision and customer support tools and capacity expansions made possible by this investment should position Sai as the preferred partner for global pharma players of any size."

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MPM indicated that it intends to help the company approach biotechnology companies in its own network as well as big pharma partners with which it has strong relationships. Several of its portfolio companies are already enthusiastic customers, Dr. Greene noted.

He continued, “The pressure on global drug companies to increase productivity and reduce costs continues to escalate, and Sai is in a position to respond. In fact, analysts project that the global preclinical discovery and development outsourcing industry is poised to grow to \$20 billion by 2010.”

Dr. Ranga Raju, Sai Advantium Chairman & CEO, said, “We are delighted to have an investor and partner with great domain expertise and investment success. They bring to us a great perspective on the emerging needs of our customer, willingness to work with us to build our range and depth of services and give us reach into great scientific leadership.”

About Sai

Sai Advantium Pharma is a leading integrated pharmaceutical services company offering services in Medicinal Chemistry, DMPK, Process Development, GMP Manufacturing and Pharmaceutical development, and supports discovery & development efforts of leading pharmaceutical and biotech customers worldwide. Sai with locations in Hyderabad and Pune, India has a professional team of over 760 people, with great scientific talent from the best companies and universities worldwide.

About MPM

MPM Capital is the world's largest dedicated investor in life sciences. With committed capital under management in excess of \$2.5 billion, MPM Capital is uniquely structured to invest globally in healthcare innovation. In addition to its MPM BioVentures family of venture capital funds, MPM Capital invests in the public markets through its MPM BioEquities hedge fund. Primarily in biotechnology and biopharmaceuticals, but also in medical devices, MPM Capital has seamlessly integrated its private and public platforms to focus on innovation in healthcare and, thereby, delivering exceptional returns to investors. MPM Capital is the manager of the MPM BioVentures and MPM BioEquities family of funds - two distinctly different but highly complementary investment platforms.

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