



### **Aileron Therapeutics Closes \$40 Million Series D Financing**

**-Company Developing Novel Class of Stapled Peptide Drugs as Technology Platform for Historically Undruggable Targets-**

Cambridge, MA – June 8, 2009 Aileron Therapeutics, a biotechnology company discovering and developing a novel class of therapeutics called Stapled Peptides, announced today it has closed a \$40 million Series D financing. The financing was co-led by new investors SR One Ltd., the independent corporate venture fund of GlaxoSmithKline (NYSE: GSK), and Excel Medical Fund. The round also included major participation by existing investors: Apple Tree Partners, who is the founding investor of Aileron, and Novartis Venture Fund. Lilly Ventures and Roche Venture Fund also participated in the offering.

Proceeds from the financing will be used to advance Aileron's lead Stapled Peptide program toward clinical trials in 2010 and to further advance the Stapled Peptide platform and programs in oncology, immune/inflammation, metabolic disease, and infectious disease. Stapled Peptides are synthetically locked, or 'stapled', into an alpha-helical shape to create drug compounds that are uniquely effective for targets that are 'undruggable' with currently available drug approaches. In previous financings, Aileron has raised \$20 million in funding.

"We believe that Stapled Peptides could represent a 'fourth estate' in therapeutics, emerging as a major class akin to small molecules, antibodies and vaccines," said Michael Diem, M.D., Partner at SR One. "The strength of the technology and team at Aileron will ultimately lead to a fundamental paradigm shift in how disease is treated and we are thrilled to be a part of Aileron's future."

"We have now demonstrated, in multiple pre-clinical studies, the powerful potential that Stapled Peptides represents in the treatment of cancer, and our progress highlighting the applicability of Stapled Peptides to a wide variety of diseases is what catalyzed the excitement and success of this financing round," said Joseph A. Yanchik, III, Chief Executive Officer of Aileron Therapeutics. "The timing of the financing round and the caliber of the participants is further validation of the growing belief in the transformative potential of this novel class of therapeutics and the need for breakthrough technology platforms that will offer significant new growth avenues for the pharmaceutical industry."

As part of the closing of this financing transaction, Michael Diem, M.D., Partner at SR One, and Enrico Petrillo, M.D., Managing Director of Excel Medical Fund, will join the board of directors of Aileron. They join existing board members, Seth Harrison, M.D., Chairman of Aileron and Managing General Partner of Apple Tree Partners, Campbell Murray, M.D., Managing Director of Novartis Venture Funds, and Joseph A. Yanchik III, CEO of Aileron.

"The progress to date of Aileron has been very impressive, with a consistent flow of promising data showing the potential of Stapled Peptides to be effective therapeutics for targets that have been 'undruggable' with today's drug approaches," said Campbell Murray, M.D. Managing Director of Novartis Venture Funds. "We look forward to working with Aileron and its investors to help fulfill this potential to deliver a new class of therapeutics for a broad range of diseases."

"We are seeing an unprecedented number of high quality companies and feel that Aileron is best in class. With breakthrough technology, a talented management team, a strong investor syndicate, and dominant IP position, Aileron is spawning the next generation of pharmaceuticals, that combine the best attributes of biologics and traditional pharmaceuticals" said Enrico Petrillo, M.D., managing director of Excel Medical Fund.

"We are very pleased and gratified with the investors that we have been able to attract into this financing round. Through this financing we have established an excellent team of partners with solid platform development and pharmaceutical development credentials that will ensure that Aileron becomes the type of transformative company that we anticipated at the beginning" said Seth Harrison, M.D., Managing General Partner of Apple Tree Partners.

### **About Stapled Peptides**

Aileron's Stapled Peptides are synthetically locked, or 'stapled', into an alpha-helical shape with an optimized cross-linking chemistry to mimic the structure found at the interface of many protein-protein interactions. To achieve this, Aileron has deployed a comprehensive cross-linking tool-kit to install single staples, multiple staples and contiguous staples to achieve desired efficacy and pharmacokinetic profiles. The resulting Stapled Peptide drugs are endowed with unique properties, including efficient cell penetration, high affinity binding to large target protein surfaces, and excellent stability and pharmacokinetic properties within the body.

### **About Aileron Therapeutics**

Aileron Therapeutics is a biopharmaceutical company that was first funded in 2005 by Apple Tree Partners to develop and advance a completely new therapeutic modality and class of drugs called Stapled Peptides that are based on discoveries made at Harvard University and the Dana-Farber Cancer Institute. Stapled Peptide drugs represent the first general solution for modulating intracellular protein-protein interactions, which have been identified as critical control points for most human diseases. As such, Stapled Peptide drugs offer a unique opportunity to exploit potentially thousands of currently "undruggable" targets across all human diseases. Aileron is building a robust pipeline of therapeutics for the treatment of cancer, infectious disease, metabolic disease and immune/inflammatory diseases. Aileron Therapeutics is based in Cambridge, Massachusetts. For additional information, please visit [www.aileronrx.com](http://www.aileronrx.com).

### **About Apple Tree Partners**

Apple Tree Partners works with biopharmaceutical and medical device scientists and executives to develop technologically innovative market driven companies. ATP invests in proprietary products and technologies that have the potential to serve markets with unmet needs. The firm prefers to start companies, but it works with assets at all stages of development. ATP then seeks to leverage its capital through syndication with larger venture firms, corporate partnering and innovative financing approaches. For more information visit [www.appletreepartners.com](http://www.appletreepartners.com).

### **About Excel Medical Fund**

The Excel Medical Fund team builds companies that apply transformative life science technology to solve problems in healthcare and beyond. The Excel investment portfolio is balanced across healthcare IT and services, diagnostics, and medical devices PLUS life

science platforms that address adjacent markets including energy, chemicals, defense and agriculture. Over two thirds of the team's prior investments, which include some of the world's premier healthcare and life science companies, achieved successful exits generating billions in value. [www.emven.com](http://www.emven.com)

### **About Lilly Ventures**

Lilly Ventures is a venture capital subsidiary of Eli Lilly and Company and manages \$200M, investing in start-up biopharmaceutical and medtech companies. Our primary goal is to facilitate the success of companies in our areas of focus through early to expansion stage investments and by value-adding resources. Our investment approach centers on working with superior management teams to help them realize the financial potential of their ideas. Accordingly, we provide both financial and intellectual resources to accelerate the management teams' path to success. For more information, please visit [www.lillyventures.com](http://www.lillyventures.com).

### **About Novartis Venture Funds**

Established in 1996, the Novartis Venture Fund currently manages over \$650 million in committed capital and is invested globally in more than 60 private life sciences companies across therapeutics, vaccines, devices and diagnostics. As a financially driven corporate life science investor, the Novartis Venture Fund invests in those companies which have the potential to lead the next innovation wave in new areas that will be critical to patient care. The Novartis Venture Fund team of eight investment professionals located in Basel, Switzerland and Cambridge, Massachusetts, brings together extensive expertise in drug development, medical devices, and venture capital. [www.venturefund.novartis.com](http://www.venturefund.novartis.com)

### **About Roche Venture Fund**

The Roche Venture Fund makes investments in early stage biotech and diagnostics companies to support innovative technologies and medicines. Based in Basel, Switzerland, the Roche Venture Fund manages a portfolio of over 30 companies in 10 countries. [www.venturefund.roche.com](http://www.venturefund.roche.com)

### **About SR One**

SR One is the corporate venture capital arm of GlaxoSmithKline. The firm invests globally in emerging life science companies that are pursuing innovative science which will significantly impact medical care. Since 1985, SR One has invested approximately \$600 million in more than 130 companies. For more information please visit [www.srone.com](http://www.srone.com).

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