

## PRESS RELEASE

### **BRAIN announces € 60m round of financing to expand its buy-and-build strategy**

**Raised capital earmarked to help position BRAIN as a fully integrated industrial company**

**Zwingenberg, November 27, 2012: The supervisory board and the board of management of the biotechnology company BRAIN AG agreed on a € 60m capital increase during the last routine meeting of the supervisory board. The capital increase helps pave the way for the implementation of BRAIN's "buy-and-build" industrialisation strategy. A smaller share of the proceeds will serve to further advance BRAIN'S technology platforms, which play a crucial role in the NatLifE 2020 and ZeroCarb FP innovation alliances funded by the German Ministry of Education and Research (BMBF).**

**The largest ever round of financing in the area of white biotechnology is led by BRAIN shareholders MP Beteiligungs-GmbH (Family Office PUTSCH) based in Kaiserslautern, Germany, and MIG Fonds, one of the largest institutional investors in the area of biotechnology, and involves several other investors.**

BRAIN qualified as a white biotechnology innovation leader in the two innovation alliances funded by the Ministry of Education and Research (BMBF), NatLifE 2020 and ZeroCarb FP. The BRAIN-led NatLifE 2020 alliance, adding up to a total of € 30m and bringing together 22 partners from industry and academia, is dedicated to the research on and the development of healthier food and cosmeceuticals. In the alliance managed by BRAIN's co-operation partner RWE Power AG, ZeroCarb FP (with a budget totalling € 46m), BRAIN provides the key technologies. ZeroCarb FP unites 21 partners from various industries which aim at harnessing micro-organisms for the conversion of carbon-containing industrial waste flows into secondary raw materials.

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Next to playing an active role in the innovation alliances, BRAIN seeks to further expand its “buy-and-build” industrialisation strategy. The strategy focuses on both acquiring suitable target companies and advancing BRAIN’s own value chain, which covers everything from research and product development to B2B and B2C markets.

**Dr Holger Zinke, CEO of BRAIN AG:** “Thanks to the newly agreed-on financial resources, BRAIN will now be in a position to drive forward the company’s proven expansion strategy through further acquisitions and new joint ventures with industrial partners. Our aim is to develop an R&D-driven biotechnology company into a fully integrated industrial company.”

**Dr Ludger Müller, Chairman of BRAIN AG’s Supervisory Board and Managing Director of MP Beteiligungs-GmbH,** highlights: “The capital increase reflects the high level of trust which the company’s shareholders place in BRAIN’s technological leadership role in the bio-economy, an industrial sector with a bright future.”

**Michael Motschmann, Deputy Chairman of BRAIN’s Supervisory Board and CEO of MIG Verwaltungs AG** adds: “These strategic decisions give BRAIN the huge opportunity to further bolster the company’s very good position in the biologisation of various industries.”



**MP Beteiligungs-GmbH**

#### **About BRAIN**

BRAIN AG is an industrial “white” biotech company which discovers and develops novel bioactive natural compounds and proprietary enzymes for its partners and customers in the chemical and pharmaceutical industries, as well as the food and cosmetics industries. With its unique approach to the discovery and production of new biological compounds and biocatalysts, the company achieves creative solutions by harnessing nature’s untapped biodiversity. Its success is built on its proprietary BioArchive comprising millions of genes, proteins and metabolic pathways from microbial isolates and metagenome libraries. Since its foundation in 1993, BRAIN has entered into over 80 strategic collaborations with nearly all the relevant companies within the chemical industry as e.g. BASF, Ciba, Clariant, Evonik, DSM, Genencor, Henkel, Nutrinova, RWE, Sandoz, Schering, Südzucker and Symrise, to name but a few. Currently, BRAIN employs 102 highly skilled people.

For their groundbreaking industrial biotechnology activities for a sustainable „biologisation of the chemical industry“ using nature’s toolbox for industrial processes, BRAIN with its CEO Dr. Holger Zinke received the “Deutschen Umweltpreis 2008” of the “Deutsche Bundesstiftung Umwelt”, DBU.

**[www.brain-biotech.de](http://www.brain-biotech.de)**

#### **About MP Beteiligungs-GmbH**

MP Beteiligungs-GmbH is the Family Office for all investments of the Putsch family. The major entrepreneurial activity is the RECARO Group, known as the international premium brand for optimal sitting.

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#### **About MIG Verwaltungs AG**

MIG Verwaltungs AG (MIG) financial advisors focus on managing the MIG funds designed for private investors. MIG funds invest in young companies which are not publicly listed and are based in German-speaking countries. The funds’ total worth exceeds €700m. The investment philosophy and the support provided to the companies are both characterised by MIG’s entrepreneurial experience. We know inside out what it takes to be an entrepreneur and are full well aware of the fact that our role as responsible and professional partners is as decisive as our contributions as investors.

**[www.mig.ag](http://www.mig.ag)**