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IMMEDIATE RELEASE

RenaMed Biologics Secures \$40 Million in Private Equity Financing

-Funds to Advance Clinical Development of Renal Bio-Replacement Therapy for the Treatment of Acute Renal Failure-

Westborough, MA, September 7, 2006 –RenaMed Biologics, Inc. (RenaMed™) announced today that it has successfully completed a \$40 million mezzanine financing. The funds will be used to continue the clinical development of the company's Renal Bio-Replacement Therapy for Acute Renal Failure, as well as support its move to a new headquarters and manufacturing facility in Westborough, MA. TVM Capital and Lurie Investments co-led the financing and were joined by several new investors, including MDS Capital, Merlin BioMed Group, and TSC BioVenture Capital Corporation. Existing investors who also participated in this round include: Apjohn Ventures Fund, BD Ventures (Becton Dickinson), Bio*One Capital (Singapore), and NorthCoast Technology Investors. As part of this financing, RenaMed expanded its Board of Directors to include Dr. Gert Caspritz, general partner of TVM Capital, and Gerry Brunk, venture partner of MDS Capital.

"This was a very successful financing round which exceeded our objectives and brought several new strong life science investors into RenaMed," said Greg Phelps, Chairman and CEO of RenaMed. "I am encouraged by the positive financial market response to our lead product and progress. The funds raised enable us to drive the clinical development of our Acute Renal Failure program through Phase 2 this year and into Phase 3 next year, complete the build-out and commissioning of manufacturing in our Westborough, MA facility, and expand investment in other programs."

RenaMed is developing Renal Bio-Replacement Therapy (RBT) to temporarily replace lost kidney functions in ICU patients with Acute Renal Failure (ARF), as a bridge to survival and full recovery. RBT is administered *ex vivo* using physiologically active human renal epithelial cells incorporated in a hollow-fiber dialysis cartridge. RBT works in conjunction with current filtration therapies and fits into standard hospital ICU procedures. In 2005 RenaMed entered into a strategic collaboration with Genzyme Corporation to jointly develop RBT for ARF, and the product is currently in a second Phase 2 trial.

"RenaMed has demonstrated significant progress in the development of its Renal Bio-Replacement Therapy for the treatment of Acute Renal Failure," said Dr. Gert Caspritz, general partner of TVM Capital. "ARF is a severe problem with an extremely high mortality rate and currently no effective treatment options. However, RenaMed has shown exciting Phase 2 clinical results in a randomized and well-designed study. Led by a very strong management team, the company has built the development and manufacturing expertise necessary for success and has put in place a strategic collaboration with Genzyme. It is the strength of these accomplishments and prospect for success that made this a compelling, strategic investment for TVM Capital."

Lehman Brothers of New York served as the placement agent for the financing.

About TVM Capital

TVM Capital, founded in 1983, is a transatlantic venture capital firm, with offices in Boston and Munich. Since inception TVM Capital has raised over \$1.6 billion in six fund generations and has established itself as a leading technology investment group in the United States and Europe. TVM funds have made investments in more than 220 life sciences and information technology companies where innovation, effective management and sound financial backing have enormous impact on company growth. TVM's in-depth knowledge of the U.S. and European environments helps companies create businesses that enjoy access to science, management talent, distribution channels and capital on both sides of the Atlantic. More than 40 companies have gone public at European or US stock exchanges. Today, TVM Capital is actively invested in more than 60 companies. For more information, please visit www.tvm-capital.com.

About RenaMed Biologics

RenaMed Biologics, Inc. is the leading clinical stage company focused on the development of proprietary Bio-Replacement Therapies for critical disease states involving compromised kidney function. The company's lead product is intended to replace the biologic functions of the kidney that are lost in patients with Acute Renal Failure (ARF). The product utilizes physiologically active human renal epithelial cells, administered *ex vivo* in a hollow fiber dialysis cartridge. Renal Bio-Replacement Therapy works in conjunction with existing filtration therapies and is designed to provide comprehensive kidney support. Renal Bio-Replacement Therapy is intended to dramatically improve the survival for patients suffering from ARF. For more information, please visit www.renamedbio.com.

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