

CAPRICORN CLEANTECH FUND AND SEB VENTURE CAPITAL INVEST € 3.3 MILLION IN XYLOPHANE AB

Leuven - 27 January 2009, Capricorn Venture Partners announced today its investment in Sweden based Xylophane AB, Gothenburg.

Xylophane AB, developer of a unique renewable packing material that extends the shelf life of sensitive food products, has raised € 3.3 million (34 MSEK) in an issue of new shares. SEB Venture Capital and Capricorn Cleantech Fund joined as new investors. The capital ensures the expansion and operation of the company's pilot factory.

Xylophane AB, founded in 2004 based on a research project at Chalmers University of Technology in Gothenburg, has developed a unique, patented barrier material for the packaging of items such as food products. The product is developed in co-operation with customers in the packaging industry. The material is based on natural raw materials and is both renewable and biodegradable. It creates an effective barrier against oxygen, grease and aroma and can thus extend the shelf life of sensitive food products such as juice, chips and spices.

Paul Decraemer, Head Cleantech Investment Practice at Capricorn Venture Partners, states: "Biopolymers belong to the group of innovations which present outstanding opportunities for global growth driven by the combination of increasing prices for oil-based plastics, consumer awareness for eco-friendly products and supporting legislation promoting the end-of-life disposal benefits of biodegradable packaging material. Xylophane offers a unique opportunity to tap into this emerging market with very significant growth potential."

"We have followed the company for many years. Our thorough analysis showed that the company has an exciting, highly sought-after product that offers a fascinating new alternative to an industry looking to replace old barrier solutions with modern, environmentally compatible products. The company is entering a new phase and we believe the coming years will be exciting. Prospects are excellent and existing commercial co-operation looks extremely promising. So we're pleased to have the opportunity to join Xylophane's group of investors," says Björn Österlund, Senior Investment Manager at SEB Venture Capital.

Håkan Grubb, managing director of Xylophane AB said: "Attracting two reputed cleantech investors is a further proof of the great confidence that exists in our products and our production engineering. Furthermore in addition to our ongoing joint ventures with existing customers, we receive new inquiries each and every week. The capital contribution guarantees the expansion and operation of the pilot factory and company for the next three years. The pilot factory is expected to be operating by early October 2009, and will enable production of material for pilot projects for customers as well as the optimisation of Xylophane's manufacturing process in view of a full-scale production."

"We have been involved with Xylophane since 2005 and have seen the company develop from a research project into a company that demands attention within the packaging industry. Sweden's leading position in the packing and paper industry offers excellent opportunities to grow Xylophane into a global leader in this area," says Jakob Svärdström, Managing Partner at KTH Chalmers Capital.

In conjunction with the capital increase, the appointment of Mr Dag Strömqvist as new Chairman of the Board of Directors was confirmed. Mr Strömqvist has many years' experience in key executive positions within the chemical and processing industries, including positions as former managing director for Eka Chemicals AB and former member of Akzo Nobel's executive management team responsible for the chemicals division.

For more information visit www.xylophane.com or contact Mr Håkan Grubb, Managing Director
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Capricorn Venture Partners

Capricorn Venture Partners is a pan-European manager of venture capital funds seeking to invest in technology based growth companies. The Capricorn Cleantech Fund is Capricorn's third consecutive venture capital fund. The fund invests in European growth companies developing innovative breakthrough technologies in the fields of renewable energy and energy efficiency, water purification and re-use, bio based material conversion and biorefinery platforms, clean air, climate change, green chemistry and advanced materials, materials recovery and recycling.

The investment team of Capricorn is composed of experienced investment managers with deep technology expertise and a broad industrial experience, and will be expanded in light of the Capricorn Cleantech Fund's recent successful closing.

The Capricorn Cleantech Fund benefits from an investment by the European Investment Fund through the "Competitiveness and Innovation Framework Programme" of the European Union.

For more information see www.capricorn.be or contact Dr Jos B. Peeters, Managing Partner.

SEB Venture Capital

SEB Venture Capital is the venture capital arm of Skandinaviska Enskilda Banken. They invest venture capital and add competence to and provide a network for companies with substantial growth potential. The focus is on Technology and Health Care, with the following principal characteristics:

- Products or services which offer competitive advantages that are sustainable over time.
- The entrepreneur is expected to be a shareholder in the company and to have relevant industry experience.
- The company has a significant growth potential.

SEB Venture Capital operates on an independent basis. It has its own board of directors and an extensive, in depth contact network within many industries, the service sector and education, both domestically and internationally.

SEB Venture Capital is an evergreen fund and has made over 80 investments since its inception in 1995. Of these 40 have been exited. SEB Venture Capital is actively looking for new investment opportunities and acquisition targets for its portfolio companies. Investment size is normally up to MSEK 80.

For more information see www.seb.se.

KTH Chalmers Capital

KTH Chalmers Capital is a venture capital company that invests in early-stage Swedish companies that have exciting technologies, scalable business models and inspired entrepreneurs. In total, KTH Chalmers Capital manages 254 MSEK, divided between two funds: KTH Seed Capital and KTH Chalmers Capital. Investors in the funds are the Wallenberg foundations, SEB and the Industry Fund, as well as KTH and Chalmers. Typical investment areas are IT, internet technology, materials technology and cleantech. Since its start in 2003, KTH Chalmers Capital has invested in eleven companies, two of which were divested during the spring of 2008.

For more information, visit www.kthchalmerscapital.se.