

IntraPace, Inc. Completes Oversubscribed Series D Financing

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MOUNTAIN VIEW, Calif., Aug. 14 /PRNewswire/ -- IntraPace, Inc., a medical device company developing an implantable gastric stimulator for the treatment of obesity, announced today that it completed a \$30 million Series D financing. The financing round was led by Vulcan Capital, the investment group of Paul G. Allen. The company plans to use the funds to complete product development and worldwide clinical studies.

"We see great potential in the technology IntraPace is bringing to bear on the obesity market," said Eric Bell, Vulcan Capital's representative. "As obesity has grown to become a worldwide health crisis, solutions provided by IntraPace have an opportunity to improve the lives of millions of patients."

In addition to Vulcan Capital, other participants include new investor, L Capital Partners, and existing investors, DFJ ePlanet, Oxford Bioscience Partners, Toucan Capital, Guidant Corporation (now Boston Scientific), Johnson & Johnson Development Corporation, CB Health Ventures, Halo Fund II, and The Angel's Forum. In conjunction with the financing, Eric Bell of Vulcan Capital and Ting Pau Oei of L Capital Partners will join the IntraPace board.

Ting Pau Oei, Partner at L Capital Partners, commented that, "we are thrilled to be an investor in IntraPace, Inc. This investment is an excellent example of our commitment to invest in companies with first class management teams and transformational technologies directed towards addressing one of today's most challenging medical problems, the treatment of obesity and metabolic disorders."

"IntraPace is finalizing pre-clinical refinements to begin clinical trials in 2007," said Chuck Brynensen, IntraPace CEO. "We are looking forward to a successful clinical trial showing definitive weight loss results in implanted patients. As with our Series C financing this funding round was heavily oversubscribed by both current and new investors. We believe that this is evidence of the increasing interest in developing solutions for the treatment of obesity which has become a major health issue in the United States."

Obesity is a disease that affects nearly one-third of the American adult population, approximately 70 million people. In fact, more than 60 percent of adult Americans, approximately 130 million, are categorized as being overweight or obese. According to the 2002 National Health and Nutrition Examination Survey (NHANES) conducted by the Centers for Disease Control (CDC), each year, obesity causes at least 300,000 deaths in the U.S. and annual medical costs for American adults with obesity are more than \$100 billion.

About IntraPace, Inc.

Founded by Mir Imran at In-Cube Laboratories, IntraPace, Inc is a medical device company developing an endoscopically delivered gastric stimulator for the treatment of obesity.

About Vulcan Capital

Vulcan Capital is the private investment group of Vulcan Inc., the project and investment management company founded by Paul G. Allen in 1986 to manage his personal and professional endeavors. Vulcan Capital oversees a multibillion dollar portfolio across diverse industry sectors and investment asset classes.

About L Capital Partners

L Capital Partners helps entrepreneurs grow their new ventures into scalable and profitable businesses in the fields of healthcare, security & defense, energy & environment, and information technology. The team at L Capital brings together its experience as successful technology company CEO's, operating managers of large healthcare companies, corporate venture capitalists, and oversight of international financial service operations. This unique combination of business experience and domain expertise helps entrepreneurs build companies to become high value, sustainable businesses.

Source: IntraPace, Inc.