

PRESS RELEASE

**LAUNCH AND FUNDING OF CARMAT SAS,
AN INNOVATIVE START-UP DEVELOPING
AN ARTIFICIAL HEART.**

- TRUFFLE CAPITAL is lead investor,
- EADS and Professor Alain Carpentier are co-investors.
- Significant funding from OSEO

Paris, October 27, 2008 – CARMAT SAS is an innovative medtech start-up that has just been created and financed by TRUFFLE CAPITAL (<http://www.truffle.com>), EADS (<http://www.eads.com>) and the Fondation Alain Carpentier, with additional funding from the French state innovation agency OSEO (<http://www.oseo.fr/>). The company has been spun out of the collaboration between the renowned surgeon Professor Carpentier and EADS on implementation of biomaterials and cutting-edge technologies in the construction of an artificial heart. CARMAT intends to market a fully implantable artificial heart that will be able to provide renewed hope and quality of life to the hundreds of thousands of patients suffering in the aftermath of a massive heart attack or with late-stage heart failure and for whom standard drug therapy, ventricular assistance and/or a heart transplant have failed or are not possible.

In this first round of financing (with TRUFFLE CAPITAL as lead investor), CARMAT SAS has raised over €7 million (with €5 million from TRUFFLE CAPITAL and €2.25 million from EADS and the Fondation Alain Carpentier). Depending on CARMAT's progress and needs, the company will seek additional international equity investments in the years to come. OSEO has just awarded CARMAT €33 million in grants-in-aid and loans - the largest amount of funding ever awarded to a start-up by OSEO.

The preliminary animal trials and lab tests performed with the CARMAT artificial heart have generated interest from the medical community in France and worldwide, as well as from the health authorities. The dynamism and exceptional skills of the team of physicians and engineers that has formed around Professor Carpentier and his colleagues at the Georges Pompidou Hospital in Paris convinced first TRUFFLE CAPITAL and then OSEO to actively fund the CARMAT project. At present, CARMAT's prototype artificial heart has been patented and is undergoing preclinical testing. It meets the human body's biocompatibility criteria. It is functionally similar to the human heart in both anatomic and functional terms - notably via automatic regulation of heart rate and blood flow according to the patient's physiological needs. Following approval by the French Agency for Healthcare Product Safety (AFSSAPS), CARMAT's prototype will be evaluated first in life-threatened patients with no other available treatment options and then (depending on the results of the initial clinical trials) in patients with a better prognosis.

"We are delighted to be contributing to the launch of CARMAT", said Jean-Claude Cadudal, Chairman of CARMAT SAS and former International Vice President of EADS, "This is a project that convinced the visionary Jean-Luc Lagardère (former Chairman of the Matra industrial group, now deceased) and that EADS must now rightly allow to fly on its own. We want CARMAT to become a global leader in a sector that is seeking to resolve a major public health problem - heart failure".

"We are proud to be the lead investor in this exceptional medical and technological project, which should result in the most advanced artificial heart in the world. It up opens the field for autonomous, self-regulating, complex bioprostheses - a very broad area in the interventional medicine of the future. This is a fine example of entrepreneurial capitalism – the key to economic growth and social progress", commented Philippe Pouletty MD, CEO of TRUFFLE CAPITAL.

"The creation of a French company capable of industrializing a very innovative artificial heart is the result of fifteen years of work from our group. I wish to pay homage to Jean-Luc Lagardère, who supported the project from the outset, with assistance from the 'Centre d'Etudes Techniques des Industries Mécaniques' technical centre and then Matra Electronique. At present, we have a prototype which is potentially implantable in humans and whose components have already been evaluated on the test bed over the equivalent of several years' operation. Once we have approval from the AFSSAPS, we hope to start clinical trials within the next two to three years - first in France and then abroad", added Professor Alain Carpentier, the project's scientific founder.

"Medicine is a symbolic mixture of technological progress and humanity. I am delighted to have contributed to the CARMAT artificial heart project, with €33 million in innovation support from OSEO, whose role is to finance innovation and growth in SMEs. We are also very satisfied to see that this start-up has involved several key partners in its programme", added François Drouin, Chairman of OSEO.

CARMAT SAS has attracted a highly talented team of a dozen engineers, researchers and technicians, managed by Patrick Coulombier and his assistant Marc Grimmé. The company expects to recruit additional management team members in the months to come. The start-up will be based in the Paris region and will work with a network of (mostly French) subcontractors.

About Professor Alain Carpentier

Alain Carpentier is Emeritus Professor at the Pierre & Marie Curie University in Paris, where he founded and manages the Heart Transplant and Prostheses Laboratory. He is also a Professor at the Mount Sinai School of Medicine in New York. As a member of the French Academy of Science and a winner of the 1998 Foundation for Medical Research Prize, he also received the prestigious Albert Lasker Award for Clinical Medical Research in 2007 in recognition of his two main contributions to the field - invention of the first valve bioprostheses (Carpentier-Edwards valves) and the development of techniques for plastic and reconstructive surgery of heart valves, which benefit several hundred thousand patients worldwide each year.

About EADS

For further information, please visit <http://www.eads.com>

About OSEO

The purpose of OSEO Innovation is to support innovation and company growth. In 2008, its aim is to assist innovative SMEs and companies with high potential for growth in order to create larger businesses. Its different areas of expertise are harmoniously mobilized to provide solutions tailored to the needs of such dynamic companies where the market provides only an imperfect response. For further information, please visit <http://www.oseo.fr/>

About TRUFFLE CAPITAL

Founded in 2002 in Paris, TRUFFLE CAPITAL is a leading independent European private equity firm dedicated to investing in and building technology leaders in life sciences (including BMD, Cytomics, Deinove, Neovacs, Pharnext, Splicos, Symetis, Theraclion, Wittycell), the IT, and energy/sustainable development sectors. TRUFFLE CAPITAL notably finances spin-outs from multinational companies and technology research institutes. With over €60 million in managed funds, TRUFFLE CAPITAL is led by a team of four partners with decades of successful investment and entrepreneurial experience in both Europe and North America. In 2007, TRUFFLE CAPITAL was rated as France's second most dynamic venture capital fund (out of the 51 listed by Chausson Finance). For further information, please visit <http://www.truffle.com>

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