

Pervasis to Present Interim Data from Phase 1/2 Clinical Study of Novel Cell Therapy Targeting Peripheral Artery Disease at International Conference on Cell Therapy for Cardiovascular Diseases

Initial Study Results Include Safety, Feasibility and Efficacy of PVS-10200 in Prevention of Restenosis Following Stent and Angioplasty Procedure in Superficial Femoral Artery

Cambridge, Mass., January 20, 2011 — Pervasis Therapeutics, Inc. today announced it will present interim data from the company's Phase 1/2 clinical study of PVS-10200, an investigational cell-based therapy under development to prevent restenosis in patients with peripheral arterial disease (PAD) who undergo an angioplasty and stent procedure in the superficial femoral artery. Jean-Marc Alsac, MD, Associate-Faculty in Vascular Surgery, Department of Cardiovascular Surgery, Hôpital Européen Georges Pompidou, Paris, and principal investigator of the study, will present the findings at the Sixth Annual International Conference on Cell Therapy for Cardiovascular Disease (IC3D) today in New York City.

Dr. Alsac will report initial 6-month data from the open-label dose escalation study designed to evaluate the safety, feasibility and impact of PVS-10200 on the incidence of major adverse events. Secondary endpoints include the rates of target lesion revascularization, primary patency and restenosis. In June 2010, Pervasis announced the first cohort of patients had been fully enrolled in the study. Enrollment in a second cohort is ongoing. The study is being conducted at Hôpital Européen Georges Pompidou, and two other hospitals in France, Hôpital Bichat and Centre Hospitalier Universitaire d'Amiens.

"Although most revascularization procedures of the superficial femoral artery have high initial success rates, restenosis is a common occurrence within a year after surgery, leading to poor outcomes and the need for repeat procedures," said Dr. Alsac. "I am highly encouraged by the initial findings of the study. The low rate and nature of adverse events reported thus far demonstrate the potential of PVS-10200 as a safe, viable and minimally invasive option to treat vascular injury and improve outcomes for patients."

Pervasis is a clinical stage company focused on developing breakthrough therapies with the potential to improve outcomes following common vascular surgical and interventional procedures, such as arteriovenous access, angioplasties, stents and peripheral and coronary bypass grafts—the failure of which result in serious complications and a significant increase in medical costs. There are no currently approved therapies that directly target the underlying physiological processes leading to serious vascular complications, including inflammation, thrombosis (the formation of a blood clot inside a blood vessel) and restenosis (the re-narrowing of a coronary artery after it has been treated with angioplasty or stenting).

About PVS-10200

Pervasis' therapies harness the power of the endothelium, the thin layer of cells that lines the interior surface of blood vessels, which has a well-understood role in regulating many of the body's healing processes, including vascular repair. PVS-10200 is a biologically active therapy developed using tissue-engineered allogeneic endothelial cells, and is designed to reestablish healthy vasculature following common interventions to treat PAD and potentially other conditions. PVS-10200 builds on the same proprietary endothelial technology and mechanism of action underlying Vascugel[®], Pervasis' most advanced program, which has demonstrated proof of concept and safety in two Phase 2 trials in patients undergoing vascular access procedures for hemodialysis. In February 2010, the company announced that it received approval of a Special Protocol Assessment from the U.S. Food and Drug Administration to conduct one Phase 3 pivotal trial of Vascugel.

"With limited treatment options for PAD and a high rate of serious complications associated with the options that are available to these patients, there is a significant unmet need for therapies to address the underlying processes leading to common intervention failures," said Frederic Chereau, president and chief executive officer of Pervasis. "The findings presented today add to the growing body of evidence

demonstrating the safety and efficacy of our cell-based approach to enabling vascular repair. We look forward to completing the study in the coming months, presenting final data, and continuing to further our development program for this important therapy for patients with PAD and other serious diseases.”

About Peripheral Arterial Disease

More than eight million Americans over the age of 50 have peripheral arterial disease (PAD), a serious condition in which plaque builds up in arteries, restricting blood flow. PAD has significant health implications, including high blood pressure, reduced ability to walk, leg pain, and increased risk for heart attack and stroke.

When lifestyle changes and medication are not enough, treatment often involves surgical intervention, such as angioplasty or stent placement. In the U.S., approximately 300,000 peripheral stent or angioplasty procedures occur annually. However, in many cases, the artery does not heal properly following intervention, which can lead to restenosis and cause serious complications, including limb amputation.

About Pervasis

Pervasis Therapeutics, Inc. is a clinical stage company developing a broad portfolio of biologically active therapeutics. Building on its deep understanding of the specialized role that the endothelium plays in regulating natural healing and repair processes associated with disease, Pervasis is advancing groundbreaking new therapies to dramatically improve the outcomes of common vascular interventions, such as arteriovenous access, angioplasties, stents, and peripheral and coronary bypass grafts – the failure of which result in serious complications and a significant increase in medical costs. The company's most advanced program, Vascugel[®], has demonstrated proof of concept and safety in two Phase 2 trials in patients undergoing vascular access for hemodialysis. In addition, Pervasis is pursuing a cell-based oncology program focused on targeting and regulating cell stroma in order to prevent key processes that play a role in advancing solid tumor growth and survival. Pervasis is also applying its platform technology to develop products in other key therapeutic areas including inflammatory disease and orthopedic injury. Pervasis is a privately held company with funding from Flagship Ventures, Polaris Venture Partners, Highland Capital Partners and the Richter Family Fund. For more information, please visit www.pervasistx.com.

This news release contains certain forward-looking statements that involve risks and uncertainties. Such statements are only predictions and the company's actual results may differ materially from those anticipated in these forward-looking statements. Factors that may cause such differences include the timing of clinical trials, the risk that products that appeared promising in early research and clinical trials do not demonstrate safety or efficacy in clinical trials and the risk that the company will not obtain approval to market its products.

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