



cropdesign

Press Release

CROPDESIGN COMPLETES EUR 16 MILLION CAPITAL INCREASE

Gent, 5 August, 2004: CropDesign today announced the completion of a EURO 16 million (USD 20 million) capital increase subscribed by a consortium of its existing investors and management.

Karl-Peter Schlichting, CropDesign's CEO comments: "This is a strong vote of confidence in the strength of our trait lead portfolio and in the ability of our team to deliver traits with major commercial impact. CropDesign will continue to advance the trait leads, obtained by its unique rice TraitMill platform. For several of these leads the major boost in yield and stress tolerance observed in TraitMill has already been confirmed in rice field trials. The new financing will help towards demonstrating that these same genes will lead to superior corn hybrids. Corn is the world's most important crop in terms of commercial seed market and we are now in the process of introducing and evaluating our proprietary traits directly in corn."

Patrick Van Beneden, Director of Life Sciences at GIMV and also representing Biotech Fonds Vlaanderen, the largest investor in this round, adds: "CropDesign follows a consistent value creation path. It has built a unique platform and used it to discover and develop new commercial traits. We are all highly confident that implementing these traits in corn will be a major value driver. This explains the strong support from a large group of existing shareholders as well as our decision to make this an internal round." The financing round was supported by GIMV, ING, GILDE, KBC, Burrill, Biodiscovery and Omega, amongst others.

According to Pol Bamelis, Chairman of the Board, this financing is also good news for Plant Biotechnology in Europe. He comments: "Europe is still moving much too slowly on approving and adopting GM crops. Today, CropDesign, as a European AgBiotechnology company, has secured the largest capital increase in a company of this sector worldwide since 2001. Green Biotechnology will deliver significant benefits such as healthier and more affordable food and feed, and moreover allow the introduction of more environmentally friendly production methods. A more favourable political and economic environment for innovative and sustainable agriculture is strongly needed to prevent that our European scientific and industrial resources are completely lost to Regions like the Americas and Asia."

CropDesign uses its rice TraitMill applied genomics platform to discover traits for the improvement of corn, rice and other cereal crops in both in-house and partnered programs. The company's proprietary lead pipeline is focused on enhancing yield and on improving tolerance to abiotic stress in corn.

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