



Press Release

FININVEST, DORIS AND DEL VECCHIO INVEST IN MOLMED (SAN RAFFAELE) Euro 20 million for research against cancer and AIDS

Milan, Italy, March 16, 2004 - Fininvest S.p.A., Berlusconi family holding company, Herule Finance S.A., Doris family holding company and Leonardo Finanziaria S.r.l, Del Vecchio family holding company, enter as new shareholders of MolMed S.p.A., the leading Italian biotech company in the fields of gene therapy and molecular medicine controlled by San Raffaele Foundation through Science Park Raf S.p.A and by European Development Capital Partnership, a close investment fund exclusively advised by Arner Merchant of Lugano (Switzerland). The capital increase of Euro 20 million will be executed in two tranches. Following underwriting, Fininvest will hold 20,0% of shares, Doris and Del Vecchio 10,0% each, whereas the equity stakes of Science Park Raf and European Development Capital Partnership will result in 34,2% and 25,8% of shares, respectively.

MolMed is engaged in conducting several clinical studies designed to confirm the efficacy of different molecular medicine products in the treatment of cancer and in stem cell gene therapy for the treatment of AIDS.

In preclinical studies, the Company has obtained experimental evidence on the efficacy of its products which are focused on the use of suicide genes in bone marrow transplants for leukaemia, lymphoma and myeloma, on the production of antitumour vaccines for the treatment of melanoma and pulmonary carcinomas, and on peptides (amino acidic sequences) able to selectively destroy blood vessels of numerous solid tumours. These therapeutic approaches promise to be an important step forward in the treatment of these pathologies and to allow improving patients' quality of life, since they do not provoke the typical toxicity of the majority of pharmaceutical products currently used. Beside an important direct therapeutic effect, these product can be used in combination with traditional therapies and, therefore, have a strong development potential.

The promising results obtained in the initials clinical trials have convinced the Company to accelerate the clinical development of these products and to expand the clinical trials to all countries of strategic interest.

"We are very proud", underlines Claudio Bordignon, MolMed's president and member of the board of directors, "that three among the majors Italian entrepreneurs have demonstrated to appreciate MolMed's industrial project and especially the Company's commitment to scientific progress and to the development of drugs that are potentially able to contribute to the treatment of serious diseases, which today do not find an opportune therapeutic answer. This is a significant example of a collaboration between private financing and research that might give on one side a new impulse to biotechnology - today one of the fields where a country's competitiveness is at stake - and on the other side a positive impact on the society and on the research system in Italy".

Marina Del Bue, MolMed's General Manager comments: *"The financing received through this agreement allows MolMed to accelerate the clinical development of its innovative therapies and to gain approval in several European countries, in USA and Japan. International partnerships are foreseen for the Company's future."*

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