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MacroGenics Acquires Raven Biotechnologies

Raven's Discovery Platform in Cancer Stem Cell Biology Enhances MacroGenics' Oncology Capabilities and Complements Proprietary Antibody Technology Platforms

Rockville, Maryland. July 17, 2008. MacroGenics, Inc, a privately held biotechnology company that develops immunotherapeutics to treat autoimmune disorders, cancer and infectious diseases, today announced the acquisition of Raven Biotechnologies, Inc., a privately held biotechnology company in South San Francisco, California, focused on the discovery and development of monoclonal antibody therapeutics for oncology through its cancer stem cell program.

Raven has developed a portfolio of proprietary cancer stem cells from many types of primary tumors. These cancer stem cells are maintained in vitro, and small numbers of these cells can form both localized and metastatic tumors in vivo. Using its proprietary technology platform, Raven has generated more than 1,300 monoclonal antibodies, including many that target cancer stem cells and cancers of the lung, colon, pancreas, prostate, breast and ovary.

"Raven's discovery platform in cancer stem cell biology is highly complementary to MacroGenics' proprietary Fc-optimization and next-generation antibody platforms," said Scott Koenig, M.D., Ph.D., President and CEO of MacroGenics. "We believe that this acquisition provides MacroGenics with critical mass in oncology discovery, which is one of the most scientifically and commercially promising areas of drug development. With our internal capabilities in development and manufacturing, this transaction should result in the rapid production of new lead therapeutic candidates and increase the probability of clinical and commercial success. Moreover, with the wealth of these assets, we will expand our pursuit of collaborations and other strategic alliances with pharmaceutical and biotechnology companies."

"We are pleased that Raven's cancer stem cell antibody program will be pursued by MacroGenics, a company with the resources and capabilities to accelerate the advancement of these projects into clinical development," stated George Schreiner, M.D., Ph.D., Chief Executive Officer of Raven Biotechnologies. "MacroGenics' portfolio of novel therapeutic monoclonal antibodies, platform technologies and capabilities such as GMP manufacturing make this merger an excellent opportunity for Raven and its investors. The transaction significantly expands MacroGenics' opportunity to develop products for patients with various types of cancer."

MacroGenics will issue shares of its stock to purchase Raven. Other terms of the transaction were not disclosed. Montgomery & Co., LLC served as the financial advisor to Raven. Arnold & Porter LLP served as legal advisor to MacroGenics.

About MacroGenics, Inc.

Founded in 2000, MacroGenics is a private, fully-integrated biotechnology company headquartered in Rockville, Maryland that focuses on the development, manufacture and commercialization of immunotherapeutics for autoimmune disorders, cancer and infectious diseases. In October 2007, MacroGenics, Inc. and Eli Lilly and Company (NYSE:LLY) announced a global strategic alliance to develop and commercialize teplizumab, a humanized anti-CD3 monoclonal antibody, as well as other potential next-generation anti-CD3 molecules for use in the treatment of autoimmune diseases. Teplizumab is currently being studied in the PROTÉGÉ trial, a global pivotal Phase II/III clinical trial for individuals with recent-onset type 1 diabetes. MacroGenics' proprietary DART (Dual Affinity Re-Targeting) and Fc-optimization technologies offer ways to improve the function of antibodies and similar molecules. For more information about MacroGenics, please visit www.macrogenics.com.

Statements made in this news release that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "believes," "intends" and similar expressions are intended to identify forward-looking statements. Actual results may differ materially from those projected in any forward-looking statement. Specifically, there are a number of important factors that could cause actual results to differ materially from those anticipated, such as MacroGenics' ability to raise additional capital and risks related to its ability to initiate, and enroll patients in, planned clinical trials. You should not place undue reliance on any forward-looking statements. MacroGenics assumes no obligation to update any forward-looking statements as a result of new information, future events or developments, except as required by law.