



Pulmonx Raises \$32 Million for Launch of Emphysema Products

Emerging Interventional Pulmonology Leader Commences Rollout of Breakthrough New Products

Redwood City, CA USA (February 22, 2010) – Pulmonx, an emerging leader in interventional pulmonology, announced today that it has concluded an agreement for a new round of equity financing from an investment syndicate led by two new investors. The company also announced that it plans to use this capital to support the international commercial launch of its Zephyr® Endobronchial Valve (EBV), and its recently approved Chartis® Pulmonary Assessment System. Both products are CE marked and cleared for sale in Europe and other major international markets. The company expects that this round of financing will fund the expansion of its commercial operations through to positive cash flow and profitability.

This financing agreement includes a total of over \$32M in equity capital and was co-led by two new investors: the European venture capital firm HealthCap, based in Stockholm, Sweden, and Kleiner Perkins Caufield & Byers, based in Menlo Park, California. The company's existing investors, which include DeNovo Ventures, Latterell Venture Partners, MedVenture Associates, Montreux Equity Partners, and POSCO BioVentures, also participated in the financing. Dana Mead of KPCB and Staffan Lindstrand of HealthCap will join the board of directors of Pulmonx.

“We are impressed by the Pulmonx technology and the management team. We look forward to contributing our knowledge and experience in European commercial execution, which will be an important part of Pulmonx’ business strategy going forward” said Staffan Lindstrand, Partner with HealthCap.

“We are pleased to have these two top-tier global investors join us as we embark on the commercial launch of our Chartis System and Zephyr valve for the treatment of emphysema”, said Mike Baker, President and CEO of Pulmonx.

In conjunction with this new round of funding, Pulmonx is making a substantial investment in the European market, where interest in this new therapy is growing rapidly. In December 2009, Pulmonx launched the Chartis system in Europe, through a network of distribution partners in key countries, and now plans to invest significantly to grow direct and indirect

sales, marketing, and clinical development activities throughout the EU. The company believes that building market leadership in Europe will position it to successfully commercialize its products in other key international markets.

Dr. Rodney Perkins, Founder and Chairman of Pulmonx commented, “This funding will allow the Pulmonx team under Mike’s experienced leadership to better support our physicians and extend this innovative therapy to the millions of patients with this devastating disease.”

About Pulmonx

Pulmonx, based in Redwood City, CA, is focused on developing and marketing minimally-invasive medical devices and technologies for the diagnosis and treatment of pulmonary disorders. www.pulmonx.com

About the Products

The Pulmonx Chartis Pulmonary Assessment System provides pulmonologists with lobe-specific information about a patient’s lung, leading to more informed treatment decisions. The system’s first clinical application is direct quantification of collateral flow, or intra-lobar airflow in the lungs. The Pulmonx Zephyr valve has been successfully implanted in over 1,500 patients worldwide and its safety and efficacy have been documented in numerous peer reviewed publications. However, recent research has demonstrated that collateral flow can limit the effectiveness of endobronchial lung volume reduction (ELVR) therapy in some patients. Thus, the combined solution of Chartis screening and Zephyr treatment represents a potentially significant breakthrough in the treatment of late-stage emphysema. The early experience with this combined approach is being heralded in the clinical community as a potentially significant advance in the standard-of-care.

About Emphysema

Emphysema is a form of chronic obstructive pulmonary disease (COPD), a major cause of disability and the fourth leading cause of death in the USA. In 2007, the economic burden of COPD was \$42.6 billion in healthcare costs and lost productivity in the USA alone. COPD is expected to be the fourth leading cause of death worldwide by 2030 due to increasing rates of smoking and aging demographics in many countries.

Contact: Mike Baker, President & CEO, Pulmonx
(650) 216-0120