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APR acquires a new Drug Delivery Nanotechnology Platform providing innovative treatment solutions for critical diseases

Balerna, Switzerland, – APR Applied Pharma Research s.a. (“APR”), announces the acquisition of a new platform technology consisting of a patented Nanocoating process for the preparation of new patent protected biotechnology products for the treatment of several critical diseases in multiple therapeutic areas. APR is already developing specific applications of the resulting products in ophthalmology and dermatology. Financial terms of the acquisition were not disclosed.

“We decided to acquire this new platform technology when we understood the great potential of combining a process based on nano-coating technology to totally biological compounds to obtain products with powerful healing capabilities and minimal side effects or tolerability issues” – said Paolo Galfetti, CEO of APR – “ The products based on this new technology may unlock new therapeutic solutions to unmet needs in several critical therapeutic areas”.

APR has first targeted the treatment of eye injuries, including cataract, chronic and acute infected wounds, including surgically induced wounds and skin and eye infections, where initial tests made with the first product derived from the new technology showed most promising results. Several other applications of this technology are also being studied.

APR has already performed several “in vitro” and “in vivo” pre-clinical tests studying the critical features of the first product obtained with the nano-coating patented process, including its chemical analysis, stability, toxicology, safety and efficacy with positive and promising results. Also a Phase II study in surgically induced wounds has been performed with excellent results: APR is now ready to enter the first clinical studies in eye wound and cataract healing.

“In order to give the right focus to this new important step in the expansion of APR R&D portfolio as well as to give the Inventors of this technology platform a substantial stake into this venture, APR decided to create a new company specifically dedicated to the development of this and possible future applications of our nanotechnology. This new company, named “**APR Nanotechnologies s.a.**”, will also be headquartered in Switzerland and will be based in Balerna” – concluded Paolo Galfetti.

According to a 2008 report of Business Insights, Nanotechnologies have attracted over \$ 3.0 bn in funds from government and private investment sources which are being applied to a broad range of disciplines, including advances in pharmaceuticals, drug delivery and healthcare monitoring. The

global nanotechnology market is forecasted to reach a turnover in excess of \$1 trillion by 2015 due to advances in nanomaterials, nanostructures and nanosystems.

According to references cited by the American Academy of Ophthalmology, almost 20.5 Million people over 40 years old and almost half of the people at 80 years old in the US suffer from cataracts and the US government spends almost \$ 3.4 billion each year through the Medicare program for cataract surgery that is the most commonly performed ophthalmic procedure. According to the same references almost 2.5 Million people in the US suffer from eye injuries each year.

Surgical induced wounds are the most prevalent wounds in the world with over 100 million cases in 2007. Chronic wounds (including pressure, venous and diabetic ulcers) account for another 30 Million cases worldwide according to a MedMarket Diligence study.

According to Business Insights report data, almost 178 Million people suffer from skin infections in the major 7 markets, this amount increases to over 700 Million if HSV-1 and HSV-2 related infections are included.

About APR Applied Pharma Research

APR Applied Pharma Research s.a. is an international Drug Research & Development company headquartered in Switzerland that develops Rx, medical devices and OTC products using its own proprietary technologies and out-licenses them at late stage of development for distribution and marketing. APR also provides contract product development services based on its technologies. Leveraging on its own technology platforms, R&D know-how and marketing and regulatory systems, APR is committed to create new sustainable value on its own as well as on third party products and projects. The APR products and technologies are licensed to R&D activities are carried out directly or under contract. APR has signed licensing agreements with pharmaceutical companies in about 35 countries worldwide and its sales are almost totally achieved abroad.

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