

Press Release

ProStrakan Group plc

Progress with Sancuso™ and Tostrex® development programmes

Galashiels, Scotland – 8 February 2006 – ProStrakan Group plc, the European specialty pharmaceutical company, today announces that the U.S. Food and Drug Administration (FDA) has accepted its Investigational New Drug (IND) application for the Company's transdermal granisetron patch, Sancuso™, for the prevention of chemotherapy-induced nausea and vomiting (CINV). The Company also announces that the Sancuso™ Phase III study is now underway in Europe and that it has commenced a Phase IIIb/IV study with its Tostrex® testosterone gel.

Sancuso™ Anti-emetic Patch

Following the FDA's acceptance of the IND application, ProStrakan will now begin patient enrolment in the US for its Phase III study recently initiated in Europe. The multi-centre study, designed to support global registration, seeks to demonstrate efficacy in preventing nausea and vomiting, frequently reported side-effects of chemotherapy.

Tostrex® Testosterone Gel

ProStrakan has today announced the commencement of a Phase IIIb/IV study (known as TIMES2) into the effects of its transdermal testosterone replacement therapy (Tostrex® 2% gel) in hypogonadal men with decreased insulin sensitivity. This randomised, double-blind, placebo-controlled study has begun in 31 centres across Germany, Sweden, UK, Netherlands, Italy, Spain, France and Belgium.

Dr Wilson Totten, CEO, said: "These further important milestones in our development programmes for Sancuso™ and Tostrex® highlight our strong R&D capability. The Sancuso™ patch offers potentially significant benefits over existing treatments, being easy to use, giving sustained drug delivery and avoiding the need for patients undergoing chemotherapy to swallow pills or endure multiple injections. The Tostrex® TIMES2 study demonstrates our ability to undertake innovative investigations with the potential to add value to our products by exploring opportunities in additional therapeutic indications."

ENDS

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Notes to Editors

ProStrakan

ProStrakan Group plc is a rapidly growing international specialty pharmaceutical company engaged in the research, development and commercialisation of prescription medicines for the treatment of unmet therapeutic needs in major markets. The Company's therapeutic focus is on oncology supportive care, bone diseases, women's health and issues relating to the ageing male. Headquartered in Scotland, the Company's R&D facilities are situated in Romainville, near Paris, and in Galashiels in Scotland. EU-wide sales and marketing of ProStrakan's portfolio of products are principally handled by commercial subsidiaries based in the UK, France, Germany and Spain.

ProStrakan floated on the London Stock Exchange in June 2005. In September 2005, the Group announced interim results showing revenues up 78% to £16.5 million.

IND

An Investigational New Drug (IND) Application is required to be submitted to the FDA before clinical trials with an investigational drug or biological product in humans can be initiated in the United States.

Tostrex® 2% Gel

ProStrakan in-licensed the EU rights to Tostrex® from Cellegy in 2004. Tostrex® (branded Fortigel® in the USA) is a unique, transdermal testosterone replacement product for use against the symptoms of hypogonadism in androgen deficient males. The product was launched in Sweden in September 2005. ProStrakan has initiated the EU mutual recognition procedure and, subject to receiving further marketing authorisations, hopes to launch the product in other European countries during 2007.

Testosterone & insulin sensitivity

There is an accumulating body of evidence, which suggests that testosterone may be an important regulator of insulin sensitivity in men. Epidemiological studies have demonstrated that testosterone levels are lower than normal in men with diseases associated with reduced insulin sensitivity such as diabetes, visceral obesity, metabolic syndrome and coronary artery disease. Various short term testosterone replacement studies have demonstrated that testosterone replacement can improve insulin sensitivity which may correspondingly improve treatment of the associated disease. Therefore, testosterone replacement therapy could be a potential treatment for improving glycaemic control and reducing cardiovascular risk.

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