

Press Release

ProStrakan Group plc

AGM Statement

Galashiels, Scotland, 10 May 2006 - ProStrakan Group plc (LSE: PSK), the European specialty pharmaceutical company, announces At today's Annual General Meeting, Dr Wilson Totten, CEO of ProStrakan Group plc, will make the following comments on trading:

"In our 2005 preliminary results statement issued on 23rd March, we highlighted some recent achievements and milestones: these included...

- Sales revenues up 47% in the year ended 31 December 2005
- Successful IPO in June, raising £40 million
- Rectogesic (for anal fissures) launched in UK
- Rectogesic EU MRP process successfully completed
- Tostrex (for testosterone deficiency) launched in Sweden
- Tostrex EU MRP process initiated
- Acquisition of EU rights to Rapinyl (for cancer breakthrough pain)
- Acquisition of APS Pharma in Germany
- In-licensing of UK rights to Tabphyn (for benign prostatic hyperplasia)
- Start of Phase III study for lead drug candidate, the Sancuso anti-emetic patch

"These achievements demonstrate our ability to add value to the business by delivering significant international commercial expansion and by advancing the leading projects in our R&D pipeline.

"On the commercial side, there has been pleasing progress in sales to date in 2006 across the range of our marketed products which continue to perform in line with expectations. Sales of Tabphyn, acquired in March and launched on the UK market in April, have got off to a good start reflecting our belief in the market potential for a cost-effective branded generic tamsulosin and those of Rectogesic in the UK continue to be strong.

"Following the successful completion of the Rectogesic MRP in March, in April we received news that the Tostrex MRP had also successfully concluded. These approvals now clear the way for the launch in 2007 of both products in all 19 EU countries where marketing authorisations were applied for.

“Recruitment for the multi-centre Sancuso Phase III study is progressing on target and we remain on track to file Rapinyl for EU approval early in the second half of this year.

“Cash consumption is also broadly in line with target. We continue a Group-wide focus on controlling costs and expenditure.

“In summary, the priorities for the period ahead include the continued expansion of the commercial business alongside prudent investment in R&D. The current year has started well and we look to the remainder of the year with confidence.”

ENDS

For more information, please contact:

ProStrakan +44 (0)1896 664000
Wilson Totten, CEO
Adrian Gardner, CFO

Financial Dynamics +44 (0)20 7831 3113
David Yates/ Sarah MacLeod

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 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 handled by commercial subsidiaries based in the UK, France, Germany and Spain.

ProStrakan was listed on the London Stock Exchange in June 2005.

On 23 March 2006, the company announced its Preliminary Results for 2005: revenues up 47% to £31.6 million; gross profit up 69% to £16.7 million.

On the same day, the company made two further announcements: firstly, the in-licensing of the UK rights to Tabphyn™, a treatment for benign prostatic hyperplasia, and, secondly, the successful conclusion to the Rectogesic™ MRP (see above).

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