



Press Release

ProStrakan Group plc

ProStrakan announces the disposal of Zindaclin to Crawford Healthcare

Galashiels, Scotland, 12 December 2006 - ProStrakan Group plc (LSE: PSK), the European specialty pharmaceutical company, announces today the disposal of its interests in Zindaclin (clindamycin phosphate 1% gel for acne) to Crawford Healthcare Ltd ("Crawford"). Zindaclin is the first product that ProStrakan had self-developed and was launched in the UK in 2002.

Zindaclin has ceased to be a strategic product for ProStrakan as it is promoted primarily to GPs and dermatologists. The UK and Irish rights (the only markets where ProStrakan had itself previously marketed the product) had earlier been sold to Crawford. To allow for a more active promotion of the product, ProStrakan has recovered the rights to Zindaclin in most Western European countries from one partner and CEE countries from another. Under this agreement, these rights are now being on-sold to Crawford together with the rights to Zindaclin in the USA (where, to get an approval for the product, additional clinical work would be required).

Under the terms of the agreement, ProStrakan will receive undisclosed upfront and future milestone payments and royalties.

Commenting on the agreement, **Dr Wilson Totten, CEO of ProStrakan**, said: "Crawford makes an excellent partner for Zindaclin and I wish them every success in growing sales and demonstrating the potential in this product. The disposal of Zindaclin will allow us to focus our resources on growing the sales of our existing marketed products and on completing the development and launching the high potential products in our pipeline."

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Notes to Editors

Zindaclin

Zindaclin is a clindamycin phosphate 1% gel for the treatment of mild and moderate acne and was the first once-daily topical treatment launched in Europe. Zindaclin uses the patented ResiDerm intradermal drug delivery system which allows for the administration of drugs in the presence of zinc ions. This creates an intradermal drug reservoir by enhancing penetration into the skin and, once there, prolonging their retention in the dermal layers. It is this which allows for once-daily administration.

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. 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 13th Sept 2006, the Company announced its Preliminary Results for the first half of 2006: revenues on continuing products increased by 28% over the prior period to £16.1 million; total gross profit increased by 14% to £9.9 million and retained loss increased by 6% to £14.9 million.

www.prostrakan.com

Crawford

Crawford Healthcare Limited is a fast growing, UK based specialty pharmaceutical company focused on dermatology. Crawford has recently acquired a majority stake in the profitable and rapidly growing French dermatology distribution company Laboratoire ACM. It also acquired the global rights to Vitix, a vitiligo product current selling in over 30 European markets. Since April 2005, Crawford has successfully completed seven acquisition or in-licensing deals and now has sales in 47 markets.

www.crawfordpharma.com