

Asterand PLC Preliminary Results 2005

Monday, March 20, 2006

Introduction

Pharmagene plc (“Pharmagene” or the “Group”) was renamed Asterand plc following the merger with Asterand, Inc., which was approved by shareholders on 22 December 2005 and was completed in all respects on 3 January 2006 upon the admission of the enlarged share capital to the Official List. These preliminary results cover Pharmagene plc prior to the merger. In addition, a summary of Asterand, Inc.’s trading performance in 2005 has also been provided. Asterand, Inc.’s results do not form a part of the consolidated results of Pharmagene plc for 2005. Throughout this statement “Pharmagene” and “Asterand, Inc.” refer to the two companies separately prior to the merger. When looking to the future the enlarged group following the merger is referred to by its new name – Asterand plc.

“We’re providing a core service in the world of academic and commercial research needs,” Charlton said. “With the mapping of the human genome, everyone needs different kinds of tissue to develop the therapies that will cure the four thousand genetic diseases that afflict mankind.”

Highlights

- Merger of Pharmagene and Asterand, Inc. announced in September 2005 and completed in January 2006
- Reorganisation of Pharmagene to focus on the services business completed
- Initial realisations of assets within the Therapeutics portfolio concluded
- Pharmagene revenues £2.7 million (2004: £4.2 million), operating loss before exceptional redundancy costs £5.7 million - after exceptional costs £7.6 million (2004: £8.4 million)
- Asterand, Inc. revenues \$5.1 million (2004: \$8.0 million), operating loss before exceptional merger costs \$5.1 million - after exceptional costs \$5.9 million (2004: \$1.3 million). Underlying revenues, excluding a single large transaction in 2004, show annual growth of 38%
- Opening cash resources of Asterand plc on completion of the merger in January 2006 of £9.9 million

Randal Charlton, CEO of Asterand plc said:

“Asterand plc now has the sole focus of becoming a world leader in human tissue-based research for the pharmaceutical and biotechnology industry. We believe that Asterand offers a compelling proposition - a worldwide tissue acquisition network which, combined with our scientific research team, provides our clients with the opportunity to take safer and more effective drug candidates into the clinic with increased confidence.”