

Press Release

RELIANCE LIFE SCIENCES ACQUIRES GENEMEDIX PLC, UK

- TO INVEST GBP 32.1 MILLION OVER FIVE YEARS
- SETS STAGE FOR EU BIOSIMILARS INITIATIVE

Mumbai, February 7, 2007: Reliance Life Sciences Private Limited, India, has acquired GeneMedix plc, a UK-based biotechnology company with London and Singapore Stock Exchange listings. Shareholders of GeneMedix approved the acquisition at an Extraordinary General Meeting of the Company held on January 12, 2007 at its headquarters at New Market, UK.

This is the first-ever, overseas acquisition of a listed biopharmaceutical company by an Indian company.

The acquisition is by way of subscription, by Reliance Life Sciences, to 1,168 million additional equity shares of GeneMedix at 1.25 pence/share amounting to a value of GBP 14.6 million. This represents a shareholding of 74% of the enlarged equity of Genemedix for Reliance Life Sciences. The acquisition deal also involves a five year warrant option for Reliance Life Sciences for a further 1,404 million shares at 1.25 pence/share to enable infusion of an additional GBP 17.5 million, which would take the shareholding of Reliance Life Sciences in GeneMedix to 86%.

For Reliance Life Sciences, the acquisition provides an opportunity to enter the European biopharmaceutical market by leveraging its wide portfolio of therapeutic proteins under development with a complementary product portfolio of GeneMedix as well as with the manufacturing facility of GeneMedix for production of clinical trial lots and initial market entry requirements. The mammalian cell culture manufacturing facility of Genemedix, located at Tullamore in Ireland, was recently awarded a Good Manufacturing Practice accreditation by the Irish Medicine Board.

Reliance Life Sciences recently entered the Indian market with five plasma protein products and has several other products under development in the categories of specialty plasma proteins, biosimilars, novel proteins, monoclonal antibodies and siRNA molecules. It operates a pilot-scale biopharmaceutical manufacturing facility in Mumbai to manufacture plasma proteins and recombinant proteins. Reliance Life Sciences is building three commercial scale facilities at its Navi Mumbai campus to manufacture recombinant proteins, as well as plasma proteins. These facilities would be operational in the year 2007.

For GeneMedix, which was distressed, the acquisition provides much needed funds for clearing debts and supporting product development of its lead biosimilars – Erythropoietin (EPO) for the European market, access to Reliance Life Sciences pre-clinical, clinical and bioanalytical capabilities in India and the ability to manufacture larger quantities of biosimilar products in the commercial scale manufacturing facilities of Reliance Life Sciences in Navi Mumbai.

Following the acquisition, Genemedix has started clinical trials in Europe for EPO, its first biosimilar product. EPO stimulates red blood cell production and is used mainly by chemotherapy and chronic renal failure patients. The second product, Granulocyte Colony Stimulating Factor (GCSF), would be entering the clinical trial stage later this year. GCSF stimulates white blood cell production and is used mainly as an adjunct treatment with chemotherapy for cancer patients. Reliance Life Sciences intends to introduce EPO in India, following concurrent clinical trials in India.

The global market for EPO and GCSF are estimated to be USD 10 billion and USD 3 billion respectively. The European Union recently published guidelines for regulatory approval for biosimilars and US is expected to follow suit in the near future.

In essence, the acquisition brings together the development of a larger complement of biopharmaceutical products with the capability to manufacture and market them on a global basis, starting with Asia and Europe.

Providing a perspective on the acquisition, Mukesh Ambani, Chairman of Reliance Group said, “We envisage GeneMedix as an important enabler of our global life sciences business aspirations, with significant potential for contribution in the biopharmaceutical space.”

Commenting on the acquisition, K.V. Subramaniam, President and CEO of Reliance Life Sciences said “We are pleased to be able to work closely with GeneMedix in realizing its aspirations of being a major biogenerics player.”

Following the acquisition, GeneMedix would transfer its listing to the Alternate Investment Market (AIM) of the London Stock Exchange, so as to give it greater flexibility in aligning its capital structure and funding plans to support a diverse and deep biopharmaceutical development programme.

About Reliance Life Sciences

Reliance Life Sciences, part of The Reliance Group of Companies, is a research-driven, biotechnology-led, life sciences organization, participating in medical, plant and industrial biotechnology opportunities. Specifically, these relate to biopharmaceuticals, molecular diagnostics and genetics, cell-based therapies, plant tissue culture, plant metabolic engineering, biofuels, biopolymers, biochemicals, clinical research services and contract manufacture.

Reliance Group of Companies

Founded by Dhirubhai H. Ambani (1932-2002), the Reliance Group is India's largest private sector enterprise, with businesses in the energy and materials value chain. Group revenues add up to USD 23 billion. The flagship company, Reliance Industries Limited, is a Fortune Global 500 company. The Group's activities span exploration and production of oil and gas, petroleum refining and marketing, petrochemicals (polyester, fibre intermediates, plastics and chemicals), textiles and organized retailing. It exports products worth USD 8

billion to more than 100 countries in the world. There are 27,000 employees within the Group.
