

## **CATO RESEARCH AND NEULAND LABORATORIES FORM CATO RESEARCH NEULAND INDIA, LTD.**

**Durham, NC, USA, and Hyderabad, India (May 26, 2008)** – Cato Research Ltd. (“Cato Research”), a global contract research and development organization (“CRO”), and Neuland Laboratories Ltd. (Neuland), a high-quality contract manufacturer of bulk active pharmaceutical ingredients, announced today a new joint venture which will establish a CRO located in Hyderabad, India. Cato Research Neuland India, Ltd., the new joint venture company formed by Cato Research, Cato Research Israel Ltd., and Neuland will assist health care companies in efficiently bringing innovative drugs to market while using high quality and cost effective resources located in India.

Cato Research will provide business development, personnel training, senior management recruitment and implementation of SOP guidelines. In collaboration with Cato BioVentures, the venture capital affiliate of Cato Research, Cato Research will also provide CRO services to include clinical studies, data management activities, statistical analysis, as well as regulatory services.

“This joint venture further allows Cato to expand its international presence and better serve our sponsors,” said Dr. Allen Cato, M.D., Ph.D., Chief Executive Officer of Cato Research and Principal of Cato BioVentures. The addition of India into Cato Research’s international network increases our ability to conduct multinational clinical trials and provide a wide range of CRO services in the international arena.”

“We are pleased to be working with Cato Research and Cato BioVentures to accelerate development and commercialization of several new innovative products,” said Dr. D. R. Rao, Chairman and Managing Director for Neuland Laboratories. “Our strategic interests are well-aligned, as each party offers unique strengths to make this arrangement successful. This joint venture takes Neuland one step closer towards our objective of becoming an end-to-end service provider for the Pharmaceutical Industry”

### **About Cato Research Ltd.**

Founded in 1988 by Dr. Allen Cato and Lynda Sutton and headquartered near Research Triangle Park, North Carolina, Cato Research is a global full-service contract research and development organization providing strategic and tactical support for clients in the pharmaceutical, biotechnology, medical device, and medical diagnostic industries. With a staff of nearly 300 employees located in the United States, Europe, Canada, Israel, and South Africa, Cato Research Research’s services range from design and management of preclinical and clinical studies to submission of regulatory documents required for marketing approval.

### **About Neuland Laboratories**

The company, which was founded in 1984 and is based in Hyderabad, Andhra Pradesh, India, is a publicly-held pharmaceutical manufacturing company operating in compliance with Good Manufacturing Practices guidelines. Neuland produces pharmaceuticals for a broad range of diseases and therapeutic areas, including respiratory, cardiovascular, infectious diseases, central nervous system disorders, and gastrointestinal. Neuland also provides chemistry-based contract research services in the areas of medicinal chemistry, process R&D, analytical R&D and scale-up activities. Neuland, with over 750 employees, has customers in over 80 countries and has established subsidiaries in the US and Japan.

**About Cato BioVentures**

Cato BioVentures is the venture capital affiliate of Cato Research Ltd. For nearly 20 years, Cato BioVentures has assisted entrepreneurs and established management teams in building successful life science companies. Through strategic CRO service agreements with Cato Research, Cato BioVentures invests its in-kind CRO Service Capital<sup>®</sup> in innovative therapeutics, medical devices, diagnostics and platform tools and technologies for improved drug discovery and development, offering promising life science companies immediate access to a broad range of essential CRO services on a noncash basis. Access to these time-critical CRO services enables management to achieve key value-added development and regulatory milestones with less reliance on other sources of capital. Cato BioVentures has offices in Boston's Bay Colony, Research Triangle Park and Silicon Valley.