News Release

2007: A YEAR OF MAJOR ACCOMPLISHMENTS FOR THERATECHNOLOGIES

- **Strong progress in clinical program**
- **Commercialization plan advancing**
- **Sound financial position**

Montreal, Canada – January 23, 2008 – Theratechnologies (TSX:TH) today announced its financial results for the year ended November 30, 2007 and reviewed corporate highlights for the year. The Company reported a sound financial position with $62 million in liquidities.

"It was clearly a great year for Theratechnologies," said Yves Rosconi, President and Chief Executive Officer, commenting on 2007. "After announcing positive results for the first pivotal tesamorelin study in December 2006, we moved quickly into our confirmatory Phase 3 study. Recruitment was completed faster than for the first phase 3 study and we are looking forward to top-line results by mid year. The positive Phase 3 results and rapid execution of the overall development program have kept us on course to submit a New Drug Application (NDA) for tesamorelin in the United States by the end of 2008," he noted.

"In parallel with the progress in the clinic, preparatory work for the eventual commercialization of tesamorelin intensified in 2007," Mr. Rosconi continued. "This work included discussions with potential commercial partners and detailed assessments of the sales potential for tesamorelin that point to a large and exciting market opportunity," Mr. Rosconi said.

"We have planned another busy and fruitful year in 2008," Mr. Rosconi stated. "The completion of the tesamorelin clinical program and the NDA submission are top priorities. As we did in 2007, we intend to execute our 2008 business plan well and in a timely way in order to continue building value for shareholders," Mr. Rosconi concluded.

Strong progress in clinical program

Confirmatory Phase 3 trial: recruitment and randomization completed
In September, 2007 recruitment ended for the Company's confirmatory Phase 3 clinical trial using tesamorelin, which was more rapidly than its first Phase 3 trial with a similar number of patients.

Positive 26- and 52-week results for the first Phase 3 tesamorelin trial
On October 1st, 2007, the Company announced positive 52-week results of its Phase 3 clinical trial, evaluating the long-term safety profile of tesamorelin, in patients with HIV-associated lipodystrophy. The 52-week results were consistent with the safety profile of the 26-week results disclosed in December 2006 and showed that tesamorelin was well tolerated. Tesamorelin's efficacy was also confirmed as patients on treatment for 52 weeks lost 18% of their visceral adipose tissue compared to baseline.

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Clinical data presented at four international scientific conferences and published in the *New England Journal of Medicine*
Throughout the year, the Company presented clinical data at major international scientific conferences, such as: the 14th Conference on Retroviruses and Opportunistic Infections in Los Angeles, the 89th annual meeting of the Endocrine Society in Toronto, the 9th International Workshop on Adverse Drug Reactions and Lipodystrophy in HIV, in Sydney, and the 11th European AIDS Conference in Madrid. The results from the 26-week Phase 3 clinical trial, using tesamorelin, were also published in the December 6, 2007 edition of *New England Journal of Medicine*, a prestigious top-tier medical journal.

Commercialization plan advancing

Additional patent protection for tesamorelin
At the beginning of January 2008, the Company announced that the United States Patent and Trademark Office has issued Patent Number 7,316,997 entitled "GH Secretagogues and Uses Thereof" to Theratechnologies. This patent covers methods of treatment of HIV-associated lipodystrophy using tesamorelin. The granting of this patent extends the patent protection of tesamorelin in HIV-associated lipodystrophy until the year 2023.

Market size estimates for HIV-associated lipodystrophy
In December 2007, the Company presented its commercial evaluation of the HIV-associated lipodystrophy market based on updated market research performed by pharmaceutical industry specialists. The reported number of HIV patients for 2007 is 1.9 million patients[1] in the US & Europe and this number is projected to be 2.3 million patients in 2012. The estimated number of patients with HIV-lipodystrophy in 2012 is estimated to be approximately 380,000, with a projected market potential for the US and Europe between US $811 million to US $1.3 billion.

Awareness program on HIV-associated lipodystrophy in the medical community
In October 2007, the Company launched an awareness program on HIV-associated lipodystrophy in the medical community, at the 11th European AIDS Conference in Madrid, by presenting its first scientific symposium on the subject.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FOURTH QUARTER

Revenues
Consolidated revenues for the three-month period ended November 30, 2007 amounted to $1,294,000 compared to $367,000 in 2006. Theratechnologies' consolidated revenues for the year ended November 30, 2007 were $3,134,000 compared to $1,649,000 in 2006. The 2007 revenues include $619,000 received as an upfront payment in the form of stock options from OctoPlus N.V., a Dutch company, in return for the Company's worldwide rights to the development and commercialization of its Glucagon-like Peptide-1 (GLP-1) program. The Company has no other service obliations under the agreement and may receive further milestone payments of up to €36 million (approximately CA$53M) based on development, clinical phases and commercialization, as well as royalty payments on future sales of all products developed and commercialized under the agreement. The OctoPlus stock options were valued

[1] *1.9M HIV patients : Source CDC 2003, EuroAids 2005*

using the Black and Scholes pricing model. Most of the remaining revenues for 2007, and substantially all of the revenues for 2006, were derived from interest on investments. Interest revenue was higher in 2007 due to an increase in funds invested following a public offering of common shares completed in February 2007 with net proceeds to the Company of $54,562,000.

R&D Activities

Consolidated research and development (R&D) expenditures, before tax credits, totalled $8,475,000 for the three-month period ended November 30, 2007 compared to $5,963,000 in 2006. For the year ended November 30, 2007, consolidated R&D expenditures, before tax credits, totalled $31,866,000 compared to $22,049,000 in 2006. The increase in R&D expenditures in the fourth quarter and during the fiscal year, reflects the level of activity with respect to the simultaneous conduct of the Company's two pivotal studies.

Other Expenses

For the year ended November 30, 2007, general and administrative expenses, selling and market development expenses, patents and amortization of other assets ("SG&A") were $8,100,000 compared to $5,513,000 in 2006. The increase in 2007 is attributable to higher stock-based compensation related to a special grant of stock options in January 2007 to all employees ($1,035,000 compared to $713,000 in 2006). This stock-based compensation has no impact on the liquidities of the Company. Secondly, the Company incurred a foreign exchange loss of $598,000 in 2007 compared to a gain of $111,000 in 2006. The increase in the costs is also associated with the growth and development of the Company.

Selling and market development expenses amounted to $2,351,000 compared to $902,000 in 2006. This increase reflects the activities associated with pre-commercialization.

Net Results

Reflecting the variations in revenues and expenses described above, the Company recorded a net loss of $10,279,000 in the three months ended November 30, 2007 compared to $6,942,000 in 2006. For the year ended November 30, 2007, the net loss was $37,588,000 compared to a net loss of $25,861,000 in 2006.

Quarterly Financial Information

The selected financial information provided below is derived from the Company's unaudited quarterly financial statements for each of the last eight quarters.

(in thousands of Canadian dollars, except per share amounts)

	2007				2006			
	Q4	**Q3**	**Q2**	**Q1**	Q4	Q3	Q2	Q1
Revenues	**$ 1,294**	**$ 748**	**$805**	**$ 287**	$ 367	$ 412	$ 395	$ 475
Net loss	**$ (10,279)**	**$ (9,781)**	**$ (8,089)**	**$ (9,439)**	$ (6,942)	$ (7,251)	$ (6,221)	$ (5,447)
Basic and diluted loss per share	**$ (0.19)**	**$ (0.18)**	**$ (0.15)**	**$ (0.20)**	$ (0.15)	$ (0.16)	$ (0.14)	$ (0.15)

The increase in revenues in 2007 results from higher liquidities compared to 2006 associated with the financing of February 2007.The revenues of the fourth quarter 2007 include $619,000 received as an upfront payment in the form of stock options from OctoPlus N.V., in return for the Company's worldwide rights to the development and commercialization of its GLP-1 program.

Financial Position
Theratechnologies maintained a sound liquidity position in 2007. At November 30, 2007, liquidities amounted to $61,786,000 which include cash and bonds of $60,368,000 and tax credits receivable of $1,418,000.

During the first quarter of 2007, the Company completed a public offering for the sale and issuance of 6,875,000 common shares, including those issued pursuant to the over-allotment option, for a total cash consideration of $57,750,000. Issue costs totalled $3,188,000, resulting in net proceeds to the Company of $54,562,000. In the year ended November 30, 2007, the Company issued 867,700 common shares following the exercise of stock options, for total cash proceeds of $2,392,000. During 2007, the Company also issued 13,074 common shares to employees for a total cash consideration of $129,000 in connection with its share purchase plan.

In the three months ended November 30, 2007 the burn rate from operating activities and excluding changes in operating assets and liabilities, was $9,958,000 compared to $6,492,000 in 2006, reflecting the level of activities previously described. For the year ended November 30, 2007, the burn rate was $34,698,000 compared to $23,917,000 in 2006. The increase in the burn rate in 2007 reflects the planned increase in activities related to the Phase 3 program, including activities associated with the pre-commercialization of tesamorelin.

Changes in accounting policies
At the beginning of the fiscal year 2007, the Company adopted the following sections of the Canadian Institute of Chartered Accountants (CICA) Handbook: Section 1530 entitled “Comprehensive income”, Section 3251 entitled “Equity”, Section 3855 entitled “Financial Instruments – Recognition and measurement”, Section 3861 entitled “Financial Instruments – Presentation and Disclosure”, and Section 3865 entitled “Hedges”. The adoption of these standards had no material impact on the Company’s consolidated operating results (see note 2 of the Consolidated Financial Statements).

Outstanding share data
At January 18, 2008, the number of shares issued and outstanding was 54,563,465 common shares, while outstanding options granted under the stock option plan were 2,180,301. Between December 1, 2007 and January 18, 2008, 32,332 options were exercised at an average exercise price of $4,19 per share for a total cash proceeds of $135,000.

Contractual Obligations
Apart from the financing mentioned above, there were no material changes in contractual obligations occurred during the quarter, other than in the ordinary course of business.

Economic and Industry Factors
Economic and industry factors were substantially unchanged from those reported in the Company’s 2006 Annual Report.

About Theratechnologies
Theratechnologies (TSX:TH) is a Canadian biopharmaceutical company that discovers innovative drug candidates in order to develop them and bring them to market. The Company targets unmet medical needs in financially attractive specialty markets. Its

most advanced program is tesamorelin, now in a confirmatory Phase 3 clinical trial for a serious metabolic disorder known as HIV-associated lipodystrophy. The Company also has other projects at earlier stages of development.

Additional Information about Theratechnologies
Further information about Theratechnologies is available on the Company's website at www.theratech.com. Additional information, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com.

Forward-Looking Information
This press release and the management's discussion and analysis for the fourth quarter contained herein contain certain statements that are considered "forward-looking information" within the meaning of applicable securities legislation. This forward-looking information includes, but is not limited to, information regarding the Phase 3 clinical program of tesamorelin (such as the completion and announcement of the results of the Phase 3 studies, the filing of a New Drug Application (an "NDA") with the U.S. Food and Drug Administration (the "FDA")) and the commercialization of tesamorelin in HIV-associated lipodystrophy. Words such as "will", "may", "could", "should", "outlook", "believe", "plan", "envisage", "anticipate", "expect" and "estimate", or the negatives of these terms or variations of them and the use of the conditional tense as well as similar expressions denote forward-looking information.

Forward-looking information is based upon a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the negative results that the current Phase 3 clinical studies may yield, the risk that the Company may not obtain all required approvals from regulatory agencies to market its products, the risk that the Company's products may not be accepted by the market, the difficulties the Company may encounter in building its sales force and the delays that may occur if the Company encounters problems with a third-party supplier of services.

Although the forward-looking information contained in this press release and the management's discussion and analysis for the fourth quarter contained herein is based upon what the Company believes are reasonable assumptions, investors are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Certain assumptions made in preparing the forward-looking information and the Company's objectives include the assumption that past results obtained from the first Phase 3 clinical study will be repeated, that the time required to analyze and report the results of the Company's clinical studies will be consistent with past timing, that discussions to be held with the FDA will be positive, that market data and reports reviewed by the Company are accurate and that current relationship with the Company's third party suppliers of services and products will remain good.

Consequently, all of the forward-looking information contained in this press release and the documents incorporated herein by reference are qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences or effects on the Company, its business, financial condition or results of operation. Investors are referred to the Company's public filings

available at www.sedar.com. In particular, further details and descriptions of these and other factors are disclosed in the “Risk and Uncertainties” section of the Company’s Annual Information Form for the year ended November 30, 2006. The Company does not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

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