News Release

THERATECHNOLOGIES REPORTS THIRD QUARTER RESULTS AND RECENT CORPORATE HIGHLIGHTS

Montreal, Canada – October 10, 2007 – Theratechnologies (TSX:TH) today announced its financial results for the third quarter ended August 31, 2007 and reviewed recent corporate highlights.

Highlights:

- Disclosed positive long-term safety and efficacy results for Phase 3 clinical trial for tesamorelin (TH9507)
- Signed license agreement for Glucagon-like Peptide-1 (GLP-1) portfolio of compounds
- Reassured by the FDA regarding Theratechnologies' Phase 3 clinical program for tesamorelin
- Randomized last patient for the confirmatory Phase 3 trial
- Appointment of Dr. Pierre Caudrelier as Chief Medical Officer
- Disclosed improvement of perception of belly image in first Phase 3 trial
- Regained worldwide rights for tesamorelin
- Sound financial position with $70M in liquidities

"Theratechologies continues to forge ahead in executing its clinical plan and this momentum will continue into 2008," commented Mr. Yves Rosconi, President and Chief Executive Officer of Theratechnologies. "Both the positive long-term safety and efficacy data that were recently disclosed, in combination with the reassurance from the FDA regarding our clinical program, continues to clinically distinguish tesamorelin as the compound of choice for treating HIV-associated lipodystrophy." Mr. Rosconi continued.

"With $70M cash in hand, we are in a solid financial position to complete our existing clinical program and to support other activities of the Company," noted Mr. Luc Tanguay, Senior Executive Vice President and CFO.

Disclosed Positive Long-Term Safety and Efficacy Results for Phase 3 Clinical Trial for Tesamorelin

Last week, Theratechnologies 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 are consistent with the safety profile observed in the first 26 weeks of treatment and show that tesamorelin is well tolerated by patients. In addition, tesamorelin's efficacy was confirmed as patients on treatment for 52 weeks lost 18% of their visceral adipose tissue (VAT) compared to baseline.

Signed License Agreement for Glucagon-like Peptide-1 (GLP-1) Portfolio of Compounds

On September 26, 2007, Theratechnologies signed a license agreement under which OctoPlus N.V. ("Octoplus") has acquired exclusive worldwide rights to develop and commercialize Theratechnologies' Glucagon-like Peptide-1 (GLP-1)

portfolio of analogues for the treatment of diabetes and other potential indications. OctoPlus' proprietary drug delivery technology will be combined with Theratechnologies' GLP-1 compounds to produce a product candidate that may reduce the required dosing frequency in diabetes therapy.

Reassured by the FDA Regarding Theratechnologies' Phase 3 Clinical Program for Tesamorelin

The US Food and Drug Administration (FDA) Division of Metabolic and Endocrine Drug Products had recently requested an update on the status of Theratechnologies' clinical trial program and preliminary results for tesamorelin. Upon review of the documentation, the FDA indicated that they were reassured especially given that thus far there were no signals of glucose intolerance or other safety concerns. With the information known as of the date of its statement, the FDA indicated that it does not anticipate that additional clinical outcome trials would be required.

Randomized Last Patient for the Confirmatory Phase 3 Trial

The confirmatory Phase 3 trial is designed to confirm the results of the first Phase 3 trial by examining the safety and efficacy of a daily administration of 2 mg of tesamorelin for 26 weeks. The primary endpoint is a reduction of VAT. In August 2006, the protocol for this confirmatory Phase 3 trial was reviewed by the FDA under the Special Protocol Assessment (SPA) process. The last patient was recently randomized for a total of 404 patients enrolled in the confirmatory Phase 3 trial. Top-line data of the confirmatory Phase 3 trial is expected in the first half of 2008.

Appointment of Dr. Pierre Caudrelier as Chief Medical Officer

Dr. Pierre Caudrelier joined Theratechnologies in early September as Chief Medical Officer. Dr. Caudrelier has spent most of his career working in clinical research and R&D, as well as having been involved in all aspects of the development of many products in various areas, including HIV. Dr. Caudrelier is now responsible for all of Theratechnologies' preclinical, clinical, regulatory and pharmaceutical activities.

Announced Improvement of Perception of Belly Image in First Phase 3 Trial

At the 9th International Workshop on Adverse Drug Reactions and Lipodystrophy in HIV held in Sydney, Australia, Theratechnologies presented further data elaborating the 26-week results for the first Phase 3 clinical trial for tesamorelin. A poster presentation focused on body image data and showed that patients treated with tesamorelin significantly improved their perception of belly image compared to the placebo group. In addition, a presentation regarding the effect on body composition and metabolic parameters in HIV-infected patients with lipodystrophy treated with tesamorelin was discussed.

Regained Worldwide Rights for Tesamorelin

Theratechnologies regained exclusive rights for tesamorelin, in Japan, from Sakai Chemical Industry Co. Ltd. Under the terms of the agreement, the rights were returned to Theratechnologies without financial compensation. The Company believes that there is strategic value in owning the worldwide rights of tesamorelin.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THIRD QUARTER

Revenues

Consolidated revenues for the three-month period ended August 31, 2007 amounted to $748,000, compared to $412,000 in 2006. For the nine-month period ended August 31, 2007, consolidated revenues were $1,840,000, compared to $1,282,000 for the same period in 2006. Revenues for the quarter and for the first nine months of the current year are mainly composed of interest from investments. The difference between revenues in 2007 compared to 2006 is mainly attributable to an increase in liquidities related to the financing completed in February 2007.

R&D Activities

Consolidated research and development (R&D) expenditures, before tax credits, totalled $8,715,000 for the third quarter of 2007, compared to $6,440,000 in 2006. For the nine-month period ended August 31, 2007, R&D expenses were $23,391,000, compared to $16,086,000 for the same period in 2006. The increase in R&D spending in 2007 is related to the completion of the first pivotal Phase 3 clinical trial and the progress of the confirmatory Phase 3 clinical trial for tesamorelin (TH9507).

Other Expenses

For the third quarter of 2007, general and administrative expenses, selling and market development expenses, patents and amortization of other assets (SG&A) were $2,520,000, compared to $1,459,000 for the same period in 2006. For the nine-month period ended August 31, 2007, the SG&A amounted to $7,458,000, compared to $4,735,000 for the same period in 2006. These increases are mainly attributable to the costs associated with business development and pre-commercialization activities, as well as loss on foreign exchange, stock-based compensation, and the overall growth of the Company.

Realized Gain on Sale of Investments in Public Companies

For the third quarter of 2007, the Company realized a gain of $383,000 ($342,000 for the nine-month period ended August 31, 2007) on sale of investments in Sonomed Inc. and Thallion Pharmaceuticals Inc.

Net Results

Reflecting the variations in revenues and expenses described above, the Company recorded a net third-quarter loss of $9,781,000, compared to $7,251,000 for the same period in 2006. For the nine-month period ended August 31, 2007, the loss was $27,309,000, compared to $18,919,000 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.

	2007			2006				2005
	Q3	**Q2**	**Q1**	Q4	Q3	Q2	Q1	Q4
Revenues	**$ 748**	**$805**	**$ 287**	$ 367	$ 412	$ 395	$ 475	$ 319
Operating loss	**$ (10,164)**	**$ (8,048)**	**$ (9,439)**	$ (6,942)	$ (7,251)	$ (6,221)	$ (5,447)	$ (5,580)
Net loss	**$ (9,781)**	**$ (8,089)**	**$ (9,439)**	$ (6,942)	$ (7,251)	$ (6,221)	$ (5,447)	$ (5,651)
Basic and diluted loss per share	**$ (0.18)**	**$ (0.15)**	**$ (0.20)**	$ (0.15)	$ (0.16)	$ (0.14)	$ (0.15)	$ (0.16)

Financial Position
The Company maintained a sound financial position. At August 31, 2007, liquidities, which includes cash and bonds, amounted to $69,487,000 and tax credits receivable amounted to $1,125,000, for a total of $70,612,000.

During the first quarter, 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 totaled $3,238,000, resulting in net proceeds to the Company of $54,512,000. For the nine-month period ended August 31 2007, the Company issued 822,200 common shares following the exercise of stock options, for total cash proceeds of $2,207,000. During the second quarter of 2007, the Company also issued 10,949 common shares to employees for a total cash consideration of $104,000 in connection with its share purchase plan.

For the three-month period ended August 31, 2007, the burn rate from operating activities, excluding changes in operating assets and liabilities, was $9,711,000, compared to $6,865,000 in 2006. For the nine-month period ended August 31, 2007, the burn rate amounted to $24,740,000, compared to a burn rate of $17,425,000 in 2006. The increased burn rate in 2007 is the result of the higher R&D expenses described above.

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).

Subsequent Event
On September 26, 2007, the Company signed a licensing agreement whereby OctoPlus N.V. (“OctoPlus”) acquired the exclusive worldwide rights for the development and commercialization of its Glucagon-like Peptide-1 (GLP-1) program, a portfolio of analogues for the treatment of diabetes and other potential indications. OctoPlus’ proprietary drug delivery technology in the area of controlled release will be combined with the Company’s GLP-1 compounds to produce a product candidate that may reduce the required dosing frequency in diabetes therapy.

The Company received 200,000 OctoPlus stock options upon execution of the agreement. In addition, pursuant to the terms of the agreement, OctoPlus will make milestone payments to Theratechnologies that could amount to as much as €36M (approximately CA$51M), based on development, clinical phases and commercialization of a product. Royalties on the annual net sales of any products developed and commercialized under the agreement could also be paid to Theratechnologies. OctoPlus will be responsible for all future development costs for the GLP-1 portfolio of compounds.

Outstanding Share Data
Between September 1 and October 8, 2007, 26,500 options were exercised, at an average exercise price of $4.85 per share, for total cash proceeds of $128,000. On

October 8, 2007, the number of shares issued and outstanding was 54,510,008, while outstanding options granted under the stock option plan were 2,164,133.

Contractual Obligations
Apart from the financings mentioned above, 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, which has recently completed patient randomization for its confirmatory Phase 3 clinical trial for a serious metabolic disorder known as HIV-associated lipodystrophy. Tesamorelin could be the first compound on the market to treat 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 Statements
This press release contains forward-looking statements regarding the conduct of the Company's Phase 3 clinical programs with tesamorelin, including, among others, the nature of the results and their timing, and the future development of the Company. By their very nature, these statements involve uncertainties and inherent risks, both general and specific, which give rise to the possibility that the predictions will not materialize. We do not recommend to investors to rely exclusively on such statements. We refer you to pages 15 to 19 of the 2006 Annual Information Form, which contain a more exhaustive analysis of the risks and uncertainties connected to the business of the Company. We have no obligation whatsoever to update forward-looking statements and we do not undertake to do so.

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