

**THERATECHNOLOGIES CLOSES ITS COLLABORATION AND LICENSING TRANSACTION WITH EMD SERONO**

*--Theratechnologies receives an upfront payment of US\$30 million (CDN\$37.0 million)--*

**Montreal, Canada – December 16, 2008** – Theratechnologies (TSX:TH) announced today that it has closed its transaction related to the collaboration and licensing agreement with EMD Serono, Inc., an affiliate of Merck KGaA, Darmstadt Germany. As part of this transaction, Theratechnologies has received an upfront payment of US\$30 million (CDN\$37.0 million) which includes a license fee of US\$22 million (CDN\$27.1 million) from EMD Serono and an equity investment of US\$8 million (CDN\$9.9 million) in Theratechnologies common stock at a price of US\$3.67 (CDN\$4.52) per share by Merck KGaA. Under the terms of the agreement, Theratechnologies may receive up to US\$215 million (CDN\$264.8 million) including the upfront payment, and payments based on the achievement of certain development, regulatory and sales milestones. Theratechnologies will also be entitled to receive increasing royalties on annual net sales of tesamorelin in the US.

“The closing of this transaction solidifies our financial situation to a very comfortable position,” commented Mr. Luc Tanguay, Senior Executive Vice-President and CFO of Theratechnologies. “The upfront payment received today together with the future milestone and royalty payments provide us with a fully-financed business plan through the commercialization of tesamorelin for its first indication in the US,” concluded Mr. Tanguay.

“We are delighted to announce the closing of the transaction with EMD Serono,” said Mr. Yves Rosconi, President and CEO of Theratechnologies. “We look forward to a successful and productive relationship with EMD Serono. The company has a major presence in the area of HIV-associated disorders and growth hormone, which in combination with its strong track record of successfully commercializing new drugs, makes EMD Serono an excellent strategic partner to bring the value of tesamorelin to patients in need,” commented Mr. Yves Rosconi.

**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 compound, tesamorelin, has concluded its Phase 3 clinical program for a serious metabolic disorder involving excess abdominal fat in HIV patients with lipodystrophy. The Company also has other projects at earlier stages of development.

**Forward-Looking Statements**

This press release contains 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 total amount that the Company can receive under the collaboration and licensing agreement, the fact that the Company has a fully-financed business plan and that tesamorelin will be approved for commercialization for the treatment of HIV-associated lipodystrophy in the US.

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 assumptions, risks and uncertainties include, but are not limited to, the risk that tesamorelin does not get approved for the treatment of HIV-associated lipodystrophy in the US, the risk that the Company’s business plan changes over time which would require the Company to seek additional financings, and that the royalty payments to be received are lower than expected if the sales of tesamorelin for the treatment of HIV-associated lipodystrophy are not as high as anticipated. In making the forward-looking statements contained herein, we have assumed, among

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other factors that all such risks would not occur. The Company refers potential investors to the "Risks and Uncertainties" section of its annual information form (the "AIF") dated January 29, 2008. The AIF is available at [www.sedar.com](http://www.sedar.com) under the Company's public filings.

Although the forward-looking information contained in this press release 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.

Consequently, all of the forward-looking information contained in this press release is 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. Furthermore, the forward-looking information reflects current expectations regarding future events and speaks only as of the date of this press release and represents Theratechnologies' expectations as of that date. 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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