News Release

FOR IMMEDIATE RELEASE

Theratechnologies: TH9507 Phase 3 study advancing rapidly

- *Company meeting enrollment objectives*
- *European pharmaceutical executive joins the board of directors*
- *Financial results for the third quarter*
- *Solid finances: $44 million in liquidities*

Montréal, October 13, 2005 – Theratechnologies (TSX: TH) announced today its financial results for the third quarter ended August 31, 2005 and reviewed recent highlights.

"During the third quarter, we continued to make solid progress on all fronts and in particular with our principal objective, which is to bring TH9507 to market as soon as possible" said Yves Rosconi, President and Chief Executive Officer of Theratechnologies. "More specifically, the enrollment for our Phase 3 study in HIV-associated lipodystrophy which started at the end of June is now well underway and we are confident that we will reach our previously announced goal of 400 patients to complete enrollment by the end of the first quarter of 2006".

"In other developments, we added valuable, complementary expertise to our board in August with the appointment of a new member from the European and international pharmaceutical industry. In financial terms, we ended the quarter with $44 million in liquidities, sufficient to sustain our operations for the next two years", Mr. Rosconi noted.

"Looking to the longer-term prospects for Theratechnologies, we will complete the evaluation of our product pipeline by the end of the year. We also plan to communicate the new directions we envisage for the Company at the conclusion of an in-depth strategic review that is presently in process", he concluded.

Operating highlights:

TH9507: Phase 3 program in HIV-associated lipodystrophy
The patient enrollment for the Phase 3 study in HIV-associated lipodystrophy in the United-States is on plan. The enrollment rate is currently 10 patients per week and is growing exponentially as additional U.S. sites are steadily coming on stream. The enrollment rate will be boosted further with the initiation of Canadian sites in the coming weeks. Most of the 38 sites selected for the study will be operational by the end of October. As previously announced, the Company expects to conclude the enrollment of the required 400 patients by the end of the first quarter of 2006 and announce results in the second half of the year.

HIV-associated lipodystrophy is a serious metabolic syndrome that is often associated with growth hormone deficiency. It is characterized by an accumulation of visceral adipose tissue (VAT), dyslipidemia and glucose intolerance. The condition is a risk factor for cardiovascular disease and type 2 diabetes. First diagnosed in 1998, HIV-associated lipodystrophy is an emerging disease and a growing affliction among HIV patients. There is currently no approved therapy for this disease for which the market potential in North America and Europe is estimated to be between US $425 million and US $850 million annually.

Theratechnologies representatives will be attending the 7th International Workshop on Adverse Drug Reactions and Lipodystrophy in HIV in Dublin, Ireland, in mid-November. This annual event is the preeminent international conference in the field of HIV-associated lipodystrophy, attracting experts and key opinion leaders from around the globe.

In October, Mr. Yves Rosconi, President and Chief Executive Officer of the Company, presented at BioContact 2005 conference in Québec City. His presentation featured an update of the Company's Phase 3 program with TH9507 and he outlined the attractive market opportunity for Theratechnologies presented by HIV-associated lipodystrophy.

Appointment to the board of directors
In August, the Company's board of directors welcomed a new member, Mr. Bernard Reculeau, who, until recently, was Senior Vice President Pharmaceutical Operations of Paris-based sanofi-aventis for the InterContinental Region. Mr. Reculeau brings 21 years of European and international pharmaceutical industry experience to Theratechnologies, which adds a valuable, complementary perspective to the board.

$44 million in liquidities
At August 31, 2005, liquidities (cash, cash equivalents as well as bonds) amounted to $42.2 million, and tax credits and grants receivable amounted to $1.4 million, for a total of $43.6 million. Based on the current burn rate, the Company should be able to fund its operations for the next 2 years.

Sale of investment in Celmed BioSciences
On June 20, the Company completed the sale of its 37% interest in Celmed BioSciences, a privately held oncology company, for total consideration of up to $8.4 million. Total consideration includes an upfront payment of $2.8 million and milestone payments tied to the success of Celmed's lead products.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION:

Consolidation and investments
The consolidated financial statements include the accounts of Theratechnologies and its subsidiaries. On June 20, 2005, the Company closed the sale of its 37.3% investment in Celmed, a private company engaged in the field of oncology. Prior to that date, Theratechnologies' consolidated results included Celmed's results (see note 5 in the notes to the consolidated financial statements). For comparison purposes, results without Celmed are presented as additional information in the Management's discussion and analysis of results of operations and financial condition.

Summary of operating results
Consolidated revenues for the three-month period ended August 31, 2005 amounted to $409,000, compared to $585,000 ($516,000 without Celmed) for the same period in 2004. The decrease in revenues for the third quarter of 2005 is attributed to a decrease in interest revenues resulting from reduced liquidities (cash and cash equivalents as well as bonds) and from a lower yield from investments due to lower interest rates. For the nine-month period ended August 31, 2005, consolidated revenues were $16,142,000, compared to $2,146,000 ($1,590,000 without Celmed) for the corresponding period in 2004. The increase in revenues during the nine-month period is essentially due to an amount of $14,640,000 (US$12,000,000) received in connection with the Company's December 2004 agreement with ALZA to terminate three co-development projects using ALZA's Macroflux® transdermal technology.

Consolidated research and development (R&D) expenditures, before tax credits and grants, for the third quarter of 2005, totalled $3,855,000, compared to $3,311,000 ($2,805,000 without Celmed) in 2004. The increase in R&D expenditures for the quarter was due to expenditures related to the TH9507 Phase 3 study in HIV-associated lipodystrophy, in which a first patient was treated in June 2005. For the nine-month period ended August 31, 2005, R&D expenses were $10,321,000, compared to $14,876,000 ($10,845,000 without Celmed). The R&D spending, for the nine-month period ended August 31, 2005, was comparable to the same period in 2004, however the previous year expenses included programs involving ThPTH and TH0318, a GLP-1 (glucagon-like peptide-1) analogue.

For the third quarter of 2005, general and administrative expenses, selling and market development expenses, patents and amortization of other assets (SG&A) were $1,805,000, compared to $1,803,000 ($1,613,000 without Celmed) for the same period in 2004. The increase in SG&A expenses is mainly due to preparations required for late-stage development and future commercialization of TH9507. For the nine-month period ended August 31, 2005, SG&A expenses amounted to $5,926,000 ($5,482,000 before the adjustment to book value of patents and deferred development expenses referred to below), compared to $6,644,000 ($4,627,000 without Celmed) for the same period in 2004. This increase is due to the expenses related to the late-stage development of TH9507 and to a write off of $444,000 recorded in May 2005 of certain patent costs and deferred development expenses, following management's reassessment of its strategy regarding non-core products and the related patent portfolio.

For the third quarter of 2005, the proportionate share in loss of companies under significant influence was estimated to be $153,000 based on second quarter results of 2005, compared to $1,137,000 in 2004. The decrease is due to the fact that Celmed's losses were no longer recognized during the third quarter of 2005, following the sale of the Company's interest in Celmed in June 2005. For the nine-month period ended August 31, 2005, the proportionate share in loss of Celmed and Andromed was $6,602,000, compared to $1,630,000 in 2004. The increase is due to two factors. First, the proportionate share in the losses of Celmed in 2005 is greater than that of 2004, as the latter includes Celmed's results from July 2nd only (see note 5 in the notes to the consolidated financial statements). Second, the proportionate share in 2005 is higher than that of 2004 due to a non-cash write down, net of related income taxes, of $9,685,000 recorded by Celmed at May 31, 2005 in connection with intellectual property acquired from NewBiotics in 2004.

On June 20, 2005, the Company completed the sale of its 37,3% interest in Celmed for total proceeds of up to $8,400,000. The proceeds include an upfront payment of $2,811,000, as well as milestone payments tied to the success of Celmed's more advanced products totalling $5,589,000. The milestone payments will be recorded once the related milestones are reached. Consequently, a non-cash write down of $2,659,000 was recorded in the second quarter of 2005.

Reflecting the variations in revenues and expenses described above, the Company recorded an operating loss, for the three-month period ended August 31, 2005, of $5,065,000 (before proportionate share in loss of a company under significant influence, gains on investments in companies and gains on dilution, non-controlling interest and discontinued operations), compared to an operating loss of $4,289,000 for the same period in 2004. The net loss for the third quarter of 2005 was $5,218,000, compared to a net loss of $4,150,000 in 2004. For the nine-month period ended August 31, 2005, the net loss was therefore $8,692,000, compared to $11,943,000 in 2004.

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. This quarterly information has been restated pursuant to the change in accounting policy related to stock-based remuneration and other payments described in the 2004 Annual Report, and in order to account for discontinued operations. This information includes Celmed's results until July 2, 2004. (See note 5 in the notes to the consolidated financial statements).

	2005			2004				2003
	Q3	**Q2**	**Q1**	Q4	Q3	Q2	Q1	Q4
Revenues	**$ 409**	**$ 631**	**$ 15,102**	$ 503	$ 585	$ 782	$ 779	$ 897
Operating earnings (loss) (1)	**$ (5,065)**	**$ (4,784)**	**$ 10,418**	$ (4,655)	$ (4,289)	$ (6,832)	$ (7,094)	$ (7,805)
Earnings (loss) from continuing operations (2)	**$ (5,218)**	**$ (12,745)**	**$ 9,271**	$ (10,873)	$ (4,137)	$ (6,139)	$ (1,731)	$ (7,771)
Net earnings (loss)	**$ (5,218)**	**$ (12,745)**	**$ 9,271**	$ (10,873)	$ (4,150)	$ (5,910)	$ (1,883)	$ (14,079)
Basic and diluted earnings (loss) per share:								
Continuing activities (2)	**$ (0.15)**	**$ (0.36)**	**$ 0.26**	$ (0.31)	$ (0.12)	$ (0.17)	$ (0.06)	$ (0.25)
Net earnings (loss)	**$ (0.15)**	**$ (0.36)**	**$ 0.26**	$ (0.31)	$ (0.12)	$ (0.17)	$ (0.06)	$ (0.46)

(1) Before restructuring costs, proportionate share in loss of a company under significant influence, gains on investments in companies and gains on dilution, discontinued operations and non-controlling interest
(2) Net of non-controlling interest

Financial position
Theratechnologies continues to be in a sound cash position. At August 31, 2005, liquidities, namely cash and cash equivalents as well as bonds, amounted to $42,224,000 and tax credits and grants receivable amounted to $1,432,000, for a total of $43,656,000.

For the three-month period ended August 31, 2005, the burn rate from operating activities, excluding changes in operating assets and liabilities, was $4,700,000, compared to a burn rate of $3,882,000 ($3,265,000 without Celmed) in 2004, reflecting the higher R&D expenses described above. For the nine-month period ended August 31, 2005, cash from operating activities, excluding changes in operating assets and liabilities, was $2,055,000, reflecting the payment received from ALZA Corporation, compared to a burn rate of $16,490,000 ($11,655,000 without Celmed) in 2004.

At October 12, 2005, the number of shares issued and outstanding was 35,549,019, while outstanding options granted under the stock option plan were 2,629,829. In addition, 1,280,000 warrants were outstanding.

During the quarter, there were no material changes in contractual obligations, other than in the ordinary course of business.

Economic and industry factors were substantially unchanged from those reported in the Company's 2004 annual report.

About Theratechnologies
Theratechnologies (TSX: TH) is a Canadian biopharmaceutical company engaged in the discovery and development of therapeutic peptides in the field of endocrinology and metabolism. The Company uses proprietary discovery technologies to expand its product portfolio. The most advanced clinical program (Phase III) targets HIV-associated lipodystrophy with its lead compound, TH9507 (ThGRF). The Company is investigating other potential indications for TH9507 and it also has an interesting product pipeline targeting type 2 diabetes.

Additional information about Theratechnologies
Further information relating to Theratechnologies is available on the Company's website at http://www.theratech.com/. The Company is listed on the Toronto Stock Exchange under the symbol TH. Additional information, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com.

This press release contains forward-looking statements regarding the clinical development of TH9507 and its future commercialization in the indication described above. Such statements inherently involve numerous risks and uncertainties, including the availability of funds and resources, the success and timely completion of clinical trials and the granting of the necessary authorizations. Actual future results may differ materially from the anticipated results. Investors are cautioned against placing undue importance on forward-looking information contained herein and should consult the Company's 2004 Annual Report, which contains a more exhaustive analysis of risks and uncertainties connected to the businesses of the Company.

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