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## **Probi signs a new long-term agreement with Institut Rosell**

**After several years of positive cooperation, Probi and Rosell have agreed to continue the partnership by signing a new long-term agreement for a dietary supplement based on Probi's strain Lp299v™. The new agreement replaces the seven year old agreement with Institut Rosell which is the basis of approximately twenty percent of Probi's turnover. The new agreement has an initial term of seven years. It will secure Probi's existing license revenues over a long term as well as secure supply of a high quality product at highly competitive pricing. The new agreement furthermore enables Probi to enter into direct distribution agreements or launch dietary supplements for gut health on its own in territories not covered by Institut Rosell's exclusivity. The agreement is expected to have positive impact on Probi's profit already in the second quarter of 2011.**

"Dietary Supplements is our fastest growing business area and is very important to us. The new agreement with Institut Rosell secures existing revenues and will lead to higher revenue and increased profitability in markets where we already cooperate. At the same time, Probi will be able engage directly with distributors or launch Lp299v™ supplements direct to consumer in a number of key markets," says Michael Oredsson, CEO of Probi.

The new agreement gives Institut Rosell the right to continue manufacturing capsules based on Probi's strain Lp299v™. Additionally, Institut Rosell retains exclusive license rights to existing markets France, Spain, Greece, Benelux, Canada, large parts of South America and some distribution channels in USA.

The most important benefits for Probi are:

- Secures existing license revenues over a long term
- Probi's product margins will be improved
- Supply of a high quality product at competitive pricing is secured
- Probi has gained the rights to launch Lp299v™ supplements in China, India and South Africa on a non-exclusive basis

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## **About Probi**

Probi is a leading player in the probiotic research and the development of efficient and well-documented probiotics. The research areas include: gastrointestinal tracts, immune system, metabolic syndrome and stress and recovery. Probi's customers are leading companies in the functional foods and dietary supplement business areas. Total income for 2009 was MSEK 65.5, of which the majority represented royalties. Probi's share is listed on the Nasdaq OMX Stockholm, Small Cap. Probi has approximately 4,500 shareholders. For more information, please visit [www.probi.com](http://www.probi.com).

## **About Institut Rosell**

Institut Rosell is a French Canadian company specializing in the selection, development, production and marketing of probiotic formulations for human nutrition and health. Expert in live microorganisms since 1934, Institut Rosell undertakes ambitious research programs so as to better understand the properties, modes of action and beneficial effects on health of these probiotic formulations. Institut Rosell is part of the Lallemand Group, a privately owned company with head offices in Montreal, Canada, and Toulouse, France, and production facilities in various countries around the world. For more information, please visit [www.institut-rosell.com](http://www.institut-rosell.com) or contact [human@lallemand.com](mailto:human@lallemand.com).