WuXi PharmaTech, China’s premier provider of pharmaceutical R&D outsourcing services, has signed a definitive agreement to acquire US-based AppTec Laboratory Services Inc. This acquisition allows WuXi PharmaTech to obtain biologics capabilities and expertise, gain a significant US operational footprint, and expand its customer base and addressable market size. The combined business operations of WuXi PharmaTech and AppTec in both the US and China will enable WuXi PharmaTech to provide a full service suite of outsourced chemistry and biology services to global pharmaceutical, biotechnology and medical device clients. The transaction consideration totals approximately US$151 million with the assumption of AppTec debt totaling approximately US$11.7 million.
AppTec is a trusted quality service provider for the biopharmaceutical and medical device industries, offering testing, contract research and development, and biologics cGMP manufacturing services from a highly differentiated, fully integrated service platform. Along with state-of-the-art FDA registered facilities located in Philadelphia, St. Paul and Atlanta, AppTec brings established customer relationships with many leading pharmaceutical, biotechnology and medical device companies in the US and around the world. AppTec’s full year 2007 revenue is expected to be in the range of US$70 million to US$72 million. Since 2004, and including the expected revenue for 2007, AppTec will have achieved a compounded annual revenue growth rate of approximately 46%.

The transaction is expected to be accretive to WuXi PharmaTech’s earnings per share immediately, excluding the amortization of acquired intangible assets and one-time charges related to the acquisition. The transaction has been approved by the AppTec and WuXi PharmaTech boards of directors and AppTec’s shareholders, and is expected to close, subject to regulatory and other customary closing conditions, in the first quarter of 2008.

About WuXi PharmaTech
Founded in 2000, Shanghai-based WuXi PharmaTech is the leading China-based pharmaceutical and biotechnology R&D outsourcing company. As a research-driven and customer-focused company, WuXi PharmaTech provides pharmaceutical and biotechnology companies a broad and integrated portfolio of laboratory and research manufacturing services throughout the drug discovery and development process. WuXi PharmaTech’s services are designed to assist its global partners in shortening the cycle and lowering the cost of drug discovery and development by providing cost-effective and efficient outsourcing solutions that save its customers both time and money. Its operations are grouped into two segments: laboratory services, consisting of discovery chemistry, service biology, analytical, pharmaceutical development and process development services, and research manufacturing, focusing on manufacturing of advanced intermediates and active pharmaceutical ingredients for R&D use. In 2007, its 80 customers included nine of the world’s top ten pharmaceutical companies by revenue.

About AppTec
With over 20 years experience, AppTec is a trusted leader in providing high-value testing, contract R&D, and cGMP manufacturing services for the biopharmaceutical and medical device industries. AppTec offers a fully integrated approach for the development of highly regulated products such as biopharmaceuticals, traditional pharmaceuticals, cellular therapeutics, medical devices, and combination and tissue-based products. Possessing the full set of competencies, facilities, and key personnel necessary, AppTec helps clients take their products efficiently and cost-effectively through the product development process.