

mtm laboratories opens subsidiaries in Italy, France and Spain to support the commercialization of its diagnostic products

Heidelberg, Germany; January 4, 2007. mtm laboratories today announced the opening of new subsidiaries by the Company in Italy (Milan), France (Paris) and Spain (Madrid) in order to commercialize its CE-labeled diagnostic products in Europe. When combined with Germany, these additional European markets represent approximately 65% of the total European cervical cancer screening market.

Peter Pack, CEO of mtm laboratories commented, "Our commitment to expanding into France, Italy and Spain, along with our existing presence in Germany and the USA, signals our intention to make mtm's cervical cancer diagnostic products globally available."

Through these new subsidiaries, mtm will commercialize its proprietary p16^{INK4a} based products in major European markets starting in January 2007. As announced in May 2006, mtm regained the rights to commercialize its CINtec[®] products after it had terminated its exclusive license to Dako A/S (Denmark), effective January 1 2007. mtm's CINtec[®] in vitro diagnostic products focus on the detection of p16^{INK4a} over-expression in biopsies (CINtec[®] Histology) and cervical cytology specimens (CINtec[®] Cytology) while retaining cellular morphology. In parallel, the company is developing the biochemical product Cervatec[™] ELISA, an assay not reliant on the integrity and assessment of cells.

mtm laboratories AG is an ISO 9001 and ISO 13485 certified developer and manufacturer of In-Vitro Diagnostics (IVD) for the screening and diagnosis of cervical cancer. The Company operates on a global basis with headquarters in Heidelberg, Germany and subsidiaries in the United States, France, Italy and Spain. mtm laboratories is in the process of developing and clinically validating the cell-based CINtec[®] Assays as well as the biochemical Cervatec[®] ELISA Assay.