



PELIKAN TECHNOLOGIES AND LILLY FORM ALLIANCE TO PROMOTE DIABETES EDUCATION

Collaboration Highlights Education and Finger Health in Diabetes Management

Palo Alto, CA and Indianapolis, IN, April 16, 2008 - Pelikan Technologies Inc., a leading developer of innovative hand-held diagnostic and monitoring devices, and Eli Lilly and Company today announced the signing of a three-year co-promotion agreement. Under the terms of the co-promotion agreement, the companies will promote awareness and education in the management and treatment of diabetes, including insulin therapy, insulin delivery devices and technological advancements in lancing designed to optimize Finger Health and Glucose Monitoring.

Self-monitoring of blood glucose is a key component of effective diabetes management. People with diabetes must regularly monitor their blood glucose levels, which requires drawing of a drop of blood, ideally from the tips of their fingers, multiple times each day with a lancing device. According to the American Diabetes Association's position statement "Standards of Medical Care in Diabetes – 2007," most people with type 1 diabetes, as well as people with diabetes who use multiple insulin injections, should test their blood glucose three or more times per day.

Pelikan Technologies Inc.'s Pelikan Sun™ electronic lancing device is the world's first and only electronic lancing system, which can offer unprecedented comfort while allowing existing finger damage to heal. Such advances are particularly important for children, people newly-diagnosed with diabetes and people who test their blood glucose frequently. The Pelikan Sun device also offers a key advantage in the area of convenience: its lancets are safely housed in a 50-lancet disk, meaning users never have to see or touch the lancets. The disk is easily removed from the device and replaced as needed.

Through their alliance, Pelikan and Lilly seek to advance diabetes care education by raising awareness of lifestyle management, diabetes therapies, and new lancing technologies.

Lilly has been a worldwide leader in diabetes treatment since introducing the world's first commercial insulin in 1923, and remains at the forefront of therapy innovation, launching an unprecedented three innovative insulin delivery devices in the United States in the last year. Lilly is also committed to complementing product advances with practical tools and community-based educational and support programs and solutions to help people living with and treating diabetes overcome barriers to success along the journey.

"Lilly represents an ideal partner for Pelikan based on the company's leadership in diabetes care, as well as its commitment to innovation and patient education," said Pelikan's President and Chief Executive Officer, Dirk Boecker, M.D., Ph.D. "We are



very excited to be undertaking this important diabetes education campaign, including the importance of proper lancing and finger health, with such a valuable partner and look forward to a long and productive relationship with Lilly.”

“Pelikan's unique and innovative technology may provide people with diabetes a way to remove the significant barrier of pain for many in monitoring their blood sugar levels as well as maintain healthy fingers,” said Thane Wettig, Executive Director, Lilly Global Diabetes Brands. “At Lilly, we strive to understand the individual needs of people with diabetes, and we’re pleased to be joining with Pelikan in providing new and valuable information to help them along the journey.”

About Pelikan Technologies

Pelikan Technologies Inc. combines novel and proprietary blood sampling and measurement techniques with state-of-the-art miniaturization and automation technologies to develop superior hand-held medical diagnostic and monitoring devices. By addressing the pain and inconvenience associated with current methods of blood glucose testing, Pelikan’s product portfolio will eliminate the major obstacles to consistent glucose monitoring and vigorous diabetes management. The Pelikan Sun™ electronic lancing device strictly controls the entire lancing event, providing unparalleled comfort without calluses, bruising, or after-bleeding. In addition to Pelikan’s initial focus on diabetes and blood glucose monitoring, the company's proprietary technology platform, supported by an extensive intellectual property portfolio, may be leveraged to develop state-of-the-art products for a variety of other medical conditions that involve blood screening and monitoring. Point-of-care testing and diagnostic panel test systems may eventually benefit from this novel technology.

For more information on Pelikan Technologies and the company’s innovative products, please visit www.pelikantechnologies.com.

About Lilly Diabetes

Through a long-standing commitment to diabetes care, Lilly provides patients with breakthrough treatments that enable them to live longer, healthier and fuller lives. Since 1923, Lilly has been the industry leader in pioneering therapies to help health care professionals improve the lives of people with diabetes, and research continues on innovative medicines to address the unmet needs of patients. For more information about Lilly’s diabetes products, visit www.lillydiabetes.com.

About Eli Lilly and Company

Lilly, a leading innovation-driven corporation, is developing a growing portfolio of first-in-class and best-in-class pharmaceutical products by applying the latest research from its own worldwide laboratories and from collaborations with eminent scientific organizations. Headquartered in Indianapolis, Ind., Lilly provides answers -- through medicines and information -- for some of the world's most urgent medical needs. Information about Lilly is available at www.lilly.com.

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