



Aderans Research Institute Inc.
advancing hair regeneration™

Cell-Based Hair Regeneration

10 June 2010

Who is Aderans Research (ARI®)?

Leading biotechnology company in cellular regeneration treatment for hair loss

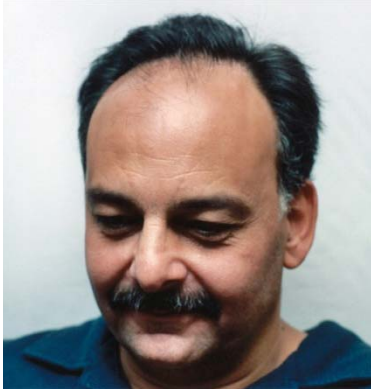
Formed in 2002

Co-located in Atlanta and Philadelphia (US)

Affiliate of Bosley (US)

www.aderansresearch.com





Market Overview



Total Market – U.S.

- ~60 million men and women
- Approximately 50% of men and women by the age of 50



U.S. Market for Hair Restoration: Estimated Over 1.3 Billion Dollars / Year

Surgery ~\$700 - 800 Million

Hairpieces / systems ~\$250 Million

Drugs ~\$300 Million

Nutritional supplements ~\$60 Million



Hair Restoration

- Pharmacology
- Surgery



Hair Restoration

- Pharmacology
 - Minoxidil
 - Finasteride
- Surgery



Hair Transplantation



Limitations To Surgical And Medical Hair Restoration

- Hair transplantation is limited by the amount of donor hair and cannot regenerate additional hair.
- Medical treatments require ongoing treatment and are best suited for slowing down the process, not regenerating hair.



Hair Restoration

- Pharmacology
- Surgery
- **Biotechnology**



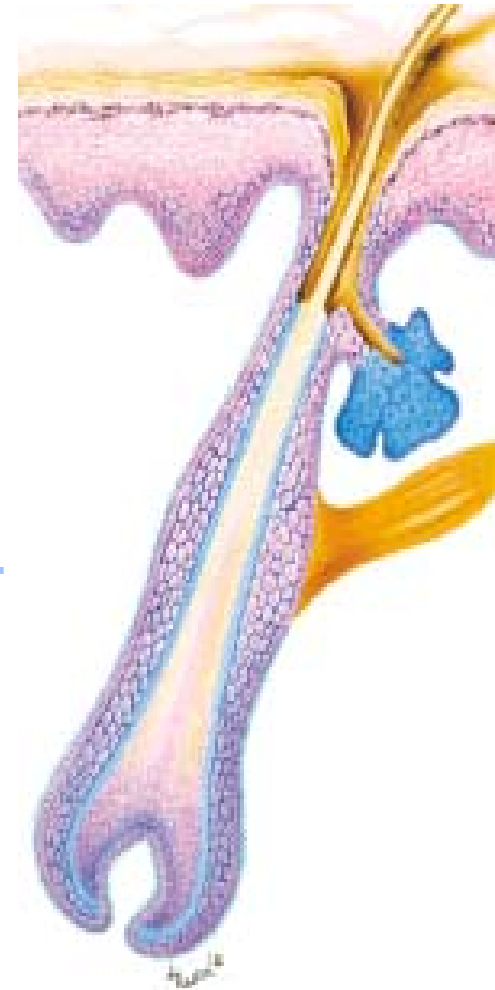
Hair Biology Overview

The Regenerative Ability of Hair

“The hair follicle demonstrates the unusual ability to completely regenerate itself.”

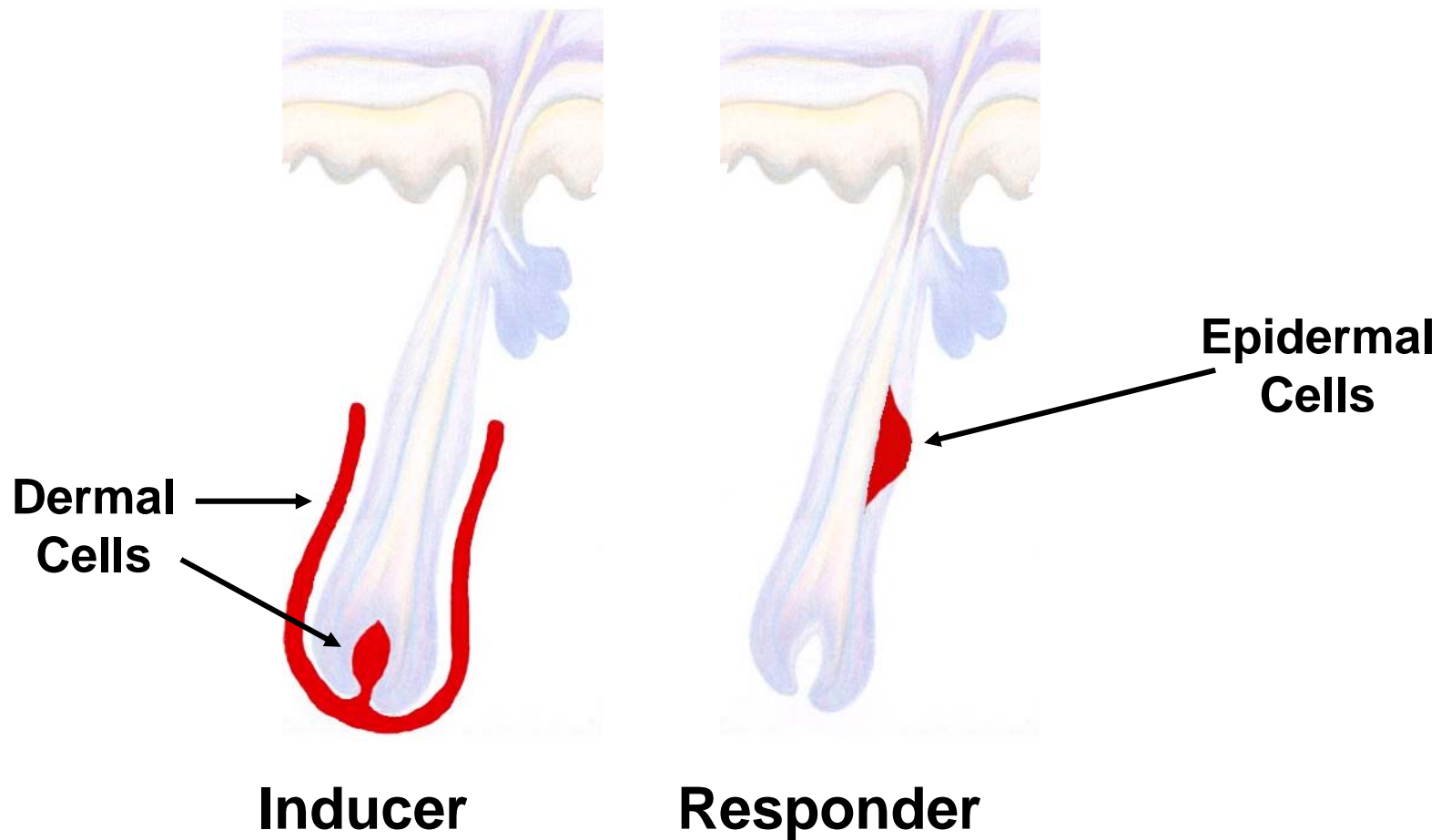
Stenn and Paus. *Phys. Rev.*, 81(1), 449 (2001).

- Hair grows, falls out and then regrows
- A plucked hair regrows

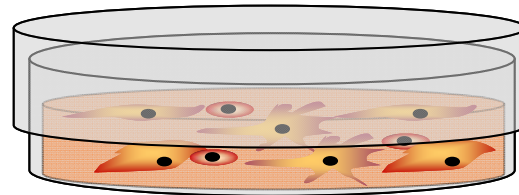
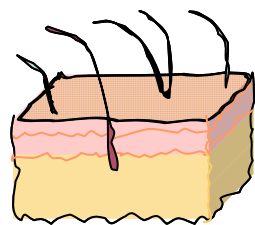


Hair Biology Overview

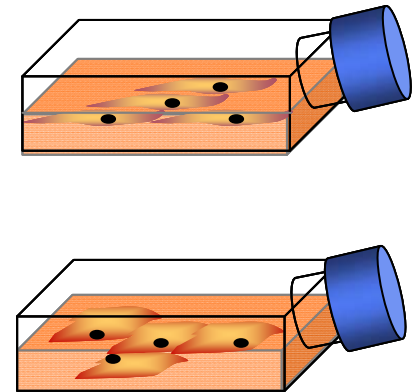
Important cells for creating hair follicles and eliciting hair growth



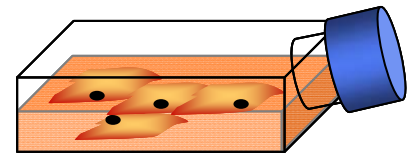
Isolate and Multiply Cells



Epidermal



Dermal

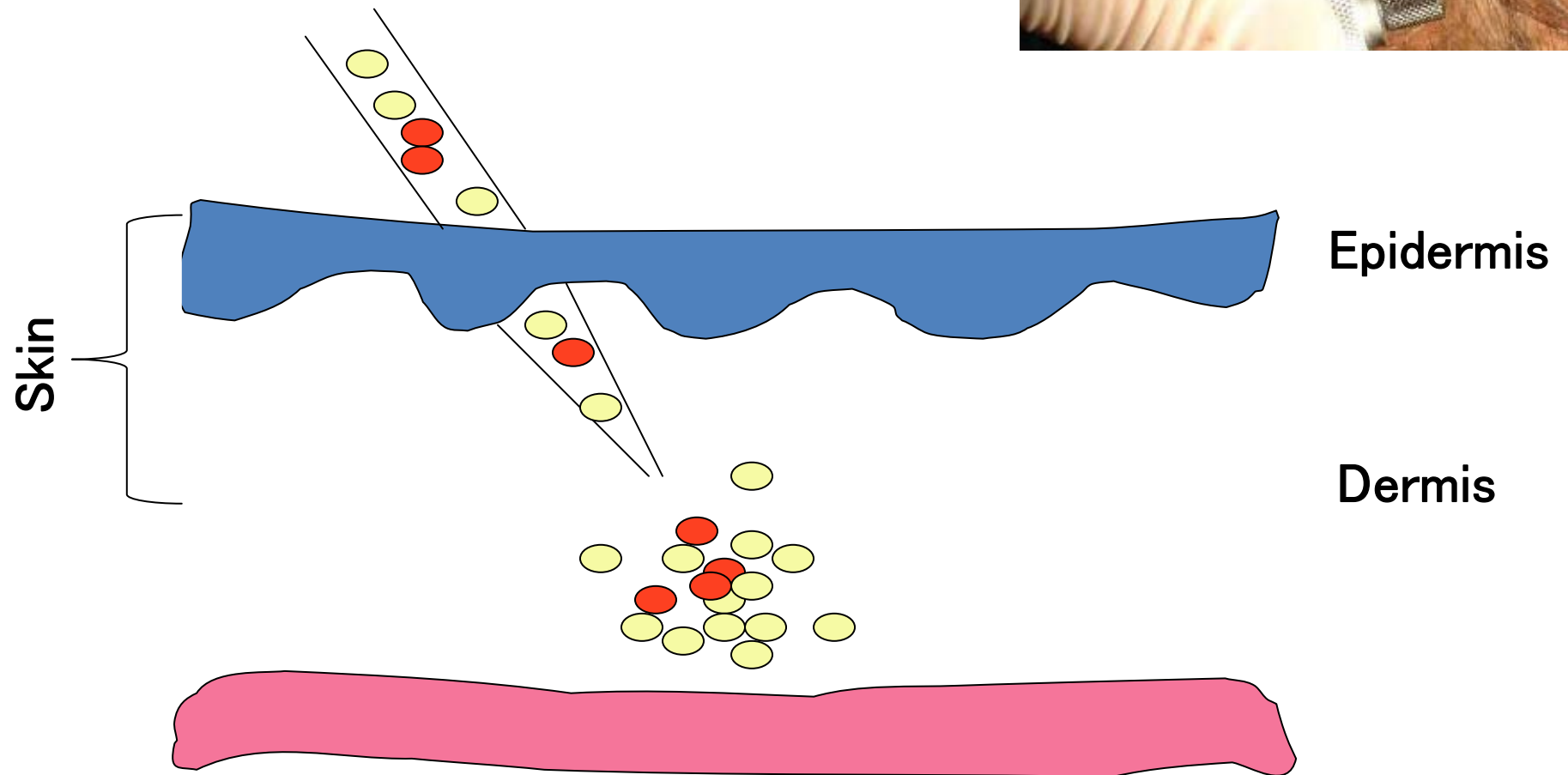


Cell Isolation

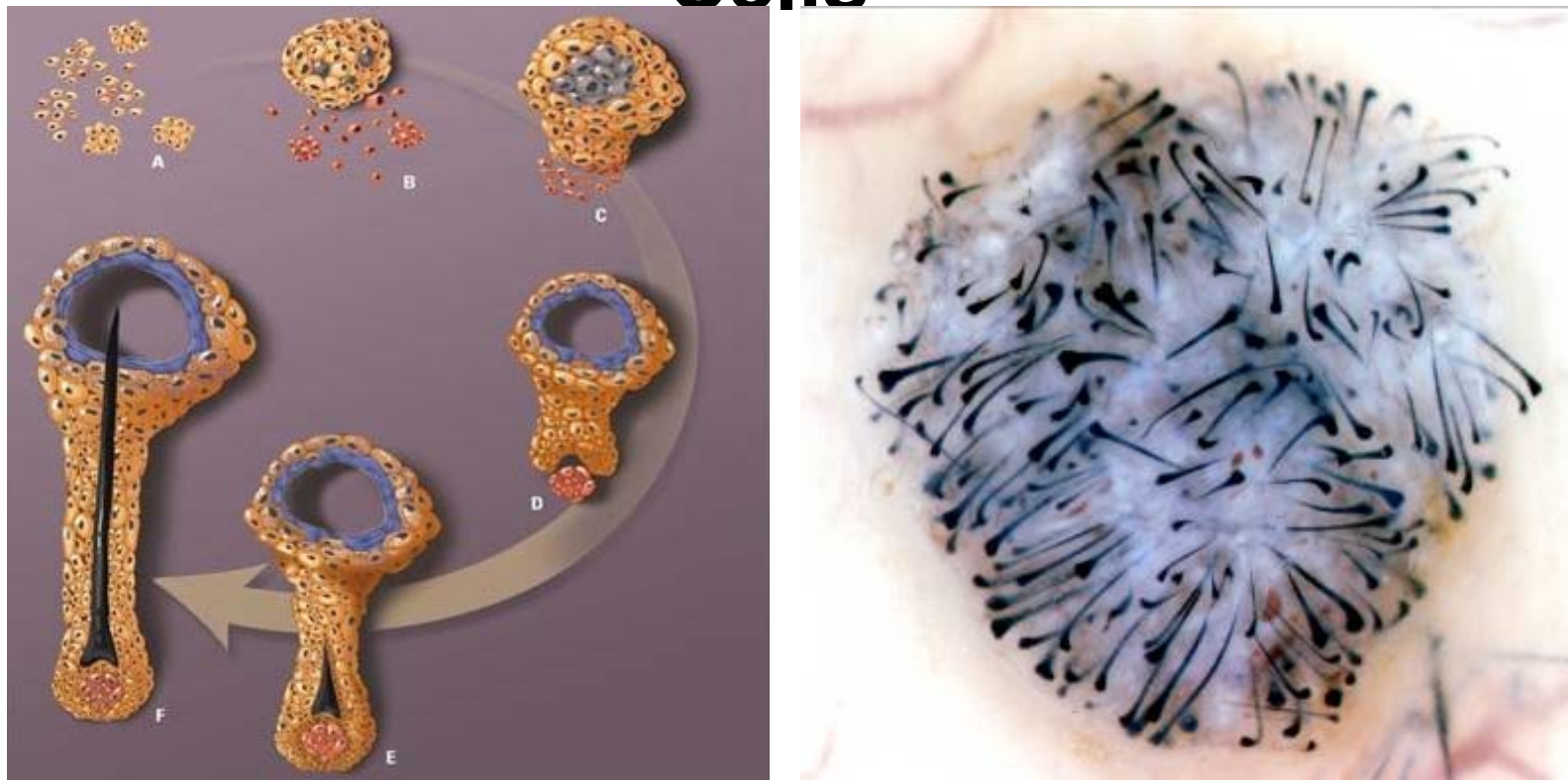
Cell Multiplication



Aderans Hair Patch Assay

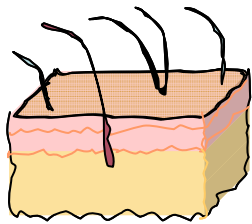


Mouse Follicle Neogenesis From Cultured Cells

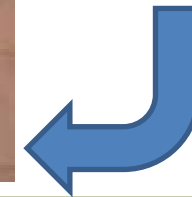


Human Xenograft Assay

Human Dermal and Epidermal Cells in Human Skin Explants



Injected into Facial
Skin from Facelift
Patients



Key Accomplishments to Date

Milestones

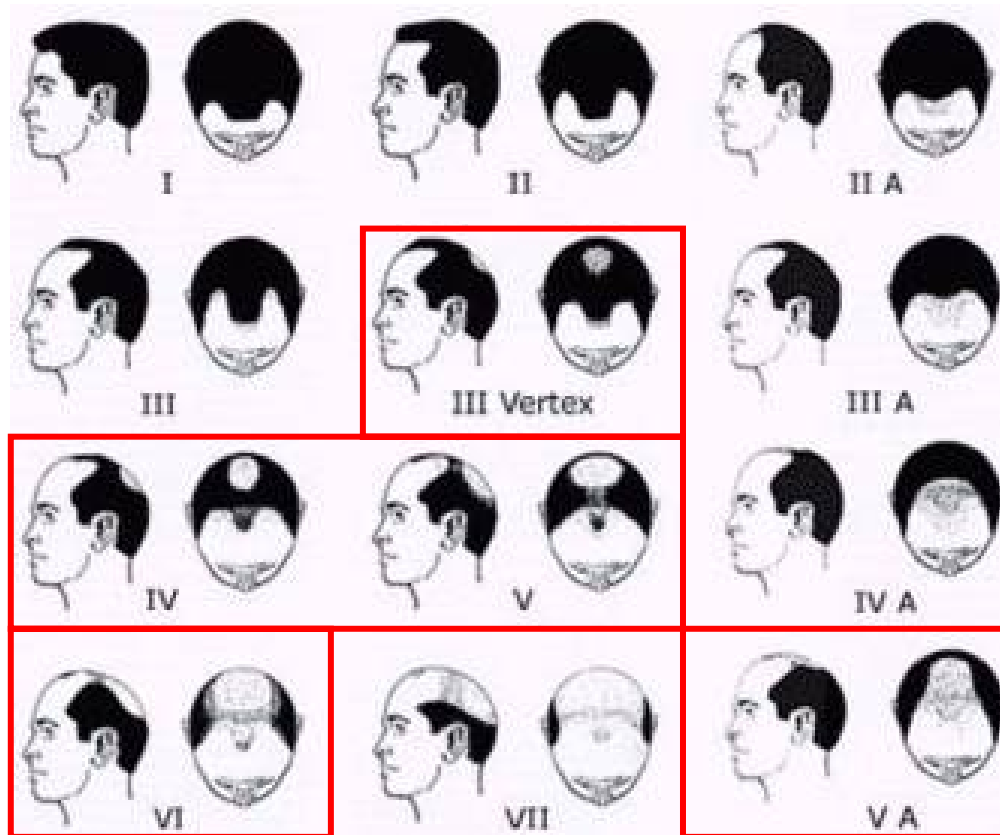
Ji Gami™ proof of concept	February 2005
Pre-IND meeting with FDA	May 2005
Phase 1 IND approval	June 2006
Phase 1 first subject	September 2006
Completed Phase 1	February 2008
Ji Gami™ 2.1 production process developed	May 2008
Phase 2 IND approval	July 2008
Phase 2 first subject	November 2008
Phase 2 – 100 subjects excised/enrolled	October 2009
Phase 2 – first study 12 week follow-up	January 2010
Phase 2 study site expansion	May 2010



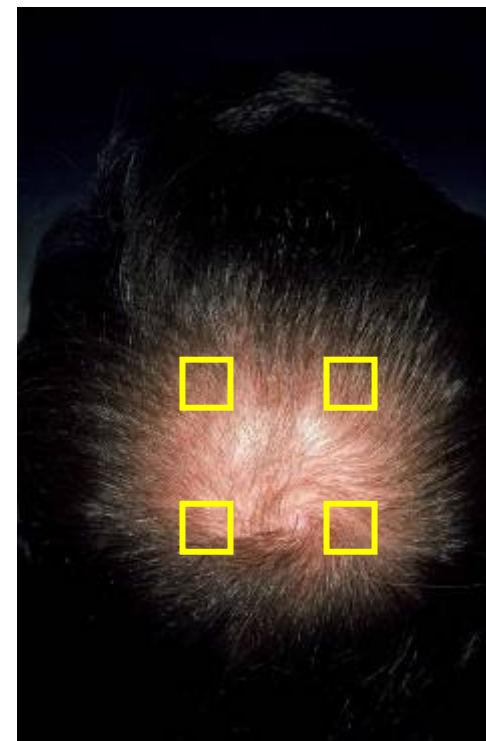
Clinical Trial Summary to Date



Male and Female Pattern Hair Loss Stages Included



Clinical Study



Macrophotographic Assessment



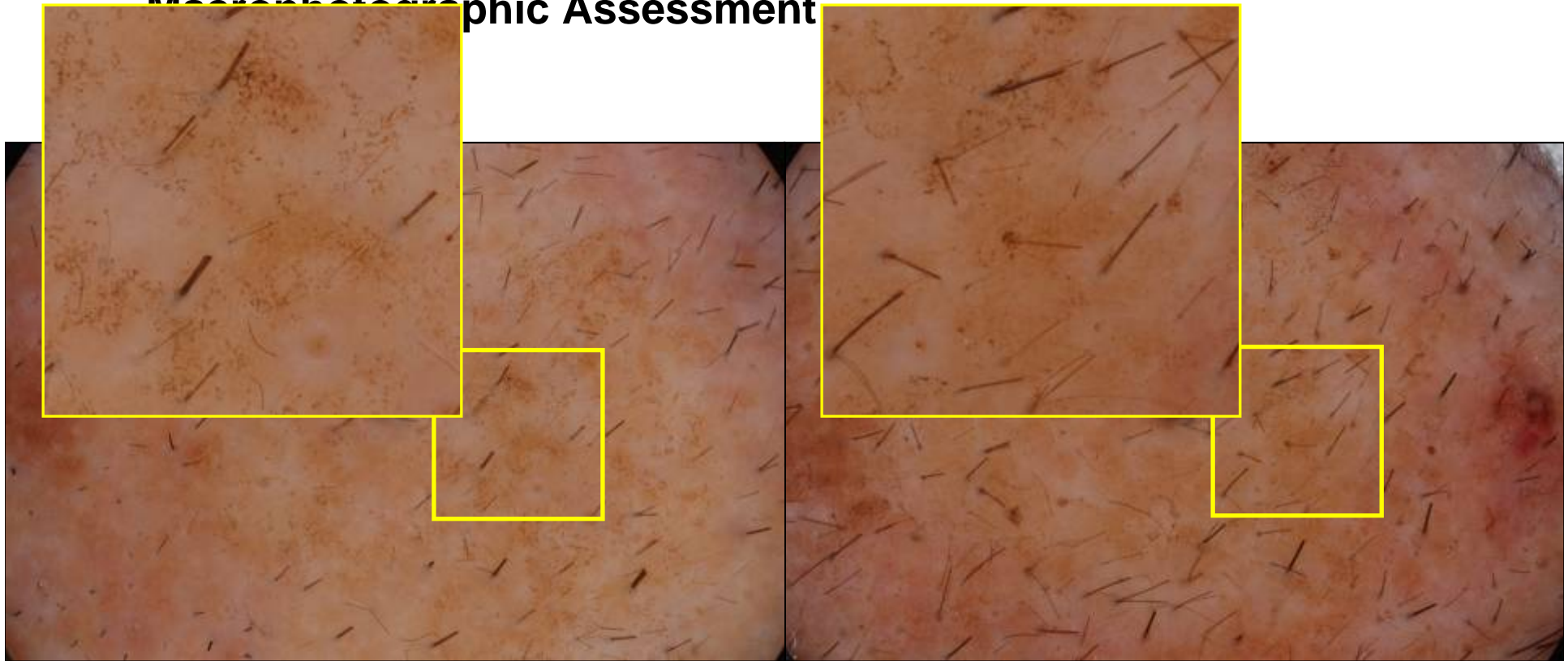
Baseline



Week 12



Macroscopic Assessment



Baseline

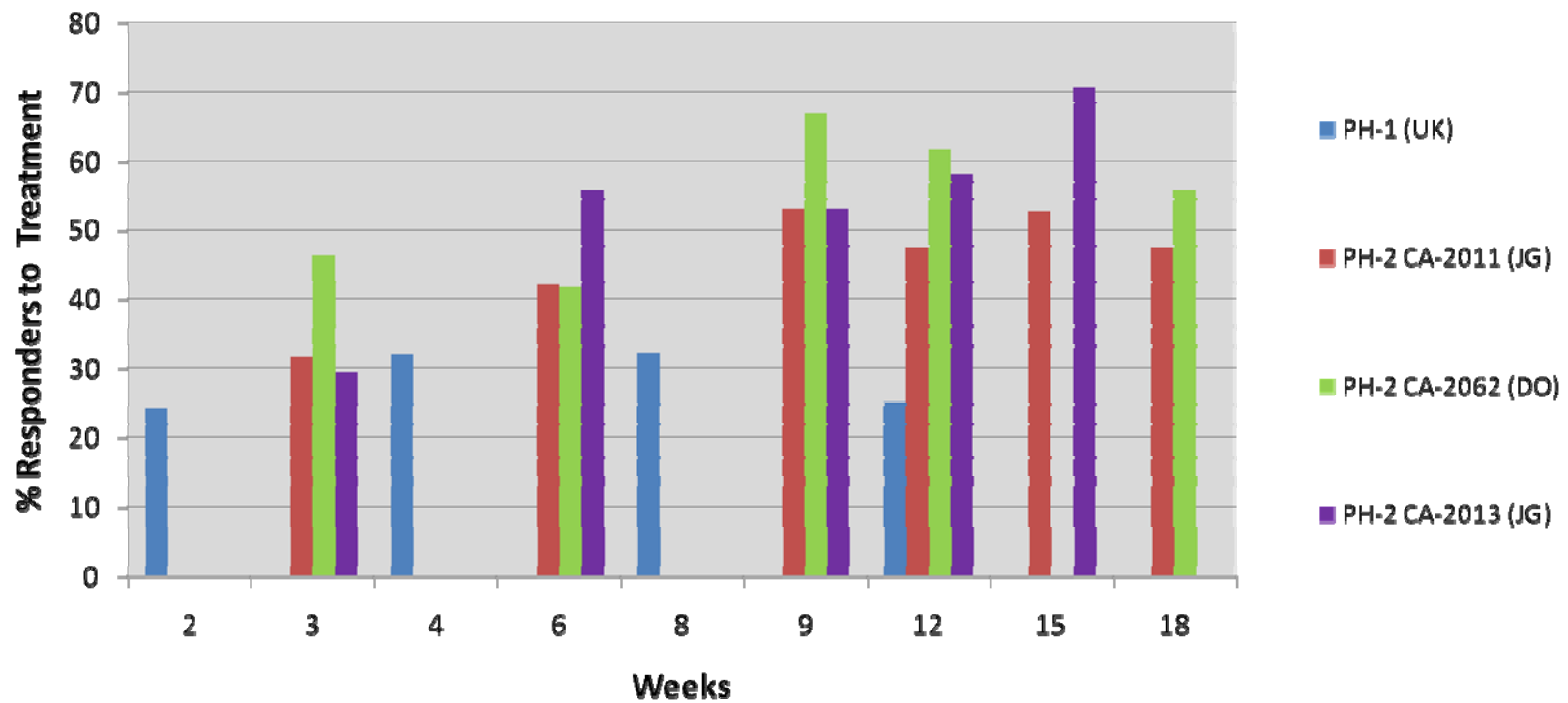
- + 62% Total hair count
- + 79% Terminal hair count ($\geq 30\mu\text{m}$)
- + 50% Vellus hair count ($< 30\mu\text{m}$)

Week 12

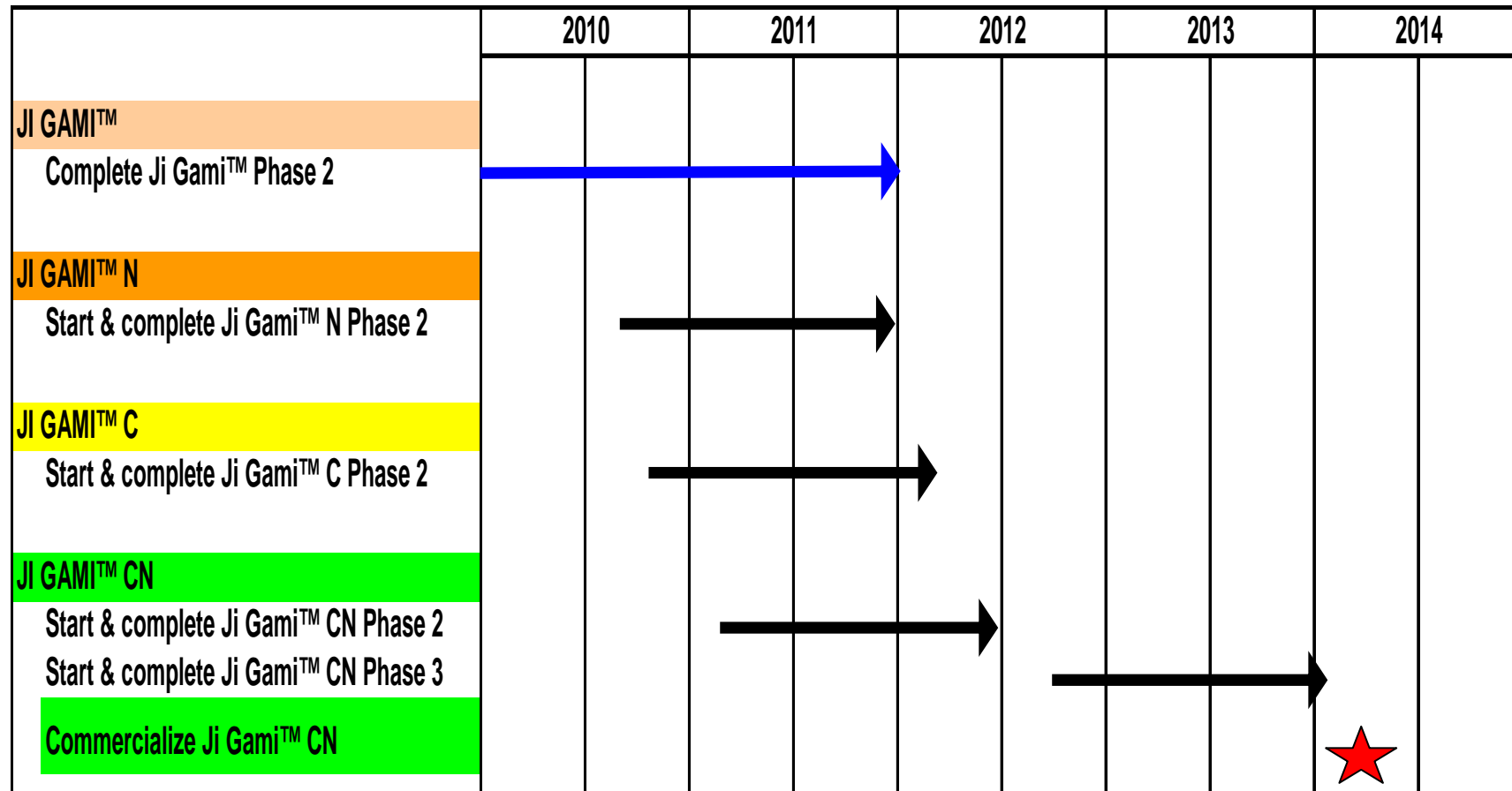


Results Phase 1 and Phase 2

Comparison of % Responders



Clinical Testing and Commercialization Timeline



Summary

- *Strategic*
 - Cell therapy is the next game changing platform for hair regeneration. Strategically, ARI is the strongest competitor.
 - Leverage Aderans/Bosley distribution network and expertise to rapidly penetrate the market.

- *Market*
 - Hair loss doctors can treat people in earlier stages.
 - Expand hair regeneration market to people not currently captured by Bosley and conventional hair transplantation.
 - Expand market and sales channel to people who seek treatment outside of surgical hair physicians, that is cosmetic surgeons and dermatologists.

