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LAB Research Agrees to Sell Assets; Business Activities to Continue

LAVAL, QUEBEC--(Marketwire - April 12, 2011) - Applied Biology Company ("ABC"), the holding company of CIT Safety & Health Research Company ("CIT"), a leading player among European preclinical CROs, and LAB Research Inc. ("LAB Research" or the "Corporation") (TSX:LRI) announced today having reached an agreement setting forth the financial terms outlining the purchase of substantially all of Lab Research's assets, which include its three facilities located in Canada, Denmark and Hungary (the "Transaction"). Once the Transaction is completed, the new CIT-LAB group would become one of the top 5 preclinical CRO, with aggregate sales of US\$97 million (€70 million) and 800 staffs located in four centers (France, Canada, Denmark and Hungary). The Transaction is expected to close on or before April 21, 2011 (the "Closing Date") and is subject to Court approval and the review and approval of the Corporation's lender's credit committee.

Until the Transaction is completed, Samson Belair/Deloitte & Touche ("Deloitte"), acting as court appointed receiver, will continue to supervise the Corporation's business (the "Business"). CIT will provide Deloitte with all the support that it requires to provide non-clinical contract research services. CIT is an established player in the field of contract research with a long track record and looks forward to fulfilling the research outsourcing needs of LAB Research's existing clients.

CIT and ABC Executive Chairman, Dr. Jean-François Le Bigot, explained, "The addition of Lab Research's assets will create a global player at the service of the pharmaceutical, biotechnology and chemical industries. Lab Research's three centers have experienced dedicated teams and modern facilities. They provide general services in non-clinical assessment, but each has its own specialization, such as primates in Canada, minipigs in Denmark or inhalation and ecotoxicology in Hungary. CIT's own expertise is in primates, carcinogenicity, reprotox and genomics studies. Thus, each center can offer quality service while providing clients with access to another facility in the CIT-LAB network when special expertise is needed."

The Transaction is subject to certain customary conditions.

Forward-looking statements

Forward-looking statements included in this news release include statements with respect to (i) the continued operation of the Business by Deloitte until the Closing Date and by ABC thereafter, and (ii) the Closing Date itself. Although the Corporation and ABC believe the expectations reflected in those forward-looking statements are based on reasonable assumptions, they can give no assurances that these expectations will be achieved.

Such assumptions, which may prove incorrect, include the following: (i) Deloitte will continue to act as receiver in accordance with the court order issued in that regard, (ii) ABC will have the financial, human, technical and other resources to carry on the Business, (iii) CIT will provide Deloitte (before the Closing Date) and ABC (after the Closing Date) with the support required for them to carry on the Business, (iv) all closing conditions of the Transaction will be fulfilled on or before the Closing Date, (v) ABC and the Corporation will complete the Transaction, and (vi) generally, the absence of events or factors that would prevent the Business from being carried on or the Transaction from being completed.

Factors that could cause actual results to differ materially from expectations include (i) Deloitte's inability or unwillingness to fulfill its obligations as receiver, in whole or in part, and (ii) the failure to complete the Transaction for any other reason. These factors and others are more fully discussed in the Corporation's filings with the Canadian securities regulatory authorities, including its annual information form dated March 30, 2010 and available at www.sedar.com.

About CIT Health & Safety Research Company

CIT is a science-driven, independent, non-clinical contract research organization (CRO) specialized in safety and health research. Founded in 1969, CIT has carried out a vast number of projects for international companies on human and veterinary pharmaceuticals, biotechnology, chemicals, agrochemicals and consumer products. It has contributed to many product registrations around the world.

CIT offers a full range of research in general toxicology, reproductive toxicology, carcinogenicity, pharmacokinetics and safety pharmacology. The company also carries out research into genetic toxicology, in vitro testing and toxicogenomics.

Its 20,000 sq m (215,000 sq ft) facilities located in Normandy, one hour from Paris, France, house all principal laboratory animal species to the highest standards. Laboratory facilities include analytical chemistry and bioanalysis, clinical pathology, genomics and histology. Support facilities include archives and plant buildings. The company is GLP and AAALAC certified.

More than half the company's business comes from international customers. Overall, 80 percent of revenues are in the pharmaceutical and biotechnology sector. Biotechnology and start-up companies alone account for 50 percent.

The company has a world-class team of top-level management in scientific, financial and business activities.

Synergis Capital Inc. acted as M&A advisor and BCF LLP as legal counsel on behalf of ABC in connection with the Transaction.

About LAB Research Inc.

LAB Research is a Canadian global non-clinical contract research organization that provides contract research services to the pharmaceutical, biotechnology, agro-chemical, petrochemical and industrial markets. LAB Research supports the development of its customers' products from three state-of-the-art facilities located in Canada, Denmark and Hungary.

For more information, please contact

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