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Informations about the license agreement between Biofrontera and DSE Healthcare Solutions on the distribution of Reliéva™ in the USA

For further information please contact:

Anke zur Mühlen
Corporate Communication

+ 49 (0) 214 87632 22
+ 49 (0) 214 87632 90
a.zurmuehlen@biofrontera.com

Biofrontera AG
Hemmelrather Weg 201
D- 51377 Leverkusen, Germany

Leverkusen, Germany - Biofrontera AG (DSE: B8F) has announced in today's ad-hoc release according to §15 WpHG that she has formed a distribution agreement with DSE Healthcare Solutions L.L.C., Edison, USA. According to the contract DSE Healthcare Solutions will have the right to distribute Reliéva™ in the USA. Biofrontera has very recently acquired the world-wide rights to Reliéva from Prime Pharmaceuticals Inc., Toronto, Canada. Reliéva™ is already approved as homeopathic product in the United States and as natural compound in Canada. Biofrontera is currently preparing the European approval.

Reliéva™ is an anti-inflammatory, antibacterial crème for the treatment of psoriasis and atopic dermatitis. The active component Psorberine™ consists of enriched alkaloids, extracted from the root of the plant Mahonia aquifolium. The efficacy of the Reliéva™ crème was successfully tested in clinical studies on more than 500 patients with psoriasis or atopic dermatitis. With an efficacy that is at least comparable to standard therapies, Reliéva™ displays a clearly superior side effect profile and apparently does not lose its effects after repeated applications. Because of the low side effects and the improvement of the quality of life described by patients, Reliéva™ qualifies as a superior basic therapy. In addition to the crème the Reliéva™ product line comprises a lotion and a shampoo.

According to the license agreement DSE Healthcare Solutions will take responsibility for the marketing and sales of the Reliéva™ product line in the USA. DSE Healthcare Solutions will cover all costs related to the marketing and distribution. Biofrontera has reserved the right to manufacture the products and sell them to DSE Healthcare Solutions at a price that was already determined and is protected from inflation. In addition, Biofrontera is eligible to royalty payments comprising at least 10%

News Release

of Reliéva sales. Once the profit is more than 20 % higher than the costs, Biofrontera will instead obtain 50% of the profit. The contract is valid for 20 years, after which DSE Healthcare Solutions has the right to buy the US brand names for 10% of the average sales of the past five years, but at least 1 million US\$.

A locally acting distribution partner in the USA warrants the fastest possible market penetration for Reliéva™ and optimally allows for the special trading conditions in the United States.

With DSE Healthcare Solutions Biofrontera found a partner with longstanding experience in the marketing of health care, medical and consumer products, selling those particularly to food, drug and mass merchandiser customers. DSE Healthcare Solutions was founded by very experienced former managers of large pharmaceutical and health care companies. Robert C. Stites, the CEO and one of the founders of the enterprise, was previously President and Chief Operating Officer of Johnson & Johnson Products, Inc..

„We are glad that we have been able to find an excellent distribution partner this soon after the acquisition of the world-wide rights on Reliéva, and that we can begin with the definition of a precise sales plan. The major marketing costs, for instance of TV advertising to the end consumer which is relevant to the US market, will altogether be covered by DSE healthcare. The risk of marketing the product will therefore be strongly decreased for Biofrontera. In addition, Biofrontera can participate in the sales on two aspects, first in advance through the manufacturing of the product, then later through royalties related to sales and profit,” commented Prof. Hermann Lübbert, CEO of Biofrontera AG.

About Biofrontera AG

Biofrontera AG is specialized in the development of pharmaceutical products in the area of dermatology. The company is characterized by a broad, relatively close to the market product portfolio. Biofrontera is listed in the regulated market of the Düsseldorf stock exchange under the symbol B8F and the ISIN number DE0006046113.

News Release

This press release contains forward-looking statements based on the currently held beliefs and assumptions of the management of Biofrontera AG, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the assumptions expressed or implied in this press release to be faulty. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on the forward-looking statements.