



THE GLOBAL KNOWLEDGE LEADER IN POULTRY DIAGNOSTICS.

## **Synbiotics Corporation - Background Information**

Under Chief Executive Officer Paul Hays, San Diego, Calif.-animal health diagnostics leader Synbiotics Corp. has renewed its commitment to R&D and a sales and marketing program focused on understanding and meeting customers' needs.

In early 2006, the company's product and development pipeline addresses critical areas of surveillance and monitoring for disease in companion and large animals, specifically in the areas of influenza and other pathogen-detection products.

**Influenza products.** Synbiotics introduced its Avian Influenza Type A antigen test in spring 2005 at VIV Asia in Bangkok. Marketed in Asia, Europe, the Middle East, Oceania and Latin America under the name Flu DETECT™, the fast and highly sensitive antigen test available in the United States under a conditional approval label from the USDA. Synbiotics is awaiting full USDA approval for the product, which can be used on-farm or in the laboratory and provide results in just 15 minutes.

In addition to the antigen test, Synbiotics offers PRO FLOK® AIV Plus, a USDA-approved laboratory test that detects the presence of Avian Influenza antibodies in serum. The National Poultry Improvement Plan in the United States has endorsed PRO FLOK AIV Plus as an industry practice in the surveillance of commercial poultry flocks for the presence of Avian Influenza.

Following the successful launch of the avian influenza surveillance products, which are manufactured at the company's plants in San Diego and Lyon, France, Synbiotics hopes to market its influenza tests for use in swine, equine, and canine populations.

**Pathogen-detection products.** The Synbiotics product development pipeline also includes products for on-farm detection of pathogens that hinder animals' development or cause disease that can be passed to humans in the food chain, raising

food-safety concerns. With Synbiotics' innovative pathogen detection tests, bio-security would begin on the farm with periodic testing of the dairy and beef cattle, swine and avian populations.

**Companion animal products.** In addition to developing, marketing and manufacturing such promising surveillance and detection products, Synbiotics continues to seek and strengthen niches in the companion animal area. The company is a leader in canine veterinary products with its DiroCHEK® and Witness® heartworm tests as well as products to detect rheumatoid arthritis and bordatella in dogs.

**Financial strength.** To increase funding for R&D and product development, shareholders approved a plan to allow the company to "go private."

This decision, effective in early November 2005, is expected to free up \$245,000 in the first full year alone previously earmarked for costs associated with Securities and Exchange Commission and Sarbanes-Oxley Act reporting requirements.

Hays has teamed with Synbiotics' majority shareholder Redwood Holdings, a Cincinnati-based investment firm, to restore Synbiotics' financial strength. In addition, Redwood Holdings has restructured the company's long-term debt, creating more cash for investing in R&D and ultimately supplying customers' needs.

Hays joined Synbiotics in 2003 from animal health company Boehringer Ingelheim Vetmedica, where he headed the U.S. business unit. His career spans more than 20 years and includes management and executive posts with Ciba-Geigy (now Novartis Animal Health) and Coopers Animal Health.

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