

NEWS

FOR IMMEDIATE RELEASE:

The GI Company to Present Phase II Oral Mucositis Data at ASCO Annual Meeting

Framingham, MA – March 26, 2008 – The GI Company, Inc., a privately held developer of gastrointestinal therapeutics, today announced that an abstract detailing results from a Phase II clinical trial (2006 – ITF – 009) has been accepted for oral presentation at the 2008 Annual Meeting of the American Society of Clinical Oncology (ASCO). This Phase II study is titled, *Prophylaxis of recurrent chemotherapy-induced oral mucositis: A Phase II multicenter, randomized, placebo-controlled trial of recombinant human intestinal trefoil factor (rhITF)*.

The presentation is scheduled for Monday, June 2, 2008 from 3:30 PM - 3:45 PM in room S100a at McCormick Place, Chicago, Illinois. All ASCO abstracts will be publicly posted on www.ASCO.org on Thursday, May 15 at 9:00 PM (EDT).

The GI Company's lead Phase II clinical candidate, Intestinal Trefoil Factor (ITF), is an endogenous protein in Phase II development for the treatment oral mucositis, a common, debilitating complication resulting from high-dose chemotherapy and / or radiotherapy. The GI Company has retained Burrill & Company to assist in the selection of a transaction partner for its clinical programs.

About Intestinal Trefoil Factor

Intestinal Trefoil Factor is an endogenous protein found primarily on mucosal surfaces throughout the gastrointestinal tract, including the mouth, esophagus and intestines, as well as in other tissues such as the eye and lungs. The protein is known to promote mucosal restitution and repair and is therefore being developed as a therapeutic. ITF mucositis therapy is designed to alleviate damage to the soft tissues of the oral cavity by providing ITF to the cells of the mouth and throat using a proprietary buccal (oral) delivery system. This therapeutic target is backed by proven biology and compelling efficacy data on ITF in numerous *in vivo* models of mucosal damage.

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About Oral Mucositis

Oral mucositis, also called stomatitis, is a common, serious complication resulting from high-dose chemotherapy and / or radiotherapy. These cytotoxic therapies are used to kill cancer cells, but they also indiscriminately kill other fast-growing cells such as those lining the inside of the mouth and throat. Oral mucositis is an inflammation of the mucosa of the mouth which ranges from redness to severe ulcerations on the inner cheek, tongue and lips. These debilitating oral sores further diminish quality of life by preventing patients from eating, drinking, or talking for weeks at a time. These conditions can reappear after every course of treatment. In addition to extremely painful open oral sores, patients with oral mucositis typically have diminished immunity resulting from chemotherapy and / or radiotherapy and are prone to serious life-threatening opportunistic infections. Currently, there is no effective treatment approved to prevent oral mucositis or shorten its duration. This condition can affect as many as 80 percent of bone marrow / blood stem cell transplant patients and 40 percent of chemotherapy / radiotherapy patients. This market represents a \$1B annual market opportunity in the U.S. alone.

About ASCO

The American Society of Clinical Oncology (ASCO) is the world's leading professional organization representing physicians who care for people with cancer. With more than 25,000 members, ASCO is committed to improving cancer care through scientific meetings, educational programs and peer-reviewed journals. For ASCO information and resources, visit www.asco.org/presscenter. Patient-oriented cancer information is available at www.plwc.org.

About The GI Company, Inc.

The GI Company is a clinical-stage biotechnology company highly specialized at developing drugs to treat gastrointestinal and related diseases. The company's lead clinical candidate is Intestinal Trefoil Factor (ITF) which is being developed for the treatment of oral mucositis. The GI Company also has pre-clinical development projects in enteritis / proctitis, inflammatory bowel disease, erosive gastroesophageal reflux disease, peptic ulcer disease and gastrointestinal motility disorders, as well as clinical programs in erosive gastritis (NSAID induced), ulcerative colitis and corneal wound healing. The company is funded through a private equity financing consortium and has raised over \$20M to date. For more information, please visit www.thegicompany.com.

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