

NEWS

FOR IMMEDIATE RELEASE:

THE GI COMPANY TO ATTEND THE 5TH ANNUAL BIO ASIA PARTNERING CONFERENCE

Framingham, MA – January 17, 2008 – The GI Company, Inc., a privately held developer of gastrointestinal therapeutics, today announced that Nicholas Barker, Ph.D., President and Chief Executive Officer, will be attending the *5th Annual BIO Asia Partnering Conference* at the Grand Hyatt Tokyo in Tokyo, Japan, from January 28-29, 2008. Dr. Barker will be available for one-on-one meetings during the conference. For more information about the *5th Annual BIO Asia Partnering Conference*, please visit <http://bioasia.bio.org>.

The GI Company recently announced the retention of Burrill & Company to evaluate strategic alternatives including the selection of a “transaction partner.” The GI Company’s lead Phase II clinical candidate, Intestinal Trefoil Factor (ITF), is in development to treat oral mucositis (OM), a common, debilitating complication resulting from high-dose chemotherapy and/or radiotherapy.

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. This protein is known to promote mucosal restitution and repair and is therefore being developed as a therapeutic. The GI Company’s ITF mucositis therapy is designed to alleviate damage to the soft tissues of the oral cavity by providing ITF topically to the cells of the mouth and throat using a proprietary buccal (oral) delivery system (see photo below). This therapeutic target is backed by proven biology and compelling efficacy data on ITF in numerous *in-vivo* models of mucosal damage. Currently there are no disease modifying therapies approved for the debilitating condition.



The GI Company’s proprietary, directional, oral-delivery system is designed to deliver ITF directly to tissue in the oral cavity

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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 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. Phase II clinical results are expected to be released in a peer-review forum in the first half of 2008. 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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Contact:

Tim Allison
LaVoie Group
978.745.4200 x 102
tallison@lavoiegroup.com