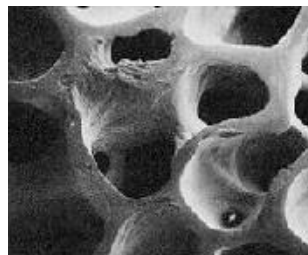


Osteoporosis

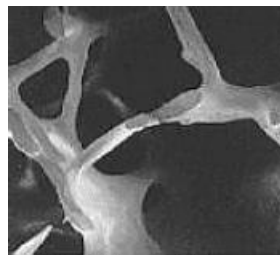
- The International Osteoporosis Foundation (I.O.F.) estimates that:
 - 3 of 4 patients are untreated in the developed world
 - one-third of women and one-fifth of men over age 50 will experience an osteoporotic fracture
- In 2007, the US National Osteoporosis Foundation estimates direct care expenditures (including hospitals, nursing homes, and outpatient services) for osteoporotic fractures is \$18 billion per year in 2002 dollars, and costs are rising
- Prevention is in the best interests of the individual and society

An Under-treated Condition

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- Prevention is in the best interests of the individual and society



Normal Bone



Osteoporotic Bone

Large Unmet Medical Need



Bone Density Testing

- Osteoporosis is a major public health threat for an estimated 44 million Americans (55 percent of people 50 years of age and older); osteoporosis is responsible for more than 1.5 million fractures annually (N.O.F.)
- The I.O.F. estimates the yearly direct treatment cost at €25 Billion
- The number of hip fractures in men and women will *double or triple* by 2050 (I.O.F.)
- Poor compliance in patients with drug therapies for osteoporosis for over a year leaves them at risk for fractures and higher health care costs (I.O.F.)
- Present bisphosphonates have poor compliance, as Merck & Co report that 20% drop out after 3 months and more than 80% drop out after one year

The Market and Opportunity

- Present \$7+ billion Worldwide bisphosphonate market expected to double within 8 years
- Fosamax (alendronate) has roughly 50% market share
- Osteoporosis risk in the population at large is increasing due to low treatment rates
- Demographics suggest target population will increase
- EffRx has ownership of an improved product, offering significant opportunity with limited downside risk

Alendronate: A Good Drug with Great Improvement Potential



- Efficacy well established, but compliance is low
- GI side effects and related Adverse Events are a recognized problem with current forms
- Dosing Restrictions
 - Large volume of water administered with tablet
 - 30 minute post-dosing vertical alignment
 - 30 minute post-dosing fast
 - Stomach upsets, other GI complaints
- Dosing form contributes to low perseverance rate