



News Release

For Immediate Release

Source: Patheon Inc.

Website: www.patheon.com

Patheon Completes Sale of Niagara-Burlington Commercial Manufacturing Business

TORONTO, Canada, (February 1, 2008) – Patheon Inc. (TSX: PTI) today announced that it has completed the previously announced sale of its Niagara-Burlington commercial manufacturing business to Pharmetics Inc., under the same terms as previously disclosed.

Under the terms of the transaction, Pharmetics has acquired the assets, including equipment, facilities and land, at Patheon's facilities in Fort Erie and Burlington (Gateway Drive) in Ontario. Pharmetics has offered employment to the workforce of 270 employees and will continue to manufacture and supply the products currently manufactured at these sites.

"We are pleased to have finalized this transaction with Pharmetics within the timeframe originally anticipated," said Mr. Wesley P. Wheeler, Chief Executive Officer, Patheon Inc. "We have worked closely with Pharmetics and our clients to ensure a smooth transition of this business to new ownership. With this divestiture completed, we look forward to further focusing our resources on growth opportunities in prescription drug development and manufacturing."

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Caution Concerning Forward-Looking Statements

This news release contains forward-looking statements which reflect management's expectations regarding the Company's future growth of operations, performance (both operational and financial) and business prospects and opportunities. These statements are made in the context of the risks and uncertainties that are outlined in the Company's public documents, which can be accessed on our website at www.patheon.com.

Patheon (TSX:PTI; www.patheon.com) is a leading global provider of drug development and manufacturing services to the international pharmaceutical industry. Patheon operates a network of 12 facilities in the United States, Canada and Europe, employing more than 4,650 people and serving a client base of more than 250 pharmaceutical and biotechnology companies.

