



PROLOR BIOTECH ANNOUNCES POSITIVE TOP-LINE RESULTS FROM PILOT STUDY OF ITS LONG-ACTING HUMAN GROWTH HORMONE INJECTED TWICE PER MONTH

--Post-Phase II hGH-CTP Study Shows Promise for Regimen in Which 2 hGH-CTP Injections Per Month Could Replace Current Regimen of 30 Growth Hormone Injections Per Month--

Nes-Ziona, Israel – January 18, 2012 – PROLOR Biotech, Inc. (NYSE Amex: PBTH) today announced positive top-line results from a post-Phase II clinical study of its long-acting CTP-modified version of human growth hormone (hGH-CTP) in growth hormone deficient adults. The data show that two injections of hGH-CTP per month have the potential to replace 30 consecutive daily injections of currently marketed human growth hormone.

“We believe that the findings from this experiential study are very promising for adult patients in need of growth hormone therapy,” said Dr. Avri Havron, Chief Executive Officer of PROLOR. “The Phase II results we reported last year showed that hGH-CTP can potentially provide a safe and effective new therapeutic option for adults with growth hormone deficiency when injected once-weekly, versus the daily injections of conventional hGH that are currently required. The results from this new pilot study indicate that hGH-CTP may be able to achieve an even better administration regimen—requiring injections just twice per month. This is encouraging news for growth hormone deficient patients who would like to minimize their injection regimen.”

In the experimental pilot study, 12 patients were switched from daily injections of conventional hGH to a regimen of just two injections of hGH-CTP over a period of 30 days. The two injections of hGH-CTP contained either 15% or 50% of the total cumulative dose of hGH the patients would usually inject over the 30-day period. Patient IGF-1 levels, a well-accepted biomarker for assessing the activity of growth hormone therapy, were tracked in the study and served as a measure of efficacy.

Dr. Havron continued, “We believe that these results demonstrate significant potential, especially in view of the limitations of this pilot study. First, the study duration was only 30 days, thus not allowing sufficient time for patients to adjust fully to the new injection regimen. Second, patients received only 15% or 50% of their regular cumulative hGH dose. Third, the patients did not go through the dose titration procedure that physicians usually employ to optimize hGH dosing. Despite this, there was a clear correlation between dose and IGF-1 response, and patients receiving the 50% dose showed promising IGF-1 response to the twice-monthly hGH-CTP injection regimen. We look forward to further study of the twice-monthly regimen while we also advance our ongoing clinical program for hGH-CTP administered once-weekly.”

ABOUT PROLOR

PROLOR Biotech, Inc. is a clinical stage biopharmaceutical company applying unique technologies, including its patented CTP technology, primarily to develop longer-acting proprietary versions of already approved therapeutic proteins that currently generate billions of dollars in annual global sales. The CTP technology is applicable to virtually all proteins. PROLOR is currently developing a long-acting version of human growth hormone, which has successfully completed a Phase II clinical trial. It also is developing long-acting versions of Factor VIIa and Factor IX for hemophilia and a GLP-1/Glucagon dual receptor agonist peptide for diabetes and obesity, as well as agents for atherosclerosis and rheumatoid arthritis, which are all in preclinical development. For more information, visit www.prolor-biotech.com

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“suggests,” “has the potential to” and other words of similar meaning, including statements regarding the results of current clinical studies and preclinical experiments and the effectiveness of PROLOR’s long-acting protein programs, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements involve risks and uncertainties that may affect PROLOR’s business and prospects, including the risks that PROLOR may not succeed in generating any revenues or developing any commercial products, including any long-acting versions of human growth hormone, erythropoietin, interferon beta, GLP-1 and other products; that the long-acting products in development may fail, may not achieve the expected results or effectiveness and/or may not generate data that would support the approval or marketing of these products for the indications being studied or for other indications; that ongoing studies may not continue to show substantial or any activity; that the actual dollar amount of any grants from Israel’s Office of the Chief Scientist is uncertain and is subject to policy changes of the Israeli government, and that such grants may be insufficient to assist with product development; and other risks and uncertainties that may cause results to differ materially from those set forth in the forward-looking statements. The results of clinical trials in humans may produce results that differ significantly from the results of clinical and other trials in animals. The results of early-stage trials may differ significantly from the results of more developed, later-stage trials. The development of any products using the CTP platform technology could also be affected by a number of other factors, including unexpected safety, efficacy or manufacturing issues, additional time requirements for data analyses and decision making, the impact of pharmaceutical industry regulation, the impact of competitive products and pricing and the impact of patents and other proprietary rights held by competitors and other third parties. In addition to the risk factors described above, investors should consider the economic, competitive, governmental, technological and other factors discussed in PROLOR’s filings with the Securities and Exchange Commission. The forward-looking statements contained in this press release speak only as of the date the statements were made, and we do not undertake any obligation to update forward-looking statements, except as required under applicable law.

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