

PRESS RELEASE

Lelystad, 28 July 2011

Fornix Half-Yearly Report 2011

- Sale of Medical Aid Division (Laprolan) completed
- Proceeds from the sale of Laprolan paid as interim dividend
- Structural and significant reduction of holding and management costs
- Change in composition of Supervisory Board will be proposed to general meeting in September 2011
- Primarily because of an additional gain on the sale of the Medical Aid Division (Laprolan), mainly resulting from a tax liability that is lower than initially calculated, a net profit of € 206,000 has been realised
- Extra interim dividend, as approved during the General Meeting of Shareholders of 13 May 2011, paid in July 2011
- Outlook for the full year 2011: slightly positive net profit

Financial highlights for the first six months of 2011 (compared to continued activities 2010)

Amounts x Euro 1,000	First six months	
	<u>2011</u>	<u>2010</u>
Income (turnover)	0	0
Interest received	227	371
Other business proceeds ¹⁾	778	0
Gross result	1,005	371
Total costs ²⁾	838	578
Result before taxation	167	(207)
Profit after taxation	206	(158)
Cash position as of 30 June (in million Euro)	12.7	16.8

¹⁾ proceeds on account of service agreements and additional gain on the sale of Laprolan
²⁾ of the total costs in 2010 of € 2,098 an amount of € 1,520 is attributed to the divisions

Update on the first 6 months of 2011

Fornix BioSciences N.V. (NYSE Euronext: AFORBI) posted a satisfactory result for the first half of 2011, considering the circumstances. Although the company does not have any activities anymore as of 1 January 2011, proceeds have been generated as a result of service agreements entered into by the company. In addition, in the first half-year of 2011 a additional gain on the sale of Laprolan in the amount of € 361,000 have been accounted for, mainly as a result of a tax liability that is lower than initially calculated. As a result thereof a net profit of € 206,000 has been realised in the first six months of 2011, whereas a loss was expected before.

In the first six months of 2011 Fornix sold its remaining activities (Laprolan). The proceeds of this sale have been distributed to the shareholders in April 2011 in the form of an interim dividend of € 0.96 per ordinary share with a nominal value of € 0.15. At the same time the company took measures in order to reduce the costs to an absolute minimum. All employment contracts have been terminated and only one director has been appointed on a consultancy basis against substantial lower costs for the company. Furthermore, the Supervisory Board decided to reduce the remuneration of the members of the Supervisory Board with 50% as of 1 January 2011. The profile of the company has significantly changed because Fornix currently has no remaining operational activities. The Supervisory Board is of the opinion that the current composition of the Supervisory Board is no longer in the interest of the company and has indicated that they will resign as soon as new members have been appointed. To that effect another Extraordinary General Meeting (EGM) will be convened on 12 September 2011.

Sale of Laprolan

The sale of Laprolan to Rochester Medical Corporation, with effective date 1 January 2011, was completed on 7 April 2011 by the transfer of all shares in the capital of Laprolan against payment of the agreed compensation of € 10.35 million. The net proceeds of the sale of Laprolan (i.e., the compensation paid by Rochester minus the obligations directly related to the transaction) amounted to € 0.96 gross per ordinary share and were paid as interim dividend on 29 April 2011.

Holding and management costs

In addition to the disinvestment of Laprolan, the Management Board and Supervisory Board aimed to substantially reduce the overhead costs of Fornix and the infrastructure given the reduced operational activities. In this respect, the Supervisory Board and Mr. C.L. Bergman decided by mutual agreement to terminate his employment as of 30 April 2011. After this date Mr. Bergman will remain active as CEO and member of the Management Board for a limited period against a substantially lower remuneration.

Furthermore, the Supervisory Board decided to reduce the remuneration of the members of the Supervisory Board with 50% as of 1 January 2011. The reason for this reduction is the smaller size of the company, it being noted that the activities of the Supervisory Board have not been reduced.

Moreover, to the extent possible, cost reductions have been carried out in other cost categories. Consequently, Fornix does no longer have any employees as per May 2011. The essential administrative support (in order to be able to continue to fulfil the obligations of a company quoted on the stock exchange) is outsourced to third parties by means of a service agreement. As a result, the structural cost level of Fornix has been substantially reduced.

Corporate Governance

Taking into account the changed profile of the company, the Supervisory Board is of the opinion that the current composition of the Supervisory Board is no longer in the interest of the company. The current members have indicated that they will resign as soon as new members have been appointed. To that effect another Extraordinary General Meeting (EGM) will be convened on Monday 12 September 2011. The convocation, agenda and explanatory notes will be posted on the website of the company (www.fornix.nl) ultimately on 29 July 2011.

“Extra dividend” payment

On 13 July 2011 Fornix announced that it will pay out an extra dividend out of the freely distributable reserves. During the annual General Meeting of Shareholders of 13 May 2011 the shareholders have approved the proposed resolution of the Management Board and the Supervisory Board to distribute an interim dividend of EUR 0.91 per share in July 2011. The Supervisory Board and the Management Board of Fornix decided on 13 July 2011 to pay out the aforementioned interim dividend.

Outlook for the full year 2011

Based on the current insights it is expected that the company will realise a slightly positive net result of at least € 50,000. This does not take into account any possible additional costs of advice, if in the second half-year it is decided to more proactively explore the strategic options of a reverse merger or takeover.

Statement by the Management Board

Pursuant to the statutory provisions, the Management Board hereby declares that to the best of its knowledge the half-year financial statements 2011, give a true and fair view of the assets, the liabilities, the financial position, the profit and the developments of Fornix BioSciences N.V. and its subsidiaries, the figures of which are incorporated in this half-year financial statements.

Lelystad, 28 July 2011

Management Board Fornix BioSciences N.V.

END OF PRESS RELEASE

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<http://www.fornix.nl>