

Quarterly Report

Third Quarter – Fiscal 2005

Q3

PRESIDENT'S MESSAGE TO SHAREHOLDERS

FELLOW SHAREHOLDERS:

The third quarter was truly a pivotal period for Labopharm as we achieved two critical milestones in our global commercialization program for our once-daily tramadol product.

POISED FOR LAUNCH OF ONCE-DAILY TRAMADOL IN EUROPE BEFORE YEAR END

In Europe, we are poised to launch our product before year end. During the quarter our product received regulatory approval in 22 countries under the Mutual Recognition Procedure (MRP), which directs the countries to issue Marketing Authorizations in due course. The common label agreed to under MRP does not differ materially from the broad label originally agreed to with France and designates our product as once-daily, for the treatment of moderate to severe pain, which includes both acute and chronic conditions, in a dose range from 100 to 400 mg per day. We believe that this label will provide our product with a significant competitive advantage in the large and growing European market for tramadol products. Our plan is to launch our product as rapidly as possible following receipt of Marketing Authorization, giving priority to the largest markets where there is no restrictive pricing policy and where our product will command the highest price. We look forward to the launch of our product in the coming weeks and full roll-out throughout Europe next year.

PARTNERSHIP WITH PURDUE PHARMA SUPPORTS US COMMERCIALIZATION PROGRAM FOR ONCE-DAILY TRAMADOL

We also took a significant step forward in our US commercialization for once-daily tramadol with the signing of a licensing and distribution agreement with Purdue Pharma L.P., the premier marketer of long-acting pain medications in the US. With a track record of success in the marketing and distribution of long-acting pain products in the US, Purdue is the ideal partner for our product in this market. To understand their capabilities, one need only look at their success with OxyContin®, a blockbuster product that Purdue grew to annual revenue of approximately US\$2 billion prior to the entry of generic products into the market. Our partnership with Purdue is truly collaborative in nature. As part of our agreement, we have retained the right to co-promote our product to certain medical specialties in the US. Purdue will support us in this endeavour, assisting us in building our own sales force of up to 75 representatives beginning in the year following the launch of our product in the US. The costs associated with recruiting, training, and compensating our sales force will be borne by Purdue and Purdue will provide our sales force with a second product. Finally, Purdue has strong intellectual property (IP) in the US related to controlled-release formulations of tramadol. We believe that Purdue's patent portfolio when combined with our own will provide us with a formidable IP position for once-daily tramadol products.

We are pleased with the financial terms of our agreement, which include a royalty rate of 20 to 25 percent based on annual sales of our product, as well as up-front and milestone payments of up to US\$170 million. Subsequent to quarter end, we received payment of US\$20 million following clearance of the agreement by the US Federal Trade Commission.

Subsequent to quarter end, we finalized an important agreement that will help expedite the commercialization of our product in this market. Through a four-way negotiation, we have secured the right to a waiver that allows the FDA to grant approval of our product based on its merits, notwithstanding the three-year Hatch-Waxman exclusivity period granted to Johnson & Johnson subsidiary Ortho-McNeil Inc. (OMI)'s extended release formulation of tramadol, which was recently licensed from Biovail Corporation. Under the terms of the arrangement, we will also receive a right of reference to OMI's previously filed tramadol data. As part of the agreement, together with our partner, we have agreed to grant a license to OMI for certain Purdue patents covering extended release tramadol formulations. Not only does this collaboration reduce risk and uncertainty with respect to the commercialization of our product in the US, it provides an excellent opportunity to universally strengthen the franchise for once-daily tramadol products.

A TRULY GLOBAL OPPORTUNITY

It has always been our plan to leverage our commercialization programs in Europe and the United States to launch our once-daily tramadol product in key markets around the globe. With a pain medication market that has experienced significant growth in recent years, Latin America and the Caribbean are two such markets. Together, they represent a sizeable and expanding commercial opportunity. In Latin America alone, the pain medication market recently topped annual sales of

US\$1.2 billion and the tramadol market reached annual sales of \$50 million. Over the last five years, dollar sales of tramadol products have grown at a compounded rate of 18% and standard unit sales of oral tramadol products have grown at a compounded annual rate of almost 25%, making it the fastest growing oral tramadol market in the world. To capitalize on this opportunity, subsequent to quarter end, we secured GlaxoSmithKline (GSK) as our marketing partner for 20 Latin American and Caribbean countries. GSK has more than 70 years of experience in Latin America and the local expertise to guide the regulatory approval process in these countries. The effective royalty rate under this agreement is in line with those of our US and European partnerships. With this agreement, we have now secured licensing and distribution agreements for a total of 41 countries worldwide.

Earlier this year, we submitted a regulatory filing for our product in Mexico, the ninth largest pharmaceutical market in the world. I am pleased to report that subsequent to the end of the quarter, our product received regulatory approval in that country. Similar to Europe, our product was approved with a once-daily designation indicated for the treatment of moderate to severe pain, including both acute and chronic conditions. We are continuing active discussions with potential marketing partners to commercialize our product in this country.

DRIVING SHAREHOLDER VALUE THROUGH ACHIEVEMENT

Our once-daily tramadol product represents a tremendous global opportunity. In the last few months we have moved the global commercialization program for our product significantly forward. These achievements, the culmination of many years of effort across our entire organization, have positioned us to do something that only a handful of Canadian drug developers have achieved – launch a new product.

With the impending launch in Europe, we are poised to generate the first commercial revenue from our product. We are confident that our once-daily formulation will capture a significant portion of the European tramadol market based on its full 24-hour efficacy and early onset of action, its superior side effect profile to existing twice-daily products, its dosage flexibility, the broad product label and our pricing and marketing strategy designed to leverage the strengths of our product and maximize the opportunity before us.

In the US, Purdue Pharma as our marketing partner, we are more confident than ever about the prospects for our product in this market. Together with our partner, we remain firmly focused on submission of our New Drug Application (NDA) to the FDA before the end of the year.

And finally, globally, we will continue to pursue regulatory approval and marketing partnerships in key jurisdictions worldwide.

I look forward to reporting on the achievement of additional value-driving milestones in the months to come.

Yours truly,

(signed)

James R. Howard-Tripp
President and Chief Executive Officer
November 4, 2005

MANAGEMENT'S DISCUSSION & ANALYSIS

for the three-month period ended September 30, 2005 and for the nine-month period ended September 30, 2005

The following information should be read in conjunction with our unaudited interim consolidated financial statements as at September 30, 2005, and related notes thereto as well as the audited consolidated financial statements and Management's Discussion and Analysis for the year ended December 31, 2004. Our unaudited consolidated interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") for interim financial statements. Management's Discussion and Analysis provides a review of the performance of the Company for the quarter ended September 30, 2005 as compared to the quarter ended September 30, 2004 and for the nine-month period then ended. This review was performed by management with information available on October 25, 2005. Additional information relating to the Company, including its Annual Information Form, can be found on SEDAR at www.sedar.com.

To the extent any statements made in this document contain information that is not historical, these statements are essentially forward-looking and are subject to risks and uncertainties. Actual results, levels of activity, performance, or achievements could differ materially from those projected herein and depend on a number of factors, including the successful and timely completion of clinical studies, the uncertainties related to the regulatory approval process, and the commercialization of products thereafter.

Where we say "we", "us", "our", or the "Company" we mean Labopharm Inc. and its subsidiaries unless otherwise indicated. All amounts are presented in Canadian dollars unless otherwise indicated.

OVERVIEW

We are an international specialty pharmaceutical company developing novel drug products using our proprietary drug delivery technologies. By applying our reformulation expertise and delivery technologies to existing drug compounds with proven efficacy and safety, we believe that we can accelerate drug development and lower development risk compared to traditional pharmaceutical and biotechnology companies. Our lead product is a once-daily formulation of the analgesic tramadol for which we have secured licensing and distribution agreements for 41 countries globally, including the United States. Earlier this year, we obtained regulatory approval for our once-daily tramadol product in France and in September 2005, we received regulatory approval for an additional 21 European countries under the Mutual Recognition Procedure (MRP), which will allow us to obtain marketing authorizations from individual countries over the next several quarters. We expect to generate our first product sales of once-daily tramadol when it is launched in Europe during the fourth quarter of 2005. We also have three other products that are in early clinical development: a once-daily formulation of betahistine, a once-daily formulation of trazodone, and DDS-2001 under a research and development agreement with MedPointe. Our existing products are based on our proprietary technology, Contramid®, which we use to develop new branded products that improve on existing drugs by providing the benefits of controlled-release drug delivery. We believe Contramid® can be applied to a wide variety of drugs in solid oral dosage form to improve their administration and performance. We are also developing novel polymeric nano-delivery systems for delivery of water-insoluble and poorly bio-available drugs.

Our primary focus is on the global commercialization of our once-daily tramadol product. In Europe, the 21 countries covered by the approval under MRP are Germany, the United Kingdom, Italy, Spain, Portugal, Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Iceland, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Slovakia, Slovenia and Sweden. We are continuing to pursue regulatory approval for other key European markets. We have secured marketing partnerships for once-daily tramadol in 20 European countries, including four of the five largest European markets for tramadol, which account for more than 80% of European tramadol sales. We are in advanced discussions to conclude additional marketing partnerships for key markets such as the United Kingdom to further broaden this coverage. We are preparing to launch our once-daily tramadol in the fourth quarter of the current year.

In August 2005, we secured a licensing and distribution agreement under which we granted to Purdue Pharma Products L.P. the exclusive right to market, sell and distribute our once-daily formulation of the analgesic tramadol in the United States, its territories and possessions. We will receive an up-front payment within ten days upon closing the agreement and consequently we have not yet recognized any revenue from this agreement. It is our intention to file a New Drug Application with the Food and Drug Administration (FDA) by the end of the year. We are currently conducting a third Phase III trial in the US under a Special Protocol Assessment with the FDA.

As part of our global commercialization strategy, on October 3, 2005, we completed a licensing and distribution agreement with GlaxoSmithKline for our once-daily tramadol product for 20 Latin American and Caribbean countries. Also subsequent to quarter end, our once-daily tramadol product received regulatory approval from the national regulatory authority in Mexico. We plan to submit additional marketing applications in other jurisdictions around the world in the coming year.

Our Goal

Our goal is to become a fully integrated, international specialty pharmaceutical company developing and commercializing our own pharmaceutical products. Full integration should maximize the value inherent in our technology and product candidates by allowing greater control over the development and commercialization process and generating higher returns on investment.

Liquidity

We have incurred substantial operating losses since our inception due in large part to expenditures for our research and development activities. As at September 30, 2005, we had an accumulated deficit of \$134 million. We expect our operating losses to decrease going forward as we generate revenue through sales of our once-daily tramadol product while continuing to advance our other product candidates towards commercialization and expand our development pipeline. On June 28, 2005, we entered into a term loan agreement that generated gross proceeds of \$12.3 million. However, as of October 25, 2005, our committed cash obligations and expected level of expenses for the upcoming twelve months exceed the committed sources of funds and our cash and cash equivalents on hand. Our ability to continue as a going concern is dependent upon receiving funds through product licensing agreements or collaborative research contracts, raising additional financing through borrowings or equity financing, or achieving future profitable operations.

Revenue

To date, we have not generated any revenue from product sales. We, however, expect our once-daily tramadol product to be commercially launched in Europe during the fourth quarter of 2005 thereby generating our first revenue from product sales. Revenue to date has been generated primarily by our licensing and distribution agreements, and historically by our research collaboration agreements.

We have seven licensing and distribution arrangements for once-daily tramadol, which in total cover 41 countries. The most recent agreements are with Purdue Pharma Products L.P. for the US and GlaxoSmithKline for 20 Latin American and Caribbean countries. The agreement with Purdue Pharma Products L.P. is the most significant and includes an up-front licensing fee of US\$20 million dollars, which should be received during the fourth quarter of 2005 upon closing the agreement, and will be recognized as revenue over the period during which we maintain substantive contractual obligations. Additional milestone payments are provided for in the agreement including up to US\$40 million depending on the date of regulatory approval by the FDA, and up to US\$110 million upon meeting specified sales targets. In addition, we will receive royalty rates ranging from 20% to 25% of product sales. The agreement with GlaxoSmithKline includes milestone payments upon regulatory approval and first commercial sale in any one of the major markets covered by the agreement.

From 2002 to 2004, we also entered into four licensing and distribution agreements and one letter of intent to enter into a licensing and distribution agreement for once-daily tramadol in Europe. The agreements are with HEXAL AG for Germany, Gruppo Angelini for Italy, Esteve S.A. for Spain and Portugal, CSC Pharma for 14 Eastern European countries and Russia, and the letter of intent is with Sanofi-aventis for France. The terms of these arrangements may include up-front payments upon signature and additional payments upon market and/or price approval, or product launch in the respective European countries. Under these arrangements we are primarily responsible for supplying finished packaged product.

Research and Development Expenses

Our research and development expenses consist primarily of fees paid to outside parties that we use to conduct clinical studies and manufacturing process validation, salaries and related personnel expenses, laboratory supplies and costs for facilities and equipment. In the third quarter of 2005, research and development expenses increased in comparison to the quarter ended September 30, 2004, primarily due to the timing and progress of expenditures related to our clinical trial program for our once-daily tramadol product.

CHANGE IN ACCOUNTING POLICY Consolidation of Variable Interest Entities

In June 2003, the Canadian Institute of Chartered Accountants ("CICA") issued Accounting Guideline AcG-15, *Consolidation of Variable Interest Entities* which requires consolidation of variable interest entities ("VIE") for fiscal years beginning on or after November 1, 2004. A VIE is any legal structure used to conduct activities or hold assets which are not controlled by voting interests but rather by contractual or other interests that change with that entity's underlying net asset value. AcG-15 requires the consolidation of a VIE by its primary beneficiary, i.e., the party that receives the majority of the expected residual returns and/or absorbs the majority of the entity's expected losses. Our assessment to date indicates that the adoption of AcG-15 does not result in any change to the consolidated financial statements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our critical accounting policies and estimates remain substantially the same as reported in our Management's Discussion & Analysis as included in our annual report for the year ended December 31, 2004.

RESULTS OF OPERATIONS Fluctuations in Operating Results

Our results of operations have fluctuated significantly from period to period in the past and are likely to do so in the future. We anticipate that our quarterly and annual results of operations will be impacted for the foreseeable future by several factors, including the timing and amount of payments received pursuant to our current and future collaborations, and the progress and timing of expenditures related to our research, development and commercialization efforts. Due to these fluctuations, we believe that the period-to-period comparisons of our operating results are not a good indication of our future performance.

Revenue

For the third quarter ended September 30, 2005, revenue was \$72,000 compared to \$238,000 for the quarter ended September 30, 2004. Total revenue for the nine-month period ended September 30, 2005 was \$823,000 compared with \$424,000 for the corresponding period last year.

Revenue generated from research and development contracts for both the quarter and the nine-month period ended September 30, 2005 was \$61,000 and was derived from our agreement with Gruppo Angelini under which we are formulating a once-daily version of the anti-depressant trazodone. For the corresponding quarter and nine-month period of the preceding fiscal year, revenue generated from research and development contracts was \$226,000 and \$388,000, respectively, and was derived from the aforementioned agreement with Gruppo Angelini, as well as from our agreement with Debiopharm, under which we were conducting research on the potential oral delivery of a current intravenous cancer drug using our proprietary polymeric nano-delivery systems technology (previously referred as micelles technology).

We recognized \$11,000 of licensing revenue during the quarter, and \$12,000 in the corresponding quarter last year, representing a portion of the up-front payments received from Gruppo Angelini and Esteve S.A. under our licensing and distribution agreement for once-daily tramadol. Over the next several quarters, additional milestone payments provided for in the current licensing and distribution arrangements for once-daily tramadol are anticipated to be recognized as revenue as we receive market and/or price approval or launch the product in the various European countries. For the nine-month period ended September 30, 2005, licensing revenue was \$762,000 and was generated by a portion of the up-front payments received from Gruppo Angelini and Esteve S.A. and a portion of the additional milestone payment received from HEXAL AG, compared with \$36,000 for the corresponding period last year.

Research and Development Expenses

Research and development expenses (net of tax credits) for the quarter ended September 30, 2005 were \$3,745,000 compared with \$3,265,000 for the quarter ended September 30, 2004. The increase is attributable to the timing and progress of our clinical trial program for our once-daily tramadol product, partially offset by higher research and development tax credits in the current quarter.

For the nine-month period ended September 30, 2005, research and development expenses (net of tax credits) totalled \$12,675,000 compared with \$10,357,000 for the corresponding period in the previous year. The increase can primarily be explained by the timing and progress of our clinical trial program for once-daily tramadol and the validation of the commercial manufacturing process for tramadol at a second third-party manufacturer. Our intention is to qualify and register a second manufacturer to avoid capacity and dependency issues that come with using a single manufacturer. Also during the nine-month period ended September 30, 2005, pharmacokinetic studies were conducted on our once-daily formulation of betahistine and on our once-daily formulation of trazodone while in the comparative period of the preceding fiscal year, pharmacokinetic studies were conducted on a controlled-release formulation of gabapentin and a once-daily formulation of oxybutynin; we have since deemphasized development efforts for the two latter programs.

Research and development tax credits for the nine-month period totalled \$1,583,000 compared to \$567,000 in the corresponding period last year. The significant increase is due to a favorable ruling received in 2005 for previous taxation years and on the recognition of previously unrecorded federal research and development tax credits, which will be used to offset income tax payable.

Research and development costs allocated to our once-daily tramadol program amounted to approximately \$3,151,000 for the quarter ended September 30, 2005, and \$10,274,000 for the nine-month period then ended.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the quarter ended September 30, 2005 were \$2,775,000 compared to \$2,523,000 for the quarter ended September 30, 2004, and \$8,133,000 for the nine-month period ended September 30, 2005, compared with \$7,549,000 for the corresponding period of the preceding fiscal year. The increase is primarily due to our European operations where we have increased headcount amongst other items, in order to prepare for the commercial launch of once-daily tramadol.

QUARTERLY INFORMATION

The following selected financial information is derived from our unaudited quarterly financial statements for each of the last eight quarters, all of which cover periods of three months.

\$000s except per share data	Three months ended							
	Sept 30, 2005	June 30, 2005	March 31, 2005	Dec. 31, 2004	Sept. 30, 2004	June 30, 2004	March 31, 2004	Dec. 31, 2003
Revenue ¹	72	11	740	970	238	93	93	14
Net loss	(7,549)	(8,789)	(5,929)	(6,631)	(5,895)	(7,084)	(7,569)	(9,388)
Basic and diluted net loss per share	(0.18)	(0.21)	(0.14)	(0.16)	(0.14)	(0.18)	(0.21)	(0.27)

¹ The comparative figures for revenue were reclassified to conform with the presentation in the current period.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents, investments and accrued interest on investments totalled \$17,553,000 as at September 30, 2005. On June 28, 2005 we entered into a term loan agreement which generated gross proceeds of \$12,317,000. As part of the transaction we issued 543,104 warrants to purchase common shares. Despite the proceeds from this financing, our committed cash obligations and expected level of expenses for the upcoming twelve months exceed the committed sources of funds and our

Financial Expenses

Financial expenses for the quarter ended September 30, 2005 were \$758,000 compared with \$208,000 for the quarter ended September 30, 2004, and \$1,168,000 for the nine-month period ended September 30, 2005, compared to \$626,000 for the corresponding period in 2004. The increase is primarily due to the financial expenses related to the term loan agreement which we entered into in June 2005.

Expenses Related to an Incomplete Financing Initiative

In the corresponding nine-month period last year, we incurred \$1,509,000 of non-recurring financing costs that were expensed during the period which were in relation to a contemplated cross-border financing, which was eventually halted due to unfavorable market conditions. The expenses are composed primarily of legal and accounting fees.

Net Loss

Net loss for the quarter includes a foreign exchange gain of \$221,000, primarily corresponding to the favorable effect of the currency fluctuation on the term loan denominated in US currency, partially offset by the loss incurred on the cash held in the same currency. Net loss for the quarter also includes a non-cash income tax expense of \$258,000 as we are generating taxable income at the Canadian federal level and have utilized all our accumulated tax losses. We have chosen to utilize our non-refundable federal research and development tax credits which have a limited carryforward period to offset these taxes instead of using the research and development expenditure pool, which has an unlimited carryforward period. Net loss for the quarter ended September 30, 2005 was \$7,549,000, or \$0.18 per share, compared with \$5,895,000, or \$0.14 per share, for the quarter ended September 30, 2004. The increase in net loss is the result of lower revenue generated from research and development contracts combined with higher expenses related to the development and preparation for commercial launch of our once-daily tramadol, as well as higher financial expenses. For the nine-month period ended September 30, 2005, net loss was \$22,267,000, or \$0.52 per share, compared with \$20,548,000, or \$0.53 per share for the comparative period, an increase primarily due to the costs associated with our once-daily tramadol program.

cash and cash equivalents on hand. Our ability to continue as a going concern is dependent upon receiving funds through product licensing agreements or collaborative research contracts, raising additional financing through borrowings or equity financing, or achieving future profitable operations. The outcome of these matters is dependent on a number of items outside of our control. As a result, there is significant uncertainty as to whether we will have the ability to continue as a going concern. However, we expect to raise additional funds using one or a combination of

alternatives including the receipt of up-front and milestone payments in relation to existing and additional product distribution and licensing agreements, the obtaining of credit facilities or through equity financing. However, there can be no assurance that we will be able to raise such capital on favourable terms, or that commercial agreements will be concluded or that we will receive payments under existing agreements.

Funds used in operating activities during the quarter ended September 30, 2005 amounted to \$6,072,000 compared to \$4,696,000 for the corresponding period last year, and were used primarily to develop our in-house product portfolio, principally our once-daily tramadol product, and for general operating purposes. The increase of \$1,376,000 in funds used in operating activities is mainly due to increased clinical trial activity. For the nine-month period ended September 30, 2005, funds used in operating activities were \$18,772,000 compared to \$19,892,000 for the comparative period last year. The decrease in funds used in operating activities is mostly attributable to the licensing payments received during the first quarter of 2005 offset by increased research and development costs, primarily the validation of the commercial manufacturing process of tramadol at a second third-party manufacturer.

Funds provided from investing activities for the quarter ended September 30, 2005 amounted to \$1,428,000 compared to \$5,979,000 for the quarter ended September 30, 2004. Capital expenditures for the current quarter were \$432,000 compared to \$245,000 for the quarter ended September 30, 2004. Capital expenditures in the current quarter were principally related to acquisition of laboratory equipment. Investment activities also include the purchase and disposal of marketable securities, as we invest our excess liquidity generated from previous financings according to our investment policy. Funds provided from investing activities for the nine-month period ended September 30, 2005 amounted to \$15,347,000 compared to \$7,423,000 of funds applied to investing activities for the nine-month period ended September 30, 2004, reflecting the marketable securities acquired with the net proceeds generated from the equity financing completed on May 26, 2004.

For the nine-month period ended September 30, 2005, funds provided by financing activities amounted to \$12,919,000 as compared to \$28,454,000 for the corresponding period of the preceding fiscal year. On June 28, 2005, we entered into a term loan agreement which generated gross proceeds of \$12,317,000, of which \$11,586,000 was attributed to the term loan and \$731,000 to the 543,104 warrants issued as part of the agreement. Related financing costs paid during the period totalled \$474,000. In the nine-month period ending September 30, 2004, net proceeds of \$27,804,000 were generated from the equity financing completed in May 2004. Proceeds of \$1,190,000 were obtained from the exercise of stock options during the nine-month period ended September 30, 2005, compared to \$777,000 for the exercise of stock options and warrants for the corresponding period of the previous year.

As at September 30, 2005, working capital was \$8,540,000. Accounts receivable totalled \$935,000 as at September 30, 2005 and included primarily the amount receivable for sales tax, trade receivable from Angelini from co-development efforts for a once-daily version of the anti-depressant trazodone, as well as accrued interest on investments. Research and development tax credits receivable totalled \$685,000 and included the estimated tax credits for the nine-month period ended September 30, 2005. In preparation for commercial launch of our product, we

have accumulated \$1,256,000 of inventories consisting of raw materials and intermediate finished product (bulk tablets). We have also issued purchase orders to our approved manufacturers to produce and package bulk tablets. Inventory levels are likely to increase over the next several quarters. Accounts payable and accrued liabilities decreased from \$5,930,000 at December 31, 2004 to \$5,422,000 at September 30, 2005, due primarily to the timing of the payments of expenses related to the US Phase III study associated with our once-daily tramadol product. Deferred revenue totalled \$4,709,000 as at September 30, 2005 and included (i) the portion of the payments from HEXAL AG, Gruppo Angelini and Esteve S.A. received at the signing of the distribution and license agreements for our once-daily tramadol product, which will be recognized over the terms of the respective agreements, and (ii) other payments, or portion of, received from Sanofi-aventis and HEXAL AG upon notification of regulatory approval for our once-daily tramadol product in France, which will be recognized upon reaching future milestones. Obligations under capital leases decreased in 2005 by \$114,000 to \$5,943,000 as at September 30, 2005, as a result of payments made since December 31, 2004.

Cash and cash equivalents, investments and accrued interest on investments totalled \$17,553,000 as at September 30, 2005 compared to \$25,101,000 as at December 31, 2004, a \$7,548,000 decrease, primarily as a result of the loss incurred during the period, net of the milestone payments received in the period and the proceeds from the debt financing completed in June 2005. Our investment policy regulates our investment activities relating to cash resources. We invest in liquid, high-grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. As at September 30, 2005, our short-term investments included two major Canadian companies and a Chartered Bank in amounts ranging from \$993,000 to \$2,014,000.

Contractual Obligations

Our contractual obligations remain substantially the same as reported in our Management's Discussion & Analysis as included in our annual report for the year ended December 31, 2004, except for the long-term debt obligations. On June 28, 2005, we entered into a term loan agreement which generated gross proceeds of \$12,317,000. Under the long-term debt agreement, total payments including capital, interest, and loan termination fee aggregate \$14,515,000 and are payable as follows: \$4,110,000 are due in the next twelve months and \$10,405,000 are due in the two subsequent years.

Off-Balance Sheet Arrangements

To date, we have not had any relationships with unconsolidated entities or financial partnerships, such as entities referred to as structured finance or special purpose entities, which are established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

OUTSTANDING SHARE DATA

The number of common shares outstanding as of October 25, 2005 is 43,145,530 and has increased by 100,000 since September 30, 2005 due to the exercise of stock options. The number of options outstanding as of October 25, 2005 is 3,148,875 and has decreased by 124,000 since September 30, 2005, due to the exercise of 100,000 options and the expiry of 24,000 options.

Pursuant to the term loan agreement executed on June 28, 2005, we have 543,104 warrants outstanding at an exercise

price of \$2.71, and expiring on June 29, 2010, all of which can be exercised immediately.

QUANTITATIVE AND QUALITATIVE DISCLOSURES OF MARKET RISK

Foreign Currency Risk

We operate internationally, and a substantial portion of our expense activities and capital expenditures are in Canadian dollars, whereas our revenue (current and potential) from research contracts and licensing and distribution agreements is, and will be, primarily in US dollars or Euros. In addition, in June 2005 we contracted a \$10 million term loan denominated in US currency. A significant adverse change in foreign currency exchange rates between the Canadian dollar relative to the US dollar and Euro, could have a material effect on our consolidated results of operations, financial position or cash flows. We have not hedged exposures denominated in foreign currencies.

Interest Rate Risk

We invest our excess cash in investment-grade, interest-bearing securities. The primary objective of our investment activities is to preserve principal while at the same time maximizing yields without significantly increasing risk. To achieve this objective, we invest in highly liquid and high quality debt instruments or commercial paper of major corporations, government agencies and financial institutions with maturities generally of less than two years. A significant change in interest rates could have a material effect on the fair value of our investments if these investments were not held to maturity.

OTHER RISKS AND UNCERTAINTIES

If any of the following risks occur, our business, results of operations or financial condition could be materially adversely affected.

- We have not generated significant revenue to date, and we could continue to experience losses for at least the next two years. It is also difficult to estimate timing and future costs of our research and development programs.
- If we fail to obtain additional regulatory approvals for our product candidates under development, and in particular our lead product candidate once-daily tramadol, we may not be able to generate sufficient revenues from the commercialization of our product candidates.
- We may not achieve our projected development goals in the time frames we announce and expect.
- Rapid technological change could make our products obsolete.
- We face uncertainties related to regulatory approval which could result in delays in product commercialization in certain territories.
- Even if we obtain marketing approval, our products will be subject to ongoing regulatory review.
- Our products, if approved, may fail to achieve market acceptance.
- Development of drugs can be costly and require years of research and development activities.
- If we cannot raise additional capital on acceptable terms, we may be unable to pursue further development of our product portfolio, obtain regulatory approvals or commercialize our product candidates.
- If we are unable to protect our intellectual property rights, our competitors may develop and market products with similar features that may reduce demand for our products and the effective commercialization of our products may be inhibited.
- We are aware of US and foreign patents owned by third parties including potential competitors that arguably cover aspects of our once-daily tramadol product. Claims by these and other companies that we infringe their proprietary technology may result in liability for damages or stop our development and commercialization efforts.
- We may become involved in lawsuits to protect or enforce our patents that would be expensive and time consuming.
- If third-party manufacturers of our products fail to devote sufficient time and resources to our concerns, or if their performance is substandard, our clinical trials and product introductions may be delayed and our costs may rise.
- We currently have a single source of supply for Contramid®.
- We may not be able to manufacture our products in commercial quantities, which would prevent us from marketing our products.
- We have no experience in selling, marketing or distributing our products and no internal capability to do so yet.
- We have and will continue to establish collaborative relationships, and those relationships may expose us to a number of risks.
- If we are unable to retain key personnel and hire additional qualified scientific, sales and marketing, and other personnel, we may not be able to successfully achieve our goals.
- We have international operations that expose us to additional business risks.
- We may not be able to successfully acquire and integrate complementary technologies or businesses needed for the development of our business and any acquisitions we make could disrupt our business and harm our financial condition.
- We may incur losses associated with foreign currency fluctuations.
- Competition in the pharmaceutical industry is intense, and if we fail to compete effectively our financial results will suffer.
- Generic pharmaceutical manufacturers will increase competition for certain products.
- Market acceptance of our products will be limited if users of our products are unable to obtain adequate reimbursement from third-party payors.
- We are subject to the risk of product liability claims, for which we may not have or be able to obtain adequate insurance coverage.
- Our products involve the use of hazardous materials, and as a result we are exposed to potential liability claims and to costs associated with complying with laws regulating hazardous waste.
- Our share price may be volatile, and an investment in our common shares could suffer a decline in value.
- Future sales of common shares by us or our existing shareholders may cause our stock price to fall.
- We have never paid dividends on our common shares, and we do not anticipate paying any cash dividends in the foreseeable future.

CERTIFICATION OF INTERIM FILINGS

I, James R. Howard-Tripp, President and Chief Executive Officer of Labopharm Inc., certify that:

1. I have reviewed the interim filings (as this term is defined in *Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings*) of Labopharm Inc. (the issuer) for the interim period ending September 30, 2005;
2. Based on my knowledge, the interim filings do not contain any untrue statements of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings; and
3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings.

(signed)
President and Chief Executive Officer
October 25, 2005

I, Warren Whitehead, Chief Financial Officer of Labopharm Inc., certify that:

1. I have reviewed the interim filings (as this term is defined in *Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings*) of Labopharm Inc. (the issuer) for the interim period ending September 30, 2005;
2. Based on my knowledge, the interim filings do not contain any untrue statements of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings; and
3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings.

(signed)
Chief Financial Officer
October 25, 2005

CONSOLIDATED STATEMENTS OF LOSS

[Unaudited] [note 1]

For periods of:	Three months ended		Nine months ended	
	Sept. 30, 2005	Sept. 30, 2004	Sept. 30, 2005	Sept. 30, 2004
[Thousands of dollars, except share and per share amounts]	\$	\$	\$	\$
REVENUE				
Research and development contracts	61	226	61	388
Licensing	11	12	762	36
	72	238	823	424
EXPENSES				
Research and development expenses, net [note 4]	3,745	3,265	12,675	10,357
Selling, general and administrative expenses	2,775	2,523	8,133	7,549
Depreciation and amortization	416	387	1,235	1,223
Financial expenses [note 5]	758	208	1,168	626
Interest income	(110)	(181)	(347)	(381)
Foreign exchange (gain) loss	(221)	9	(33)	48
	7,363	6,211	22,831	19,422
LOSS BEFORE THE UNDERNOTED ITEMS	(7,291)	(5,973)	(22,008)	(18,998)
Expenses related to an incomplete financing initiative	—	(88)	—	1,509
LOSS BEFORE INCOME TAXES	(7,291)	(5,885)	(22,008)	(20,507)
Income taxes:				
Current	258	10	259	41
NET LOSS FOR THE PERIOD	(7,549)	(5,895)	(22,267)	(20,548)
NET LOSS PER SHARE - BASIC AND DILUTED	(0.18)	(0.14)	(0.52)	(0.53)
Weighted average number of common shares outstanding	43,003,982	42,489,682	42,809,354	39,111,305

See accompanying notes.

CONSOLIDATED STATEMENTS OF CASH FLOWS

[Unaudited] [note 1]

For periods of:	Three months ended		Nine months ended	
	Sept. 30, 2005 \$	Sept. 30, 2004 \$	Sept. 30, 2005 \$	Sept. 30, 2004 \$
[Thousands of dollars]				
OPERATING ACTIVITIES				
Net loss for the period	(7,549)	(5,895)	(22,267)	(20,548)
Items not affecting cash:				
Depreciation of property, plant and equipment	381	381	1,131	1,119
Amortization of intangible assets	35	6	104	104
Financial expenses	134	—	134	—
Amortization of deferred financing costs	40	—	40	—
Unrealized foreign exchange gain	(206)	—	(25)	—
Stock-based compensation	153	398	800	1,493
	(7,012)	(5,110)	(20,083)	(17,832)
Net change in non-cash operating items	940	414	1,311	(2,060)
	(6,072)	(4,696)	(18,772)	(19,892)
INVESTING ACTIVITIES				
Acquisition of investments	(4,591)	(3,013)	(8,389)	(34,944)
Disposals of investments	—	1,220	958	4,341
Maturities of investments	6,451	8,017	23,654	24,074
Acquisition of property, plant and equipment	(391)	(222)	(749)	(820)
Acquisition of intangible assets	(41)	(23)	(127)	(74)
	1,428	5,979	15,347	(7,423)
FINANCING ACTIVITIES				
Repayment of capital lease obligations	(24)	(43)	(114)	(127)
Proceeds from issuance of capital stock	330	4	1,190	30,777
Issuance costs of capital stock	—	(31)	—	(2,196)
Proceeds from issuance of long term debt	—	—	11,586	—
Proceeds from issuance of warrants	—	—	731	—
Deferred financing costs	(320)	—	(474)	—
	(14)	(70)	12,919	28,454
Foreign exchange loss on cash held in foreign currencies	(395)	—	(645)	—
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	(5,053)	1,213	8,849	1,139
Cash and cash equivalents, beginning of period	16,711	646	2,809	720
CASH AND CASH EQUIVALENTS, END OF PERIOD	11,658	1,859	11,658	1,859
Cash flows include the following items:				
Interest paid	467	208	877	629
Income taxes paid (received)	—	(24)	1	(18)

See accompanying notes.

CONSOLIDATED BALANCE SHEETS

[Unaudited] [note 1]

[Thousands of dollars]	As at Sept. 30, 2005 \$	As at Dec. 31, 2004 [note 2] \$
ASSETS [note 7]		
Current		
Cash and cash equivalents	11,658	2,809
Short-term investments	4,591	20,814
Accounts receivable	935	967
Research and development tax credits receivable	685	800
Inventories [note 6]	1,256	—
Prepays and other assets	330	247
Total current assets	19,455	25,637
Long-term investments	1,271	1,282
Property, plant and equipment	10,579	10,961
Intangible assets	2,059	2,036
Deferred financing costs	434	—
	33,798	39,916
LIABILITIES		
Current		
Accounts payable and accrued liabilities	5,422	5,930
Current portion of deferred revenue	3,142	266
Current portion of obligations under capital leases	81	134
Current portion of long term debt [note 7]	2,270	—
	10,915	6,330
Deferred revenue	1,567	1,510
Obligations under capital leases	5,862	5,923
Long term debt [note 7]	8,847	—
	27,191	13,763
SHAREHOLDERS' EQUITY		
Capital stock [note 8]	133,849	132,658
Warrants [note 8]	731	—
Contributed surplus [notes 3 and 8]	5,544	4,745
Deficit	(133,517)	(111,250)
Total shareholders' equity	6,607	26,153
	33,798	39,916

See accompanying notes.

CONSOLIDATED STATEMENTS OF DEFICIT

[Unaudited] [note 1]

For periods of nine months ended: [Thousands of dollars]	Sept. 30, 2005 \$	Sept. 30, 2004 \$
BALANCE, beginning of period	(111,250)	(81,095)
Adjustment for change in accounting policy [note 3]	—	(2,976)
Net loss	(22,267)	(20,548)
BALANCE, end of period	(133,517)	(104,619)

See accompanying notes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS [UNAUDITED]

As at September 30, 2005 [thousands of dollars, except share and per share amounts]

NOTE 1. DESCRIPTION OF BUSINESS AND GOING CONCERN UNCERTAINTY

The Company, incorporated under the *Companies Act (Québec)* is specialized in the development of drugs using advanced controlled-release technologies and the development of pharmaceutical products incorporating its proprietary technologies. The Company carries on business in Canada, Barbados, the United States and Ireland and substantially all of the Company's tangible assets are located in Canada. All licensing revenues have been derived from business carried on in Ireland, by the Company's subsidiary Labopharm Europe Limited, and all other revenues have been derived from business carried on in Canada. The intangible assets are jointly owned by the Company and its foreign subsidiaries.

The Company's strategy is to develop products internally in order to form strategic alliances or licensing agreements with national or international pharmaceutical companies that have the necessary resources and distribution networks to market and sell the pharmaceutical products incorporating the Company's proprietary technologies. To date, the Company has financed its cash requirements primarily through share issuances, a term loan, investment tax credits, collaborative research contracts, licensing and distribution agreements and interest income. The future profitability of the Company is dependent upon such factors as the success of the clinical trials, the approval by regulatory authorities of products developed by the Company, the ability of the Company to successfully market, sell and distribute its products and the ability of the Company to obtain the necessary financing to complete its projects through licensing and research agreements.

The Company has incurred significant operating losses and cash outflows from operations. As at September 30, 2005, the Company's committed cash obligations and expected level of expenses for the upcoming twelve months exceed the committed sources of funds and the Company's cash and cash equivalents on hand. The ability of the Company to continue as a going concern is dependent upon (i) receiving funds through collaborative research contracts or product licensing agreements, including funds upon closing the Purdue Pharma Products L.P. agreement, (ii) raising additional funds through borrowings or equity financing, and (iii) achieving future profitable operations. The outcome of these matters is dependent on a number of items outside of the Company's control. As a result, there is significant uncertainty as to whether the Company will have the ability to continue as a going concern.

The consolidated financial statements have been prepared on a going concern basis, which assumes the Company will

continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. These financial statements do not include any adjustments to the amounts and classification for assets and liabilities that may be necessary, should the Company not be successful in its efforts to obtain additional financing or not receive significant funds resulting from signing collaborative research contracts or by out licensing its products.

NOTE 2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The unaudited interim consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada for interim financial statements. Accordingly, they do not include all of the information and notes required by GAAP for annual financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2004 and the accompanying notes, included in the Company's annual report. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of the interim consolidated financial statements have been included.

The accounting policies used in preparation of these interim consolidated financial statements are the same as those used in the preparation of the Company's most recent annual consolidated financial statements, and are set forth in notes 2 and 3 of the audited consolidated financial statements for the year ended December 31, 2004 included in the Company's annual report except for the notes shown below.

Inventories

Inventories are valued at the lower of cost, which is determined on an average cost basis, and net realizable value for finished goods and work-in-progress and replacement cost for raw materials.

Deferred Financing costs

Financing costs associated with the issuance of debt are deferred and amortized over the term of the related debt using the effective yield method.

NOTE 3. CHANGE IN ACCOUNTING POLICY

In 2003, the Canadian Institute of Chartered Accountants ("CICA") amended its pronouncement relating to stock-based compensation requiring companies to measure and expense all equity instruments awarded to employees and directors starting in fiscal years beginning on or after January 1, 2004 in accordance with the fair value method. The fair value of stock

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS [UNAUDITED]

As at September 30, 2005 [thousands of dollars, except share and per share amounts]

options to employees and directors is determined at the date of grant using the Black-Scholes option pricing model, and expensed over the vesting period of the options. The transitional provisions provide for a prospective treatment to this change in accounting policy for those companies who adopt this new pronouncement in fiscal years beginning before January 1, 2004 and a retroactive treatment for those companies adopting on or after January 1, 2004.

Effective January 1, 2004, the Company adopted the retroactive treatment without restatement, for options granted since March 1, 2002. Consequently, the opening deficit and contributed surplus balances as at January 1, 2004 increased by \$2,976. The compensation expense for the quarter ended September 30, 2005 was \$153 [2004 – \$398] of which \$45 [2004 – \$163] were included in research and development expenses and of which \$108 [2004 – \$235] were included in selling, general and administrative expenses. The compensation expense for the nine-month period ended September 30, 2005 was \$800 [2004 – \$1,493], of which \$237 [2004 – \$489] were included in research and development expenses and of which \$563 [2004 – \$1,004] were included in selling, general and administrative expenses. The counterpart has been recorded as contributed surplus. Prior to January 1, 2004, no compensation expense was recognized when stock options were granted to employees and directors, however the Company provided pro forma information as if the fair value method had been applied.

NOTE 4. RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses are presented net of tax credits of \$838 and \$150 for the three-month periods ended September 30, 2005 and 2004 respectively and net of tax credits of \$1,583 and \$567 for the nine-month periods ended September 30, 2005 and 2004 respectively.

NOTE 5. FINANCIAL EXPENSES

	For the three-month period ended		For the nine-month period ended	
	Sept. 30, 2005	Sept. 30, 2004	Sept. 30, 2005	Sept. 30, 2004
Interest on long term debt	515	—	515	—
Interest on capital lease obligations	203	208	613	626
Amortization of deferred financing costs	40	—	40	—
	758	208	1,168	626

NOTE 6. INVENTORIES

In preparation for the commercial launch of its once-daily tramadol product, the Company has accumulated inventories comprised of raw materials totalling \$629 and intermediate finished goods (bulk tablets) totalling \$627. In addition, the Company has outstanding purchase orders in the amount of \$473 for the manufacture of bulk tablets and \$192 for the packaging of bulk tablets also in preparation of commercial launch of the product which is expected towards the end of 2005.

NOTE 7. LONG-TERM DEBT

	\$
Term loan, maturing on July 1, 2008 with interest payable monthly and repayable in 30 monthly payments of \$454 including interest, commencing on February 1, 2006.	11,714
Less adjustment for the termination fee and the portion of the warrants not yet recognized as financial expenses	(597)
Fair value of long term debt	11,117
Current portion of long term debt	(2,270)
	<u>8,847</u>

On June 28, 2005, the Company entered into a US\$10,000 term loan agreement bearing interest at 11.95%, resulting in gross proceeds of \$12,317. As part of the agreement, the Company issued 543,104 warrants to purchase common shares [note 8]. Proceeds were allocated to the long-term debt for \$11,586 and the warrants for \$731. As a result of the warrants and the loan termination fee of \$410 [US\$350] due on repayment, the effective interest rate of the term loan is approximately 17%.

The financing costs related to the term loan agreement amount to \$474 and were recorded as deferred financing costs.

The term loan is collateralized by all of the Company's assets except for its intellectual property.

Minimum annual principal repayments of the fair value of the long-term debt during the next four twelve-month periods ending September 30, are as follows:

	\$
2006	2,270
2007	4,254
2008	4,593

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS [UNAUDITED]

As at September 30, 2005 [thousands of dollars, except share and per share amounts]

NOTE 8. CAPITAL STOCK**Authorized**

Unlimited number of preferred shares, non-participating,
non-voting, without par value

Unlimited number of common shares, voting, without par value

Issued

43,045,530 common shares [December 31, 2004 – 42,510,630]

Capital Stock Transactions

During the nine-month period ended September 30, 2005, 534,900 [2004 – 192,500] options were exercised for a total cash consideration of \$1,190 [2004 – \$418]. For options exercised which were granted after March 1, 2002, capital stock was increased by \$1 [2004 – \$6] and contributed surplus reduced by the same amount to consider compensation expense recorded.

On May 26, 2004, the Company issued 6,122,449 common shares on a bought deal basis to a syndicate of underwriters. The total consideration received was \$30,000 and share issue expenses amounted to \$2,196.

Warrants

On June 29, 2005, as part of the term loan agreement described in note 7, the Company issued 543,104 warrants having an exercise price of \$2.71 and expiring on June 29, 2010. The Company valued the warrants using the Black-Scholes option pricing model with the following weighted average assumptions:

Expected volatility	0.63
Expected life	5.0 years
Risk-free interest rate	3.16%
Dividend yield	Nil

Proceeds from the term loan agreement were allocated on a pro-rata basis to the long-term debt and the warrants. The fair value attributed to the warrants was \$731.

During the nine-month period ended September 30, 2004, 180,000 warrants were exercised for a total of 180,000 shares for a total cash consideration of \$360. As at September 30, 2005, 543,104 warrants were outstanding [2004 – nil].

Stock Option Plan

On April 20, 2005, the Company's stock option plan was amended in order to express the maximum number of securities issuable thereunder as a percentage of the Company's issued and outstanding shares rather than a fixed number. The maximum number of common shares that are issuable under the plan shall not exceed 9.9% of the Company's total issued and outstanding shares at any time.

As of September 30, 2005, 4,261,507 securities are issuable under the plan, and 719,431 options are available for grant.

The changes to the number of stock options granted by the Company and their weighted average exercise prices, for the nine-month period ended September 30, 2005, are as follows:

	#	\$
Balance, beginning of period	3,363,475	5.01
Granted	459,700	3.16
Exercised	(534,900)	2.23
Forfeited	(400)	7.92
Expired	(15,000)	1.81
Balance, end of period	3,272,875	5.22
Options eligible to be exercised	2,854,675	5.24

The fair value of options granted in the nine-month periods ended September 30, 2005 and 2004 was estimated at the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	For the nine-month period ended	
	Sept. 30, 2005	Sept. 30, 2004
Expected volatility	0.63	0.72
Expected life	4.0 years	4.0 years
Risk-free interest rate	3.36%	3.64%
Dividend yield	Nil	Nil

The weighted average fair value of stock options granted during the nine-month period ended September 30, 2005 using the above assumptions amounted to \$1.59 [2004 – \$2.71].

NOTE 9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation in the current period.

GENERAL INFORMATION

OFFICERS Labopharm Inc.

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Interim Chairman (Non-Executive)

James R. Howard-Tripp
President and Chief Executive Officer

Sylvie Bouchard, MD, PhD.
Vice-President, Clinical Development

Lynda P.S. Covello, LL.M.
General Counsel and Corporate Secretary

Allan Mandelzys, PhD., MBA
Vice-President, Business Development

Damon Smith, BSc., PhD.
Vice-President, Research and Development

Warren Whitehead, CMA
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