

**FOR IMMEDIATE RELEASE**

**LAUREATE PHARMA INC. ENTERS INTO AGREEMENT TO SELL ITS TOTOWA, NJ OPERATIONS TO DISCOVERY LABORATORIES FOR \$16.0 MILLION**

**Laureate to Expand Its Bioprocessing Services at Princeton, NJ Facility**

**Princeton, NJ - December 28, 2005** – Laureate Pharma, Inc., a provider of bioprocessing services to pharmaceutical and biopharmaceutical companies, announced today that it had agreed to sell its Totowa, NJ operations to Discovery Laboratories, Inc. (NASDAQ: DSCO) for \$16.0 million in cash. The transaction is expected to close shortly. Laureate Pharma is a wholly-owned subsidiary of Safeguard Scientifics, Inc. (NYSE: SFE), which acquired the company in December of 2004 for \$29.5 million. Discovery Laboratories has been an important contract manufacturing client of Laureate Pharma for more than two years.

Robert J. Broeze, Ph.D., President and CEO of Laureate Pharma, said, “We are pleased to continue our partnership with Discovery Labs as we transition from our role as their contract manufacturer and they progress toward full-scale commercial production of their initial product. We will continue to support Discovery Labs with services from our Princeton facility.”

Dr. Broeze added that Laureate plans to use some of the proceeds to enhance its Princeton facility by adding new bioprocessing equipment and making capital improvements. The majority of Laureate’s contract manufacturing revenues in 2004 and 2005 has been generated by its bioprocessing operations in Princeton.

James Datin, Executive Vice President and Managing Director, Life Sciences, Safeguard Scientifics, said, “This sale demonstrates Laureate Pharma’s pivotal role in aiding biotechnology companies as they move through clinical development and into commercial production. With the bioprocessing industry estimated to be growing at 25% per year,

Safeguard will continue to help Laureate Pharma enhance its ability to offer its customers the highest quality, most efficient services at its Princeton, NJ facility. We believe Laureate's service offerings and technical expertise position the company perfectly to capitalize on trends in this market."

### **About Laureate Pharma, Inc.**

Laureate Pharma is a full service CMO with headquarters in Princeton, NJ. The company is dedicated to supporting the development and commercialization of pharmaceutical products for pharmaceutical and biopharmaceutical companies. Laureate Pharma provides a wide range of product development services from process design and development to full-scale cGMP production, purification and aseptic filling, as well as corresponding testing, validation, analytical services and regulatory support. The company is focused on two active segments of the biopharmaceutical industry: monoclonal antibodies and recombinant protein products. Mammalian cells are grown in stirred-tank or hollow-fiber bioreactors for production of biopharmaceutical proteins, which are purified by state-of-the-art semi-automated chromatography systems. Laureate is a wholly owned subsidiary of Safeguard Scientifics (NYSE: SFE.) For more information on Laureate Pharma, please contact John Morris, Vice President & CFO, at (609) 919-3300, by email at [info@laureatepharma.com](mailto:info@laureatepharma.com) or visit [www.laureatepharma.com](http://www.laureatepharma.com).

### **About Safeguard**

Safeguard Scientifics, Inc. (NYSE: SFE) advances the value of revenue-stage information technology and life sciences companies. Safeguard provides growth capital as well as a range of strategic, operating and management resources to help its partner companies build value in their businesses. The company participates in expansion financings, management buyouts, recapitalizations, industry consolidations and early-stage financings. For more information about Safeguard, please contact Janine Dusossoit, Vice President of Corporate Communications at (610) 975-4952, or visit [www.safeguard.com](http://www.safeguard.com).

*The statements contained in this news release that are not historical facts are forward looking statements which involve certain risks and uncertainties including, but not limited to, the ability of the company to complete the sale of the aforementioned business unit, the timing of the sales, and other uncertainties as described in the company's filings with the Securities and Exchange Commission. The company does not assume any obligation to update any forward looking statements or other information contained in this news release.*