

Press release 12 January 2009

CapAble Signs Agreement in Mexico

BioGaia's subsidiary CapAble has licenced the rights to use LifeTop™ Cap with Reuteri to the Mexican bottled water company Aqua Scandik.

LifeTopTM Cap is a bottle closure, which has been developed to create unique shelf stable probiotic drinks. The principle is built on the fact that sensitive ingredients that cannot be included in the drink are placed in a protective container in the cap and are first mixed in the drink at the time of consumption.

Aqua Scandik, who via local franchisees produces and distributes bottled water throughout the whole of Mexico, will launch water with three different flavours with BioGaia's probiotic *L. reuteri*. The products will be sold under the name Bio Scandik. Due to the rather extensive registration work for *L. reuteri*, Aqua Scandik expects to launch the products at the beginning of 2010.

"Mexico is one of the world's largest drinks markets and we are very happy to be able to initiate a collaboration with Aqua Scandik to launch LifeTop[™] Cap with L. reuteri on this very exciting market." says Staffan Pålsson, President CapAble.

"It is very positive that CapAble has achieved its second contract within such a short time", says Peter Rothschild, President BioGaia.

Latest press releases from BioGaia:

2008-12-19	BioGaia's subsidiary CapAble signs agreement for LifeTop™ Cap in North America
2008-12-15	BioGaia sells LifeTop Straw to China
2008-12-03	BioGaia signs distribution agreement in Ireland and the Middle East.

For additional information contact: Peter Rothschild, President, telephone: +46 8 - 555 293 00, Staffan Pålsson, President, CapAble AB, telephone: +46 8 - 555 293 07

BioGaia is a biotechnology company that develops, markets and sells probiotic products with documented health benefits. The products are primarily based on the lactic acid bacterium Lactobacillus reuteri (Reuteri), which has probiotic, health-enhancing effects. The class B share of the Parent Company BioGaia AB is quoted on the Small Cap list of the Nordic Stock Exchange in Stockholm. www.biogaia.com