Anika Therapeutics Launches ANIKAVISC™ Ophthalmic Product Under New U.S. Distribution Agreement

VISCO TECHNOLOGIES LLC TO SERVE AS U.S. DISTRIBUTOR PREVIOUS SUPPLY AGREEMENT WITH BAUSCH & LOMB IS EXTENDED ON A NON-EXCLUSIVE, LIMITED-TERM BASIS

BEDFORD, Mass., Feb 28, 2011 (BUSINESS WIRE) --

Anika Therapeutics, Inc. (Nasdaq: ANIK) today announced that Kansas City-based Visco Technologies LLC will serve for the next five years as a U.S. distributor for ANIKAVISC, the Company's viscoelastic for cataract surgery. Anika recently received U.S. Food and Drug Administration (FDA) approval for the ANIKAVISC product. For more than 20 years, the Company has manufactured premium ophthalmic viscoelastics for companies including Bausch & Lomb, Staar Surgical and HOYA Surgical Optics.

Anika also announced today that it has negotiated a non-exclusive, two-year extension of its AMVISC® and AMVISC® Plus supply agreement with Bausch & Lomb, which is transitioning to a recently affiliated low-cost supplier. As previously reported in its SEC filings, the Company expects to generate significantly less revenue under this extension in 2011 and future years, compared with prior years. However, the contract's non-exclusivity will enable Anika to partially offset the potential financial impact by leveraging ANIKAVISC to pursue additional ophthalmic market opportunities.

The recent FDA approval for the ANIKAVISC product and the new distribution agreement with Visco Technologies will position Anika to successfully build its ophthalmic product franchise over the long term. The extended supply agreement with Bausch & Lomb frees Anika to market additional ophthalmic viscoelastics worldwide, starting with the new Visco Technologies contract. Anika has petitioned its regulatory body in Europe for CE Mark approval of the ANIKAVISC product and this approval, which is expected to be received in the near future, will support European expansion plans.

About Anika Therapeutics, Inc.

Headquartered in Bedford, Mass., Anika Therapeutics, Inc. develops, manufactures and commercializes therapeutic products for tissue protection, healing, repair and regeneration. These products are based on hyaluronic acid (HA), a naturally occurring, biocompatible polymer found throughout the body. Anika's products range from orthopedic/joint health solutions led by ORTHOVISC®, a treatment for osteoarthritis of the knee; to surgical aids in the ophthalmic and anti-adhesion fields. The company also offers aesthetic dermal fillers for the correction of facial wrinkles. Anika's Italian subsidiary, Anika Therapeutics S.r.l., provides complementary HA products in orthopedic/joint health and anti-adhesion, as well as therapeutics in new areas such as advanced wound treatment and ear, nose and throat care. This regenerative tissue technology advances Anika's vision to offer therapeutic products that go beyond pain relief to protect and restore damaged tissue.

The statements made in this press release which are not statements of historical fact are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements that may be identified by words such as "expectations," "remains," "focus," "expected," "prospective," "expanding," "building," "continue," "progress," "plan," "efforts," "hope," "believe," "objectives," "opportunities," "will," "seek," "expect" and other expressions which are predictions of or indicate future events and trends do not constitute historical matters and identify forward-looking statements.These statements also include those relating to: (i) anticipated revenue generated under the Company's supply agreement with Bausch & Lomb; (ii) expectations relating to the Company's effort to build its ophthalmic franchise over the long term; (iii) expectations relating to the Company's distribution relationship with Visco Technologies LLC; and expectations related

to the Company's petition to its regulatory body in Europe for CE Mark approval of ANIKAVISC. These statements are based upon the current beliefs and expectations of the Company's management and are subject to significant risks, uncertainties and other factors.The Company's actual results could differ materially from any anticipated future results, performance or achievements described in the forward-looking statements as a result of a number of factors including: (i) the Company's ability to successfully commence and/or complete clinical trials of its products on a timely basis or at all, obtain clinical data to support a pre-market approval application or timely file and receive FDA or other regulatory approvals of its products, or that such approvals will not be obtained in a timely manner or without the need for additional clinical trials; (ii) the Company's research and product development efforts and their relative success, including whether the Company has any meaningful sales of any new products resulting from such efforts; (iii) the cost effectiveness and efficiency of our manufacturing operations and production planning; (iv) the strength of the economies in which the Company operates or will be operating, as well as the political stability of any of those geographic areas; (v) future determinations by the Company to allocate resources to products and in directions not presently contemplated, or (vi) the Company's ability to launch MONOVISC in the U.S., if at all.Any delay in receiving any regulatory approvals may adversely affect the Company's competitive position.Even if regulatory approvals are obtained, there is a risk that meaningful sales of the products may not be achieved.There is also a risk that (i) the Company's existing distributors or customers will not continue to place orders at historical levels or that any of them will seek to modify or terminate existing arrangements, (ii) the Company's efforts to enter into long-term marketing and distribution arrangements, including with new international distributors for ORTHOVISC and MONOVISC, will not be successful, (iii) new distribution arrangements will not result in meaningful sales of the Company's products, (iv) the Company's distributors will be unable to achieve performance and sales threshold milestones in its distribution agreements, (v) competitive products will adversely impact the Company's product sales, (vi) the estimated size(s) of the markets which the Company has targeted its products will fail to be achieved, (vii) lack of adequate coverage and reimbursement provided by governments and other third party payers for our products and services could have a material adverse effect on our results of operations, or (viii) increased sales of the Company's products, including HYVISC, ORTHOVISC , or its ophthalmic products, will not continue or sales will decrease or not reach historical sales levels, or even if such increases occur that such increases will improve gross margins, any of which may have a material adverse effect on the Company's business and operations.Certain other factors that might cause the Company's actual results to differ materially from those in the forward-looking statements include those set forth under the headings "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the year ended December 31, 2009, as well as those described in the Company's other press releases and SEC filings.

SOURCE: Anika Therapeutics, Inc.

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