



Interim Financial Results – Material Improvement

Melbourne, Australia; 4 August 2009: In accordance with ASX Listing Rule 3.1, Starpharma Holdings Limited (ASX:SPL, OTCQX:SPHRY) wishes to update the market in relation to the Company's anticipated net operating result for the year ended 30 June 2009.

Based on unaudited results, the Company expects that the consolidated net loss after tax will be approximately \$4.1 million.

This represents an improvement of 45% compared with the net loss of \$7.5 million for the same period last year.

Factors contributing to this result include an increase in royalty and license income from partners including Siemens Healthcare and SSL International, and a reduction in operating costs across the Group. Favourable movements in exchange rates have also contributed to the result.

As previously reported in the Quarterly Cashflow Report, the cash balance at 30 June 2009 was \$11.6m. The total Operating & Investing cash outflow for the financial year was \$4.2m, and with favourable exchange rate movement the overall cash burn for the year was \$2.9m, compared with \$6.1m cash burn for the previous year.

CEO Dr Jackie Fairley said: "It is very pleasing to see the Company's continued focus on partnering activities and close attention to cash management being reflected in our P&L. The Board and Management are strongly of the view these elements are important drivers of future shareholder returns."

About Starpharma

Starpharma Holdings Limited (ASX:SPL, OTCQX:SPHRY) is a world leader in the development of dendrimer nanotechnology for pharmaceutical, life-science and other applications. SPL has two operating companies, Starpharma Pty Ltd in Melbourne, Australia and DNT, Inc in the USA. Products based on SPL's dendrimer technology are already on the market in the form of diagnostic elements and laboratory reagents through licence arrangements with partners including Siemens and Merck KgA.

The Company's lead pharmaceutical development product is VivaGel[®] (SPL7013 Gel), a vaginal microbicide designed to prevent the transmission of STIs, including HIV and genital herpes. In September 2008 Starpharma signed a full licence agreement with SSL International plc (LSE:SSL) to develop a VivaGel[®] coated condom. SSL manufactures and sells Durex[®] condoms, the market-leading condom brand worldwide. Starpharma's receipts under the agreement are estimated to exceed A\$100m comprising royalties on SSL sales, further milestone payments, and development support.

In the wider pharmaceutical field Starpharma has specific programs in the areas of Drug Delivery and Drug Optimisation technologies (using dendrimers to control where and when drugs go when introduced to the body) and Targeted Diagnostics (using dendrimers as a scaffold to which both location-signalling and targeting groups are added to allow location of specific cell type, such as cancer cells). More broadly the company is exploring dendrimer opportunities in materials science applications including water remediation.

Dendrimer: A type of precisely-defined, branched nanoparticle. Dendrimers have applications in the medical, electronics, chemicals and materials industries.

American Depositary Receipts (ADRs): Starpharma's ADRs trade under the code **SPHRY** (CUSIP number 855563102). Each Starpharma ADR is equivalent to 10 ordinary shares of Starpharma as traded on the Australian Securities Exchange (ASX). The Bank of New York Mellon is the depositary bank. Starpharma's ADRs are listed on International OTCQX (www.otcqx.com), a premium market tier in the U.S. for international exchange-listed companies, operated by Pink OTC Markets, Inc.

Forward Looking Statements

This document contains certain forward-looking statements, relating to Starpharma's business, which can be identified by the use of forward-looking terminology such as "promising", "plans", "anticipated", "will", "project", "believe", "forecast", "expected", "estimated", "targeting", "aiming", "set to", "potential", "seeking to", "goal", "could provide", "intends", "is being developed", "could be", "on track", or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialization of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in

general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. Starpharma is providing this information as of the date of this document and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.

For further information:

Media Buchan Consulting		Starpharma www.starpharma.com	
Rebecca Wilson Tel: +61 3 9866 4722 Mob: +61 417 382 391 rwilson@bcg.com.au	Ellie Papathanasiou Tel: +61 2 9237 2800 epapathanasiou@bcg.com.au	Dr Jackie Fairley Chief Executive Officer +61 3 8532 2704	Ben Rogers Company Secretary +61 3 8532 2702 ben.rogers@starpharma.com