Flamel Technologies Sells Development and Manufacturing Facility in Pessac, France to Recipharm AB

LYON, FRANCE – November 28, 2014 – Flamel Technologies (NASDAQ: FLML) announced today that it has entered into an agreement to divest its development and manufacturing facility located in Pessac, France, to Recipharm AB. Under the agreement, Recipharm will pay Flamel €10.6 million and make an investment of €10.5 million in Flamel's stock upon the closing of deal at a purchase price equal to the trailing 20-day average price. This new partnership allows Flamel to retain access to the development and manufacturing capabilities of Pessac and gain the use of any of Recipharm's other facilities for the development or manufacture of their proprietary pipeline if needed. The Pessac facility is not currently used for the production of Flamel finished products and Flamel intends to continue to outsource to third party contract manufacturing companies like Recipharm.

"Flamel's primary objective is the development of products using the company's proprietary drug delivery platforms. The sale of the Pessac facility frees Flamel from the time-consuming task of running a contract development manufacturing facility," said Michael S. Anderson, Chief Executive Officer. "This sale allows us to continue to call on the Pessac facility for technical aspects of development of our proprietary products using our current drug delivery technologies and the option to utilize Recipharm's commercial manufacturing capabilities elsewhere. Given Recipharm's expertise, the investment in Flamel's stock is a welcome endorsement of Flamel's anticipated success moving forward."

Highlights:

- The purchase price for the Pessac facility and its assets is €10.6 million.
- In a separate transaction, Recipharm AB will also make an investment of €10.5 million into Flamel's stock upon the closing of deal at a purchase price equal to the trailing 20-day average price.
- Flamel and Recipharm will enter into a 5 year service agreement.
- Included in the sale of the facility is the royalty contract for Coreg CR with Glaxo SmithKline.
- Recipharm has an option to negotiate with Flamel for the European rights to any product that Flamel plans to license for sale in the European market.
- Recipharm and Flamel have agreed to negotiate a contract with the intention of further enhancing the economic benefits to both companies whereby Recipharm will incorporate Flamel's drug delivery technologies in its contract development business.

The Pessac facility is located in Bordeaux, France. It is a modern, fully compliant CMP (FDA and ANSM approved) facility for the development and manufacturing of pharmaceuticals. The facility currently manufactures Flamel's Medusa and Micropump proprietary drug delivery technologies. It is equipped with three spray-coating machines, warehousing, analytical and Quality Control laboratories, and equipment for polymer synthesis.

The closing of the transaction is expected to occur before year end 2014, and there are no material conditions to the closing.

About Recipharm - Recipharm is a leading CDMO (Contract Development and Manufacturing Organisation) in the pharmaceutical industry based in Sweden employing some 2,100 employees. Recipharm offers manufacturing services of pharmaceuticals in various dosage forms, production of clinical trial material including API and pharmaceutical product development. Recipharm manufactures more than 400 different products to customers ranging from Big Pharma through to smaller research- and development companies. Recipharm's turnover is approximately SEK 3.2 billion and the Company operates development and manufacturing facilities in Sweden, France, the UK, Germany, Spain, Italy and Portugal and is headquartered in Jordbro, Sweden. The Recipharm B-share (RECI B) is listed on NASDAQ Stockholm. For more information on Recipharm and our services, please visit www.recipharm.com.

About Flamel Technologies - Flamel Technologies SA's (NASDAQ: FLML) business model is to blend high-value internally developed products with its leading drug delivery capabilities. The Company markets Bloxiverz® (neostigmine methylsulfate) and Vazculep™ (phenylephrine hydrochloride) in the US and manufactures Micropump-based microparticles under FDA-audited GMP guidelines for Coreg CR® (carvedilol phosphate), marketed in the USA by GlaxoSmithKline. The Company has a proprietary pipeline of niche specialty pharmaceutical products, while its drug delivery platforms are focused on the goal of developing safer, more efficacious formulations of drugs to address unmet medical needs. Its pipeline includes chemical and biological drugs formulated with its Micropump® (and its applications to the development of liquid formulations LiquiTime® and of abuse-deterrent formulations Trigger Lock™) and Medusa™ proprietary drug delivery platforms. Several Medusa-based products have been successfully tested in clinical trials. The Company is headquartered in Lyon, France and has operations in St. Louis, Missouri, USA, and manufacturing facilities in Pessac, France. Additional information may be found at www.flamel.com.

Safe Harbor: *This release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including certain plans, expectations, goals and projections regarding financial results, product developments and technology platforms. All statements that are not clearly historical in nature are forward-looking, and the words "anticipate," "assume," "believe," "expect," "estimate," "plan," "will," "may," and similar expressions are generally intended to identify forward-looking statements. All forward-looking statements involve risks, uncertainties and contingencies, many of which are beyond our control that could cause actual results to differ materially from those contemplated in such forward-looking statements. These risks include risks that the launch of Bloxiverz®* and Vazculep™ *will not be as successful as anticipated; our ability to bring other R&D projects of the former Éclat Pharmaceuticals to market may be unsuccessful; clinical trial results may not be positive or our partners may decide not to move forward; products in the development stage may not achieve scientific objectives or milestones or meet stringent regulatory requirements; products in development may not achieve market acceptance; competitive products and pricing may hinder our commercial opportunities; we may not be successful in identifying and pursuing opportunities to develop our own product portfolio using Flamel's technology; and the risks associated with our reliance on outside parties and key strategic alliances. These and other risks are described more fully in Flamel's Annual Report on Form 20-F for the year ended December 31, 2013 that has been filed with the*

Securities and Exchange Commission (SEC). All forward-looking statements included in this release are based on information available at the time of the release. We undertake no ligation to update or alter our forward-looking statements as a result of new information, future events or otherwise.

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