

FOR IMMEDIATE RELEASE

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Apogee Reports 2007 Third Quarter Results

NORWOOD, Mass. (Nov. 15, 2007) — Apogee Technology, Inc. (AMEX: ATA) (the “Company”) develops and commercializes medical device and sensor products, today reported its results for the third quarter ended September 30, 2007. Revenue for the three months ended September 30, 2007 was \$14,000 compared with \$509,000 for the same period in 2006. The Company’s net loss for the third quarter of fiscal year 2007 was \$713,000 or (\$0.06) per share, compared to net loss of \$739,000 or (\$0.06) per share for the third quarter of 2006.

For the nine-month period ended September 30, 2007, the Company reported revenue of \$132,000 and a net loss of \$2.2 million or (\$0.18) per share. This compares to revenue of \$1.8 million and net loss of \$2.4 million or (\$0.20) per share for the same period in 2006. The decline in revenue is related to the selling of certain assets of the Company’s former audio integrated circuit division and the transition to the Company’s new business groups, both of which are still in the developmental phase.

Research and Development (“R&D”) expenditures were \$305,000 for the third quarter of 2007, compared to \$421,000 for the third quarter of 2006. Selling, General and Administrative expenditures were \$489,000 in the third quarter of 2007, compared to \$816,000 for the same period last year.

Dr. Alexander K. Andrianov, the Company’s Vice President of Research & Development said:

“The principal focus of our Medical Products Group is PyraDerm™, a proprietary system that has the potential to deliver drugs or vaccines directly into the skin for the treatment and prevention of local and systemic conditions. Over the last several months we have been conducting proof-of-concept studies to validate our technology, as well as, working on the development of a pre-clinical data package. One of the important components of these efforts is evaluation of our delivery systems in vivo, or in a living system. The initial focus of our

technology is on delivery of vaccines and in the past several months we established collaborations with two eminent biomedical research institutions to conduct in vivo immunization studies.

In August, we entered into an agreement with Vaccine and Infectious Disease Organization (VIDO) to investigate the potential of our delivery approach in immunization studies using large animals, whose skin is considered to be the most appropriate model of the human skin. VIDO is one of the world's leaders in the research and development of vaccine and immunotherapeutic technologies for both human and animal diseases.

In October, we announced a research agreement with St. Jude Children's Research Hospital. The research group at St. Jude is recognized as a leader in the public health and epidemiology and is especially known for their expertise in the area of influenza vaccines. We believe that this collaboration is an important step in advancing our technology in the field of vaccines, including those to prevent diseases posing global public health threat, such as pandemic influenza. In particular, we are interested in studying technologies that can potentially provide better shelf-life of vaccines and 'antigen sparing.' Antigens are the main component of vaccines. Technologies that reduce the required dose would allow a greater number of vaccine doses to be manufactured, which is especially important for vaccines against pandemic influenza.

In order to support our licensing/partnership business strategy, we have been working to develop a strong intellectual property position. In July, we filed two U.S. patent applications that describe advanced macromolecular formulations and coating methodologies. These applications are intended to help us protect our rights for drug and vaccine delivery formulations, as well as, methods and systems for precise dose control. We believe that if these patents are issued, they will assist us in building a competitive advantage in the field of intradermal drug and vaccine delivery."

David Meyers, Apogee's Chief Operating Officer said:

"Over the past several months, our Sensor Products Group has transitioned from a component to a systems application focus in order to develop solutions targeting the rapidly growing health

monitoring market. In August, we announced an initiative to develop IntellaPAL™, an innovative sensor-based monitoring system designed to improve the security, independence and quality of life for the elderly and their families, as well as, reduce overall care cost.

We believe that IntellaPAL™ will provide significant advantages over existing personal emergency response systems currently in the marketplace. Our proposed system adds sensors and intelligent software to automatically notify emergency responders and family members when a specific condition occurs, even when the user is unconscious or otherwise unable to initiate a call for help. IntellaPAL™ could also add continuous health monitoring and a secure online information service. Thus, if employed as designed, concerned family members will be able to check the status of their loved ones without disturbing them. This information may also be used to better understand health status, treatment compliance and detect changes in health before they become serious and require emergency care.

According to the U.S. Census Bureau, the number of adults age 65 to 84 in the U.S. is expected to double from 35 million to nearly 70 million by 2025. The burden for family members has also increased, as one third of U.S. adults are currently caregivers with the largest percentage providing care to the elderly. We believe this growing elderly population may provide a significant market opportunity for us to apply our experience in MEMS sensor technology, electronics, embedded software and wireless communications.

We plan to perform prototype testing by the end of 2007 and introduce our first monitoring products in the second half of 2008. Our business strategy includes both product sales and services that we believe will provide stable long-term revenue growth, as well as, establish a channel for the introduction of additional products and services.”

About Apogee Technology, Inc.

Apogee Technology, Inc. is a biotechnology company developing proprietary systems for the delivery of pharmaceutical agents into the skin for the treatment and prevention of local and systemic conditions. The Company’s PyraDerm™ delivery system incorporates structured solid-state formulations designed to penetrate the outer layer of the skin and then release the agent in a controlled manner. The Company

is also developing and commercializing sensors and sensor systems with a specialized focus on health monitoring. For more information please visit our web site at: <http://www.apogeebio.com>.

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PyraDerm™, Sensilica® and IntellaPAL™ are trademarks of Apogee Technology, Inc. All other product names noted herein may be trademarks of their respective holders.

Certain statements made herein that use the words "anticipate," "may," "hope," "estimate," "project," "will," "intend," "plan," "expect," "believe" and similar expressions are intended to identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve the Company's design, development and production efforts of its PyraDerm™, Sensilica® and IntellaPAL™ technologies, known and unknown risks and uncertainties, which could cause the actual results, performance or achievements of the Company to be materially different from those that may be expressed or implied. Please refer to the Company's risk factors as set forth in the Company's filings with the Securities and Exchange Commission, including its report on Form 10-KSB, as amended, for the year ended December 31, 2006 and its quarterly reports on Form 10-QSB, for the quarters ended March 31, 2007, June 30, 2007 and September 30, 2007.



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APOGEE TECHNOLOGY, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

| | <u>SEPTEMBER 30,</u> <u>2007</u> <u>(Unaudited)</u> | <u>DECEMBER 31,</u> <u>2006</u> <u>(Audited)</u> |
|---|---|--|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 793,533 | \$ 3,051,420 |
| Accounts receivable, net of allowance for doubtful accounts of \$11,320 in 2007 and \$13,245 in 2006, respectively | 4,994 | 11,196 |
| Inventories, net | — | — |
| Prepaid expenses and other current assets | 59,016 | 69,465 |
| Total current assets | <u>857,543</u> | <u>3,132,081</u> |
| Property and equipment, net | <u>192,265</u> | <u>117,217</u> |
| Other assets | | |
| Patents | 294,344 | 208,703 |
| Exclusive licensing, net | 28,218 | 22,574 |
| Construction in progress | — | 90,642 |
| | <u>\$ 1,372,370</u> | <u>\$ 3,571,217</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities | | |
| Accounts payable and accrued expenses | \$ 598,697 | \$ 710,187 |
| Total current liabilities | <u>598,697</u> | <u>710,187</u> |
| Commitments and Contingencies | — | — |
| Stockholders' equity | | |
| Common stock, \$.01 par value; 40,000,000 shares authorized, 12,033,332 issued and outstanding at September 30, 2007 and 20,000,000 shares authorized, 11,968,332 issued and outstanding at December 31, 2006 | 120,333 | 119,683 |
| Additional paid-in capital | 18,509,598 | 18,396,909 |
| Accumulated deficit | <u>(17,856,258)</u> | <u>(15,655,562)</u> |
| Total stockholders' equity | <u>773,673</u> | <u>2,861,030</u> |
| | <u>\$ 1,372,370</u> | <u>\$ 3,571,217</u> |



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APOGEE TECHNOLOGY, INC. AND SUBSIDIARY

**CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)**

| | THREE MONTHS ENDED | | NINE MONTHS ENDED | |
|---|------------------------|------------------------|------------------------|------------------------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| Revenues | | | | |
| Product sales | \$ 13,601 | \$ 509,015 | \$ 132,268 | \$ 1,833,961 |
| Royalties | — | — | — | 1,250 |
| | 13,601 | 509,015 | 132,268 | 1,835,211 |
| Costs and expenses | | | | |
| Product sales | 12 | 354,160 | 1,427 | 1,351,248 |
| Research and development | 304,899 | 421,189 | 924,404 | 1,421,501 |
| Selling, general and administrative | 489,022 | 816,508 | 1,530,893 | 1,975,102 |
| | 793,933 | 1,591,857 | 2,456,724 | 4,747,851 |
| Operating loss | (780,332) | (1,082,842) | (2,324,456) | (2,912,640) |
| Other (expense) income | | | | |
| SigmaTel earn-out | — | 299,090 | — | 383,198 |
| Interest/other expense | — | (1,754) | — | (24,205) |
| Interest income | 67,825 | 46,346 | 123,760 | 153,852 |
| | 67,825 | 343,682 | 123,760 | 512,845 |
| Net loss | (712,507) | (739,160) | (2,200,696) | (2,399,795) |
| Accumulated deficit - beginning | (17,143,751) | (14,345,194) | (15,655,562) | (12,684,559) |
| Accumulated deficit - ending | \$ (17,856,258) | \$ (15,084,354) | \$ (17,856,258) | \$ (15,084,354) |
| Basic and diluted loss per common share | \$ (0.06) | \$ (0.06) | \$ (0.18) | \$ (0.20) |
| Weighted average common shares outstanding - basic and diluted | 11,993,060 | 11,968,332 | 11,976,665 | 11,968,332 |