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LUX RESEARCH ANNOUNCES QUARTERLY UPDATE OF LUX NANOTECH INDEX™

Nanosphere's IPO highlights nanotech's growing impact on life sciences

New York, NY – January 17, 2008 – Lux Research, the world's leading emerging technology research firm, today announced its quarterly update to the Lux Nanotech Index™. The Index serves as a benchmark for the value that markets ascribe to emerging nanotechnology and forms the basis of the PowerShares Lux Nanotech Portfolio (AMEX:PXN), the first nanotechnology exchange-traded fund (ETF). The update was highlighted by the addition of Nanosphere (NASDAQ: NSPH) following the diagnostics developer's initial public offering (IPO).

The components of the Lux Nanotech Index™ are split into two groups: 1) nanotech specialists – small and mid-sized companies that focus specifically on developing or funding emerging nanotechnology applications – and 2) end-use incumbents – large companies that are applying nanotechnology to existing product lines. Nanotech specialists account for 75% of the modified equal-dollar-weighted index; end-use incumbents account for 25%.

Nanosphere joined the nanotech specialists after raising more than \$112 million in its IPO on the NASDAQ in November 2007. "Nanosphere's diagnostic technology, based on gold nanoparticles, shows how nanotechnology is making an impact on the health care and life science sector" said Matthew M. Nordan, President of Lux Research and co-chair of the Index selection committee. "By detecting genes or proteins with very high sensitivity, it holds out the promise of faster and cheaper diagnostics – and threatens incumbents like Roche and Abbott."

The Lux Nanotech Index™ reflects the value financial markets place on emerging nanotechnology by including both a comprehensive listing of the publicly traded nanotech specialists that meet its listing requirements, and a representative sample of the end-use incumbent deriving value from nanotech today. The Index is updated quarterly to represent the current state of this rapidly evolving field. "Privately-held nanotech specialists, like A123Systems and Nanosolar, have brought on significant late-stage venture funding and brought products to market," Nordan noted. "Expect more firms to look to tap public markets and make their appearance in the Lux Nanotech Index™ in 2008."

The components of the Lux Nanotech Index™ are:

Nanotech specialists

Accelrys (ACCL)
Altair Nanotechnologies (ALTI)
APP Pharmaceuticals (APPX)
Arrowhead Research (ARWR)
Elan (ELN)
FEI Company (FEIC)
Flamel Technologies (FLML)
Headwaters (HW)
Immunicon (IMMC)
Nanophase Technologies (NANX)
Nanosphere (NSPH)
NVE Corporation (NVEC)
Symyx Technologies (SMMX)

Harris & Harris Group (TINY)
Veeco Instruments (VECO)

End-use incumbents:

Air Products & Chemicals (APD)
BASF (BF)
E.I. Du Pont de Nemours & Company (DD)
General Electric (GE)
Hewlett-Packard (HPQ)
Intel (INTC)
International Business Machines (IBM)
3M (MMM)
Toyota (TM)

Full details on the Lux Nanotech Index™ are available at <http://www.luxresearchinc.com/pxn.php>.

Lux Research offers primary intelligence services in three areas – Nanotechnology, Solar Energy, and Alternative Power and Energy Storage – as well as custom advisory projects for select clients. For information on how to become a client, contact Stephen McDermott at stephen.mcdermott@luxresearchinc.com or (646) 723-0158.

About Lux Research:

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