Anika Therapeutics, Inc.

2005 Annual Report

Anika Therapeutics, Inc. develops, manufactures and commercializes therapeutic products and devices intended to promote the repair, protection and healing of bone, cartilage and soft tissue. These products are based on hyaluronic acid (HA), a naturally occurring, biocompatible polymer found throughout the body that enhances joint function and coats, protects, cushions and lubricates soft tissues. Anika's current commercial product lines address ophthalmic and osteoarthritis markets. New product development initiatives include novel HA formulations designed to prevent post-operative adhesions and a family of cosmetic tissue augmentation products for facial wrinkles, scar remediation and lip augmentation.

2005 Accomplishments

- Increased revenue 13% to $29.8 million.
- Grew cash and cash equivalents to $44.7 million from $39.3 million.
- Increased international sales of OrthoVisc,® a treatment for osteoarthritis of the knee, by 56%.
- Completed U.S. pivotal clinical trial for Anika's cosmetic tissue filler product, and submitted a PMA to the FDA for approval to market it in the United States.
- Received CE Mark approval to market the tissue filler product within the European Union, and began a follow-on European trial to recruit local product champions and gain additional injection technique expertise for the product.
- Installed a "factory within a factory" for the manufacture of the tissue filler product.
- Enhanced the breadth and depth of the senior management team.

To Our Shareholders

"During 2005, we made excellent progress in developing our pipeline. Nearest to commercial launch is our cosmetic tissue augmentation product, which is an injectable HA-based tissue filler for facial wrinkles, scar remediation and lip augmentation."

Anika Therapeutics began 2005 with positive momentum and gathered strength through the year. Entering a new phase of growth, we made significant progress in reengineering our business infrastructure. At the same time, we surmounted operational challenges in our osteoarthritis and ophthalmics franchises, accomplishing our key product milestones on schedule. Notable among these milestones was a series of clinical and regulatory advances for the first product in our developmental pipeline for cosmetic tissue augmentation. These accomplishments position Anika for further growth in 2006 and beyond.

We also posted strong financial results for the second consecutive year. Total revenues for 2005 increased 13% to $29.8 million from $26.5 million in 2004. This included licensing, milestone and contract revenue of $9.3 million. Primarily reflecting lower domestic sales in our osteoarthritis business line related to high levels of distributor inventory, product revenue for 2005 declined to $20.5 million from $22.3 million in 2004.

Net income for 2005 totaled $5.9 million, or $0.52 per diluted share, compared with $11.2 million, or $0.98 per diluted share, for 2004. Our 2004 net income included a one-time tax benefit amounting to $7.0 million, or $0.62 per diluted share. We concluded 2005 with a strong balance sheet including cash and equivalents of $44.7 million – an increase of 14% from $39.3 million a year earlier, and no debt.

Osteoarthritis Business

International sales of OrthoVisc,® our treatment for osteoarthritis of the knee, grew 56% in 2005. Penetration of markets in Turkey, Canada and Greece increased significantly, and sales elsewhere in Europe and in the Middle East were strong. Encouraged by these results, we are evaluating OrthoVisc's potential in several additional markets outside North America, and expect another year of strong international sales in 2006.

OrthoVisc's 2005 domestic performance was disappointing. Our revenue in the United States primarily consisted of royalties associated with stocking orders taken by Ortho Biotech, a subsidiary of Johnson & Johnson, following the product's domestic launch in 2004. We saw a modest pick-up in domestic OrthoVisc sales in the fourth quarter, subsequent to the transition of our distribution relationship mid-year to DePuy Mitek, Inc., a subsidiary of Johnson & Johnson. Compared with our previous U.S. distribution partner, Mitek specializes in sports medicine and soft tissue reconstruction, focusing on practitioners who are typically involved in the early stages of osteoarthritic disease where OrthoVisc may be most effective.

Although the Center for Medicaid and Medicare Services has assigned OrthoVisc a unique reimbursement code for hospital treatments, reimbursement for physician's office outpatient treatments will continue to be processed under a miscellaneous code in 2006.

As we work with Mitek to develop U.S. marketing strategies for OrthoVisc, facilitating reimbursement will be a priority. Mitek has assembled a team of regionally based product specialists to support their OrthoVisc sales force and simplify the reimbursement process for physicians and their office personnel.

Our plans for 2006 also include initiatives designed to further develop the Anika osteoarthritis franchise over the long term. Among these are additional clinical studies with our international partners and Mitek to gain expanded OrthoVisc indications. From a therapeutic perspective, OrthoVisc is a premier, differentiated product. It not only requires the fewest injections into the knee, but has established an unblemished record of safety since its commercial introduction.

"Operationally, 2005 was highlighted by continued improvements in our clinical and manufacturing capabilities, as well as our business infrastructure. Anika's strategy for 2006 focuses on leveraging our distribution partnerships, commercializing our tissue filler product and advancing potential products in our development pipeline."

With respect to our other osteoarthritis product, Hyvisc,® for the treatment of equine osteoarthritis, sales were essentially stable. The leader in its space, Hyvisc represented 10% of total product sales in 2005, compared with 9% in 2004.

Ophthalmic Business

We concluded 2005 by reestablishing normal order flow after the voluntary product recall that occurred in the second quarter. We also made strides in offsetting the effects of the termination of a major distribution partnership early in the year. Product sales of our viscoelastic gels, which are widely used in ophthalmic surgery, grew 9% for existing customers in 2005 and accounted for 51% of total Anika product revenues.

At the end of 2004, we signed an agreement with Bausch & Lomb to be the exclusive supplier of their Amvisc™ and Amvisc Plus™ products through 2010. This agreement also provides us with first rights to negotiate to manufacture their future viscoelastic products. Our ophthalmic line also includes the injectable HA products STAARVISC™–II and ShellGel.™ In late 2005, we extended our contract with STAAR Surgical Company, distributor for STAARVISC-II, through 2008. We also received the European Union's CE Mark approval for our ophthalmic products, which should pave the way for increased STAARVISC-II and ShellGel sales in 2006.

Developmental Pipeline

During the past year, we made excellent progress in developing the two new product families in our pipeline. Nearest to commercial launch is our cosmetic tissue augmentation (CTA) product. An injectable HA-based tissue filler for facial wrinkles, scar remediation and lip augmentation, the product is based on our proprietary, chemically modified HA technology and incorporates lidocaine, a local anesthetic. We received CE Mark approval to market the product within the European Union, and have begun a follow-on European trial to recruit local product champions and gain additional technique expertise. In addition, we successfully completed our U.S. pivotal clinical trial, submitting a PMA to the FDA for approval to market the product in the United States.

During the third quarter of 2005, we reached a mutual agreement with OrthoNeutrogena, a division of Ortho-McNeil Pharmaceuticals, to terminate Anika's development and commercialization agreement for our CTA platform. As a result, we are currently seeking a new worldwide marketing and distribution

partner for our CTA products. Given the progress we are making on the clinical and regulatory fronts, the initial response to this opportunity has been very encouraging. Our goal is to select a global partner and launch our cosmetic tissue filler product commercially in U.S. and international markets in 2006.

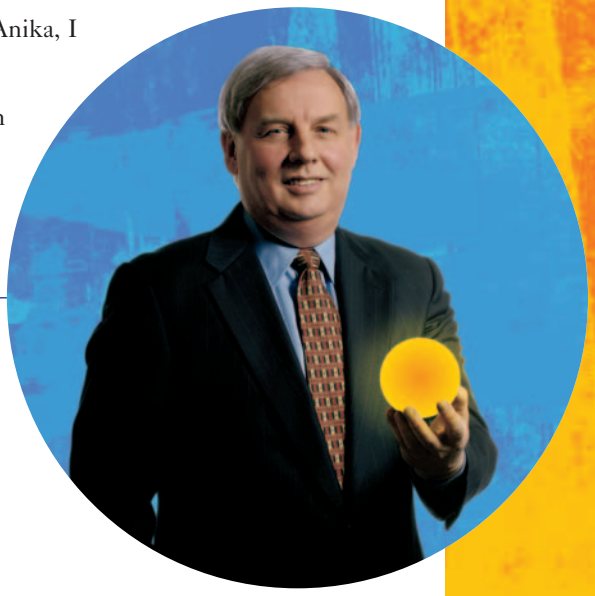
The second family of developmental products in our pipeline is INCERT® – a group of chemically modified HA therapies designed to prevent internal post-surgical tissue adhesion and scarring. Our clinical activity for INCERT has been centered in the United Kingdom where our partner, Surgicraft Limited, completed human clinical trials in spinal surgery applications in 2005. Although we expect INCERT to remain a niche product for the foreseeable future, this clinical progress reinforces our confidence in the broader potential for capitalizing on our unique HA technology platform.

Building Momentum in 2006

In addition to marketing and product development initiatives, our strategic priorities for 2006 include steps to further strengthen our functional capabilities. Operationally, 2005 was highlighted by continued improvements in our clinical and manufacturing capabilities, as well as our business infrastructure. Building on this organizational momentum, our strategy for 2006 includes plans to:

- Leverage our distribution partnerships to drive double-digit U.S. and international sales growth primarily stimulated by our osteoarthritis franchise;
- Secure a distribution partner, obtain the PMA and begin penetrating the CTA market by commercially launching our cosmetic tissue filler product in the U.S. and internationally;
- Advance at least one next-generation product concept in our pipeline into the clinic; and
- Achieve significant operational cost reductions through process improvement and automation, as well as advances in raw material sourcing.

This is an ambitious agenda, but one that, I believe, the dedicated, hard-working Anika Therapeutics team is fully capable of achieving. On behalf of all of us at Anika, I extend sincere thanks to you, our shareholders, for your continuing trust, support and encouragement. I look forward to reporting on our progress in the year ahead.



Sincerely,

Charles H. Sherwood

Charles H. Sherwood, Ph.D.
President & Chief Executive Officer
5 April 2006

A New Vision for Healthy Aging

As they age, today's seniors expect to maintain high levels of fitness and activity. However, they are just as susceptible as preceding generations to osteoarthritis, and the joint pain and degeneration associated with this increasingly prevalent disease. Osteoarthritis currently affects more than 21 million Americans over age 45, as well as perhaps hundreds of millions elsewhere around the globe.

Anika is pioneering the use of hyaluronic acid (HA) as a therapy for osteoarthritis. A naturally occurring compound, HA can be engineered to protect, cushion and lubricate the soft tissues within joints in a myriad of ways.

Healthcare providers are responding to the aging population's demand for pain-free mobility with a portfolio of early, minimally invasive therapies for osteoarthritis. Among them is viscosupplementation treatment to reduce pain and improve mobility of the knee joint. Worldwide, more than 35 million viscosupplementation procedures and total spending of more than $950 million are anticipated for 2006. Annual procedure growth in the U.S. in the range of 9% is expected to continue for the next several years.

Hyaluronic Acid – Nature's Solution for Pain-Free Mobility

Throughout its history, Anika Therapeutics has played a pioneering role in developing viscosupplementation technologies. Anika's products are based on hyaluronic acid (HA), a naturally occurring compound found throughout the human body. HA can be engineered to protect, cushion and lubricate the soft tissues within joints in a myriad of ways.

Anika's HA technology was first commercialized in its ophthalmic product, which was introduced in 1984. In 1996, Anika launched OrthoVisc,® an injectable treatment for osteoarthritis of the knee. Since then, OrthoVisc has gained acceptance in Canada, the Middle East and the European Union, where it is approved for human viscosupplementation therapy in all joints. OrthoVisc was approved by the FDA in 2004 for sale in the United States, and the product is currently gaining traction in the domestic market.

Emerging HA Applications – Cosmetic Tissue Augmentation and Joint Health

The growing worldwide market for cosmetic tissue augmentation represents another significant opportunity to leverage Anika's HA platform. U.S. demand for cosmetic filler compounds for the correction of facial wrinkles, folds and scars, as well as lip augmentation, is projected to grow to as much as $600 million by 2008. Anika currently expects to commercially launch its first cosmetic filler product in 2006.

For the future, Anika's HA technology has the potential to add value in a wide variety of additional areas of medicine. One of these areas is joint health, where Anika's technology can be used to relieve pain and improve mobility, as well as to protect joints from degeneration and, ultimately, help regenerate the soft tissue and cartilage that are crucial to joint function.

Opportunity

Growth

Expanding International Markets for HA Therapy

Driving domestic and international sales of OrthoVisc® for viscosupplementation of the knee is one of Anika's key growth objectives for 2006. Comprised of extremely pure, high molecular weight hyaluronic acid (HA), OrthoVisc relieves pain and helps patients regain mobility by lubricating and cushioning the knee joint. In comparison with other viscosupplements, OrthoVisc offers an excellent safety profile while requiring fewer injections.

OrthoVisc has developed a strong presence in the international markets where the product has been commercially available longest and where Anika has established successful distribution relationships. Anika is focused on adding to its portfolio of international distribution relationships for OrthoVisc, particularly in the major EU nations, and Anika currently expects its international sales to manifest steady growth.

Building Stronger Relationships with Physicians in the U.S.

After receiving FDA approval late in 2004, OrthoVisc has only just begun tapping the large potential for growth in the domestic market. Anika's U.S. distribution partner for OrthoVisc is DePuy Mitek, Inc., a subsidiary of Johnson & Johnson, which specializes in medical devices for sports medicine and soft tissue reconstruction. Mitek's OrthoVisc sales force is particularly strong in building relationships with physicians who specialize in early, minimally invasive therapies to relieve knee pain and enhance mobility. Recognizing the reimbursement challenges in this category, Mitek has deployed a staff of regionally based product specialists to help physicians and their office staffs simplify the reimbursement process for OrthoVisc.

Driving Growth in Veterinary and Human Ophthalmic Applications

Anika's equine osteoarthritis product, Hyvisc® has been a successful HA product offering for several years. Distributed through Boehringer Ingelheim Vetmedica, Inc., Hyvisc has significantly penetrated the U.S. market for equine viscosupplements, and generated 10% of Anika's product sales in 2005. Anika currently is investigating international opportunities for Hyvisc.

HA not only has joint cushioning and lubrication properties, but also can be formulated as a viscoelastic gel with valuable applications in eye surgery – the U.S. market is currently estimated at $145 million. Anika's ophthalmic products generated 51% of Anika's product sales in 2005. They include Bausch & Lomb's Amvisc™ and Amvisc Plus,™ STAARVISC™-II, distributed by STAAR Surgical Company, and Shellgel,™ sold through Cytosol Ophthalmics, Inc. Physicians use these viscoelastic agents in procedures ranging from cataract extraction to intraocular lens implantation, corneal transplantation and glaucoma filtering surgery. Distributed in more than 50 countries, Anika products are considered to be the "gold standard" among ophthalmic surgeons worldwide.

Anika is strengthening its distribution channels to drive international and domestic demand for its flagship HA product, OrthoVisc. Anika's U.S. distribution partner is building relationships with physicians who specialize in minimally invasive therapies to relieve knee pain and enhance mobility.

Blurring the Line Between Medical Devices and Pharmaceuticals

Anika Therapeutics is recognized for its disciplined approach to product innovation. Because of the inherent bioengineering potential of hyaluronic acid (HA), few companies are better positioned to capitalize on opportunities at the nexus between medical devices and pharmaceutical development. The blurring of lines between these domains may be particularly relevant to future advances in soft tissue and cartilage health. Anika's successful development of a cosmetic filler with lidocaine represents its first combination product based on a chemically modified HA platform.

Anika's R&D initiatives leverage the flexibility of HA as a multi-functional biomaterial. The result is a development pipeline of innovative products designed to broaden Anika's HA franchise in areas including soft tissue and cartilage health, post-surgical tissue protection, ophthalmic surgery, and cosmetic tissue augmentation.

Bioengineering HA for New Applications

Through chemical modification, the molecular properties of HA can be dramatically altered, making it an ideal material for multiple therapeutic applications. For example, HA can be engineered to persist in the body for specific periods of time ranging from a few days to several months. It can be chemically modified and formulated to optimize its efficacy within specific types of tissues. Perhaps most important for Anika in the long term, HA has the potential to be engineered for highly targeted drug delivery. In these applications, Anika products could be designed not only to help protect, but ultimately preserve and possibly regenerate joint tissues.

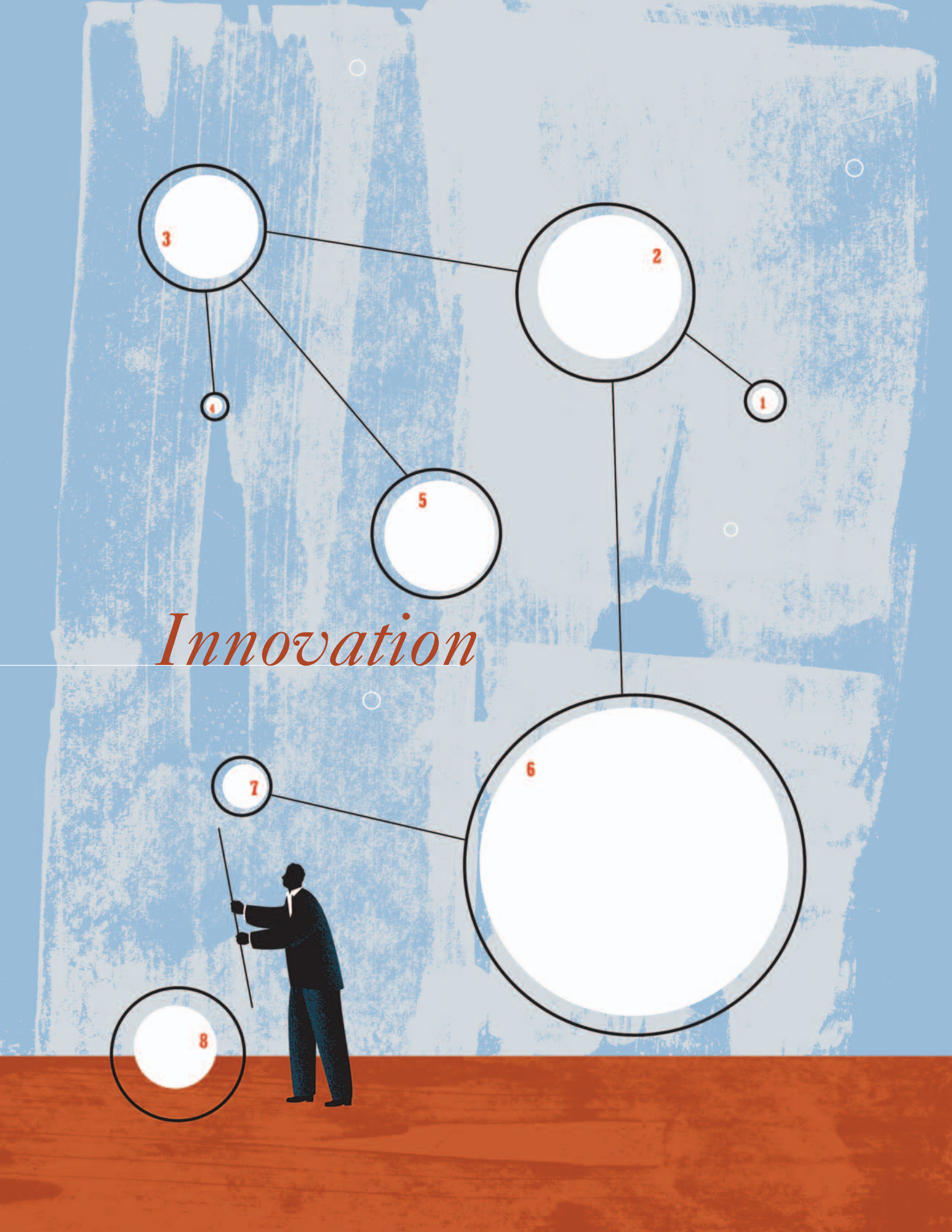
Broadening the HA Franchise

Seeking to further broaden its osteoarthritis franchise, Anika is developing INCERT,® an HA-based, gel-like barrier designed to prevent post-surgical internal tissue adhesion and scarring. Anika with its partner, Surgicraft Ltd., has completed a pilot human trial for INCERT following spinal surgery in the United Kingdom, and has received a CE Mark for INCERT for multiple anti-adhesion applications. Anika is currently evaluating the potential for developing distribution relationships and commercializing INCERT in the European Union, as well as planning international studies of OrthoVisc in arthroscopic post-surgical applications.

In addition, working with Mitek, Anika expects to shortly initiate U.S. human clinical trials for OrthoVisc formulations that target additional osteoarthritis-related indications.

Introducing HA Products for Cosmetic Tissue Augmentation

At the same time, Anika is focusing significant R&D resources on applications for HA in cosmetic tissue augmentation. Anika's first cosmetic filler product for this market has received CE Mark approval for marketing in the European Union. Anika also has completed human clinical trials for the product in the United States, and has filed a PMA application with the FDA. Anika expects to launch the product for worldwide commercial sales before the end of the year.



Innovation

Expertise

HA Products for Cosmetic Tissue Augmentation – Preparing for Commercial Launch

Anika is working to strengthen the corporate capabilities that are key to driving growth. Anika's strategic initiatives encompass several functional areas, including manufacturing, R&D and regulatory and clinical affairs.

Gearing up these areas for the commercial launch of Anika's cosmetic filler product is a major ongoing initiative. Anika's proprietary chemically modified hyaluronic acid (HA) based product provides a point of entry into the fast-growing cosmetic tissue augmentation (CTA) market for treatment of facial wrinkles, scar remediation and lip augmentation. Chemically modified HA also has the potential to serve as a platform for future applications in therapeutic areas beyond CTA. The product's unique, cross-linked chemistry enhances its ability to remain stable for targeted periods of time when injected in human tissues. However, the complexity of its chemistry gave rise to new manufacturing challenges. Anika has resolved these challenges and has completed the installation of a "factory within a factory" to manufacture the product.

Achieving World Leadership in HA Product Manufacturing

Thanks to its long involvement in HA product development, Anika has established domain expertise in the techniques required to formulate highly purified, high molecular weight HA, manufactured as a sterile viscous solution that can be safely administered via injection. In 2005, Anika revamped its Quality System to meet new ISO 13485 requirements.

Anika's chief operational objective for 2006 is to finish developing the manufacturing processes and facilities necessary to support the commercialization of its first cosmetic filler product. The additional capacity will jump-start the efficient integration of the chemically modified HA into new product development.

Leveraging the Pipeline Through Process Improvement

Anika's manufacturing strategy is focused on a single overarching objective – to leverage Anika's development pipeline as rapidly as possible while further enhancing operating margins. Anika is currently executing on this strategy by implementing a variety of manufacturing initiatives. These include process improvements, deployments of automation technologies, new approaches to raw material sourcing, and more robust product transfer capabilities.

Anika's strong capabilities in regulatory affairs and clinical trials management are supporting the rapid expansion of its development pipeline. To enhance operating margins, Anika is improving manufacturing processes and developing new approaches to raw material sourcing.

To enhance strategic execution and operational performance as Anika grows, the Company is reinforcing its IT infrastructure, including implementation of critical elements of an enterprise resource planning model. Anika's record of success in product development is attributable not only to the skills and dedication of its scientific and engineering staff, but also to its highly integrated approach to the clinical and regulatory parts of its business. To accelerate the continued expansion of its development pipeline and build momentum for future growth, Anika continues to supplement its expertise in engineering, regulatory affairs and clinical trials management.

Selected Financial Data

Statements of Operations Data

(in thousands, except per share and percentage amounts)

For the years ended December 31,	**2005**	2004	2003	2002	2001
Product revenue	**$ 20,534**	$ 22,286	$ 15,330	$ 13,129	$ 11,299
Licensing, milestone and contract revenue	**9,301**	4,180	74	58	13
Total revenue	**$ 29,835**	$ 26,466	$ 15,404	$ 13,187	$ 11,312
Product gross profit	**$ 9,390**	$ 12,337	$ 7,325	$ 5,020	$ 3,070
Product gross margin	**46%**	55%	48%	38%	27%
Operating income (loss)	**$ 8,551**	$ 6,388	$ 595	$ (3,275)	$ (7,411)
Net income (loss)	**$ 5,893**	$ 11,190	$ 827	$ (3,040)	$ (6,758)
Diluted net income (loss) per share	**$ .52**	$ .98	$ .08	$ (.31)	$ (.68)
Shares used in calculating diluted earnings per share	**11,428**	11,384	10,850	9,934	9,934

Balance Sheets Data

(in thousands)

December 31,	**2005**	2004	2003	2002	2001
Cash, cash equivalents and marketable securities	**$ 44,747**	$ 39,339	$ 14,592	$ 13,502	$ 13,059
Working capital	**$ 46,584**	$ 42,135	$ 18,450	$ 14,921	$ 16,756
Total assets	**$ 62,618**	$ 59,538	$ 21,873	$ 20,087	$ 22,916
Retained earnings (accumulated deficit)	**$ 3,514**	$ (2,379)	$ (13,569)	$ (14,396)	$ (11,357)
Stockholders' equity	**$ 37,892**	$ 30,363	$ 17,984	$ 17,064	$ 20,104

Stock Price

For the years ended December 31,	**2005**	2004	2003	2002	2001
High	**$ 17.21**	$ 17.87	$ 11.65	$ 1.54	$ 1.81
Low	**$ 8.05**	$ 6.48	$ .97	$ .83	$ .75

The statements made in this Annual Report and Annual Report on Form 10-K which are not statements of historical fact are forward-looking statements within the meaning of Section 27A of the Securities Exchange Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward looking statements involve known and unknown risks, uncertainties and other factors, including but not limited to statements regarding: future sales and product revenues including geographic expansions, possible retroactive price adjustments, and expectations of unit volumes or other offsets to price reduction, product pipelines and product development, efforts to increase sales of ophthalmic viscoelastic products and ORTHOVISC,® manufacturing capacity and efficiency gains, the timing of, scope of and rate of patient enrollment for clinical trials, development of possible new products, Anika's ability to achieve or maintain compliance with laws and regulations, the timing of and/or receipt of FDA or other regulatory approvals, reimbursements of ORTHOVISC® products under the J code, patent protection for Anika's products and processes, negotiations with potential and existing partners, the level of our revenue or sales, the market share for any of Anika's products, profitability and margin improvements, the size of the U.S. and European markets, increase market share for ORTHOVISC® in international and domestic markets, our corporate objectives, research and development and collaboration opportunities, Anika's search for a partner for our cosmetic tissue augmentation product and our efforts to continue development of the product, Anika's and Bausch & Lomb's performance under the existing supply agreement, Anika's ability to achieve performance and sales threshold milestones in our existing and future distribution and supply agreements, ophthalmic products revenue, increases in operating expenses, increases in capital expenditures, a sufficient supply of HA to meet anticipated demands, tax rate and taxable revenues, the rate at which we use cash, the amounts used and generated by operations, and the adequacy of such cash, possible negotiations or re-negotiations with existing or new distribution or collaboration partners, U.S. and international sales growth primarily stimulated by the Osteoarthritis franchise, Anika's expectation to secure a distribution partner, obtain the PMA, and begin penetrating the CTA market, Anika's expectation to advance at least one next-generation product concept in its pipeline into the clinic, the achievement of significant operational cost reductions, Anika's manufacturing efficiencies, automation, and cost-cutting measures, Anika's acquisition objectives, Anika's hiring and retaining of personnel and statements identified by the words "expect," "anticipate," "intend," "will," "continue," "seek," "plan," "develop," "potential," "likely," "may," "believe," "future," "can," "could," "design," "goals," "objectives," and other similar expressions. These statements are subject to significant risks and uncertainties. The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in such forward-looking statements: (1) Anika's ability to successfully develop or commence and/or complete clinical trials of its products, including its CTA product, on a timely basis or at all, obtain clinical data to support a pre-market approval application and/or FDA approval, and/or 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; (2) the success of Anika's efforts to improve the financial performance of its core business and compete with other companies; (3) Anika's research and product development efforts, including Anika's ability to adequately protect its intellectual property rights; (4) the strength of the economies in which Anika operates or will be operating; (5) future determinations by Anika to allocate resources in ways not presently contemplated; (6) the impact of competitive products; (7) the risk that the markets which Anika has targeted will grow as projected; (8) Anika's collaborative partners failing to reach expected performance levels; (9) Anika's ability to maintain strategic alliances on acceptable terms with its marketing and distribution partners, (10) the failure to achieve expected manufacturing efficiencies; (11) the impact of health care cost containment initiatives, (12) the risk of deriving the majority of revenues from a small number of customers and (13) the inability to achieve desired market penetration for ORTHOVISC® or other products. Certain other factors that might cause Anika's actual results to differ materially from those set forth in the forward-looking statements include those set forth under the headings "Business", "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in Anika's Annual Report on Form 10-K for the year ended December 31, 2005 and Anika's other filings with the Securities and Exchange Commission and press releases. Anika undertakes no obligation to publicly update or revise any forward-looking statement whether as a result of new information, future events or otherwise.

Corporate Information

Board of Directors

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Professor
Harvard Business School

Eugene A. Davidson, Ph.D.[1,3]
Professor and Chairman of Biochemistry
and Molecular Biology
Georgetown University Medical School

Raymond J. Land[2,3]
Senior Vice President and Chief Financial Officer
Orchid Cellmark Inc.

Harvey S. Sadow, Ph.D.[3]
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Boehringer Ingelheim Corporation

Steven E. Wheeler[1,2,3]
President
Wheeler & Co., LLC

Charles H. Sherwood, Ph.D.
President and Chief Executive Officer
Anika Therapeutics, Inc.

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2. Audit Committee
3. Nominating Committee

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President and Chief Executive Officer

Kevin W. Quinlan
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Frank Luppino
Vice President – Operations

Carol Toth, Ph.D.
Vice President – Research and Development

Peter Litman, J.D.
Vice President – Marketing and Business
Development

General Information

Corporate Headquarters
Anika Therapeutics, Inc.
160 New Boston Street
Woburn, MA 01801
Tel: (781) 932-6616
Fax: (781) 935-4120
www.anikatherapeutics.com

Corporate Counsel
Goodwin Procter LLP
Exchange Place
Boston, MA 02109-2881

Independent Auditors
PricewaterhouseCoopers
125 High Street
Boston, MA 02110

Transfer Agent
American Stock Transfer & Trust Company
59 Maiden Lane, Plaza Level
New York, NY 10038
Tel (800) 937-5449

Stock Listing
The common stock of Anika Therapeutics, Inc. is traded on the Nasdaq National Market under the symbol ANIK.

SEC Form 10-K
A copy of Anika's Form 10-K for the year ended December 31, 2005 is provided with this annual report. Additional copies are available on request, without charge, by writing to Anika's chief financial officer.

Annual Meeting
The Annual Meeting of Shareholders will be held at 10:00 a.m. on Thursday, June 1, 2006 at Goodwin Procter LLP, Exchange Place, Boston, MA.

Design; Vernon Ellis, Newton, MA • Illustration; Michael Austin, Kaliua-Kona, HI • Printing; Acme Printing Co., Wilmington, MA • Copy; Sharon Merrill Associates, Inc., Boston, MA