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Announcement

NeuroSearch successfully completes Phase I with ACR325 and announces the decision to progress development into Phase II Proof-of-Concept studies in Parkinson's disease and Bipolar Disorder

Copenhagen, 26 June 2008 - NeuroSearch (NEUR.CO) has completed Phase I evaluation of its drug candidate, ACR325, with a highly positive outcome. The results of double-blinded, placebo controlled single and multiple dose studies in healthy volunteers show that ACR325 has a linear and predictable pharmacokinetic profile after oral administration. Further, the compound proved very well tolerated at doses and plasma levels exceeding by far the predicted therapeutic levels.

Following these positive Phase I results which are fully in line with promising findings from preclinical studies, NeuroSearch has initiated preparations to progress ACR325 into Phase II Proof-of-Concept studies in Parkinson's disease and Bipolar Disorder. The first Phase II study will be in Parkinson's patients suffering from L-Dopa induced dyskinesias (treatment related involuntary movements) and is expected to start enrolment in the second half of 2008. A Phase II study in Bipolar Disorder is planned to follow.

In preclinical studies, ACR325 has shown efficacy in a range of models for psychosis and motor disorders, in particular relevant for the treatment of Bipolar Disorder and motor disturbances including dyskinesias relating to Parkinson's disease. Unlike marketed antipsychotics, ACR325 does not, even at high doses, suppress locomotor activity, pointing towards good tolerability for this drug candidate and a potential clinical profile with less or even no side effects related to movement, motivation and reward. Further, preclinical results from studies on Parkinson's related complications of L-Dopa treatment show that ACR325 has the ability to prevent the occurrence of motor complications, while leaving the beneficial treatment effects intact.

Dr. Joseph R. Calabrese*, Bipolar Disorders Research Chair and Professor of Psychiatry, Co-Director of Bipolar Disorders Research Center and Director of Mood Disorders Program, University Hospitals Case Medical Center, Case Western Reserve University, Cleveland, Ohio commented:

"The novel concept of dopamine stabilisers combined with the preliminary data on ACR325, provide a convincing rationale for the development of this compound as a mood stabiliser for use in the short- and long-term treatment of Bipolar Disorder. Specifically, the preclinical data suggest that ACR325 may possess the ability to treat both phases of bipolar disorder at the same time; the manic phase which is presumed to be a high dopamine state, as well as the depressed phase, which is believed to be a low dopamine state. There is tremendous unmet need in the medical management of bipolar disorder and we are desperately in need of new treatments."

* Prof. J.R. Calabrese is member of NeuroSearch's Scientific Advisory Board for ACR325

Professor, Dr. Wolfgang Oertel**, Chairman of the Department of Neurology, Philipps University, Marburg, Germany and a leading expert in Parkinson's Disease and other movement disorders, comments.

"ACR325 is an exciting compound, representing a truly new approach in the treatment of Parkinson's patients and psychosis. L-DOPA is still the mainstay therapy for Parkinson's disease, yet leading to dyskinesias and psychotic events after long-term treatment and as the disease progresses. ACR325 and dopaminergic stabilizers

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as a class have the potential to treat and prevent motor- and psychiatric complications of the disease and its therapy."

** Prof. Wolfgang Oertel is member of NeuroSearch's Scientific Advisory Board for ACR325.

ACR325 is a dopaminergic stabiliser, belonging to a new class of compounds with a unique ability to either enhance or inhibit dopamine controlled functions, depending on the initial level of dopaminergic activity. Dopamine is a neurotransmitter, playing an essential role in the control of mental and motor functions. High levels of brain dopamine lead to psychotic symptoms, while low levels lead to thought and motor impairment. ACR325 has also demonstrated an ability to strengthen the glutamatergic and noradrenalinergic functions, which is an important aspect in novel treatments for psychosis and motor dysfunctions.

NeuroSearch has all rights to ACR325.

The Phase I results and the decision to progress ACR325 into Phase II Proof-of-Concept studies do not change NeuroSearch's financial expectations for 2008 of an operating loss in the region of DKK 450 million.

Thomas Hofman-Bang
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NeuroSearch (NEUR) is a Scandinavian biopharmaceutical company listed on the OMX Nordic Exchange Copenhagen A/S. The core business covers the development of novel drugs, based on a broad and well-established drug discovery platform focusing on ion channels and CNS disorders. A substantial part of NeuroSearch's activities are partner financed through a broad alliance with GlaxoSmithKline (GSK) and collaborations with among others Abbott and Astellas. The drug pipeline comprises 13 clinical (Phase I-III) development programmes: ACR16 in Huntington's disease (Phase III), tesofensine in obesity (Phase III in preparation), NS2359 in depression (Phase II) and ADHD (Phase II) in partnership with GSK, ABT-894 in ADHD (Phase II) and pain (Phase II) in partnership with Abbott, ACR16 in schizophrenia (Phase I) in partnership with Astellas, ACR325 in Parkinson's disease (Phase II in preparation) and bipolar disorder (Phase II in preparation), ABT-107 as well as ABT-560 for the treatment of various CNS disorders – both (Phase I) in collaboration with Abbott, NSD-644 in pain (Phase I) in partnership with GSK, ACR343 in Parkinson's disease (Phase I) and NSD-788 in anxiety/depression (Phase I). In addition, NeuroSearch has a broad portfolio of preclinical drug candidates and holds equity interests in several biotech companies.