Addex Pharmaceuticals First Half 2007 Financial Results

Addex raised CHF137 million in IPO
ADX10059 shows efficacy in GERD & Migraine

Conference call & webcast at 15:30 CEST (9:30am EDT)

Geneva, Switzerland, 25 July 2007 – Allosteric modulation company Addex Pharmaceuticals Ltd. (SWX:ADXN) reported today its financial results for the first half of 2007 and provided a product pipeline update.

- CHF137 million ($111 million / €83 million) raised in Swiss IPO in May
- CHF159 million ($129 million / €96 million) in cash as of 30 June 2007
- ADX10059 met the primary efficacy endpoint in a Phase IIa GERD trial
- ADX10059 met the primary efficacy endpoint in a Phase IIa migraine trial
- ADX10059 Phase IIa anxiety data due around the end of 3Q07
- ADX10061 Phase IIa smoking cessation data due around the end of the year

"In terms of financial and clinical milestones, the first half of 2007 has been the most exciting period in the five year history of Addex," said Vincent Mutel, CEO. "The success of our IPO provides us the opportunity to advance our entire pipeline and realize our goal of diversifying our product portfolio into metabolic diseases and inflammation."

In May, Addex raised CHF137 million through the issue of 1,875,000 new shares at CHF73 per share in initial public offering on the SWX Swiss Exchange. The company now has 5,862,492 shares outstanding. The free float is 32%.

As of June 30th, Addex held CHF159 million in cash and cash equivalents.

The loss per share was CHF4.55 for the first half of 2007 compared to CHF3.65 in the first half of 2006. Net loss for the first half of 2007 was CHF19.5 million compared to CHF9.6 million of the same period in 2006. Research and development expenses were CHF12.6 million in the first half of 2007 compared to 10.6 million for the same period in 2006.

Tim Dyer, CFO, gave guidance: "We expect 2007 full year operating cash burn to be in the range of CHF35-40 million and CAPEX cash burn to be in the range of CHF3-4 million."

Conference call & webcast

Title: Addex Pharmaceuticals First Half 2007 Financial Results Conference Call

Date:	25 July 2007	
Time:	15.30 ~ 16.30 CEST (9:30 ~ 10:30am EDT)	
Dial-in numbers:	+41 91 610 56 00	(Europe)
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The webcast and slides will be available at: www.addexpharma.com

A replay and transcript will be made available in the investor relations section of our website.

Clinical results review

Addex reported in April that in a French Phase IIa trial in 24 patients, ADX10059, a negative allosteric modulator (NAM) of metabotropic glutamate receptor 5 (mGluR5), met the primary endpoint of 24-hour esophageal pH control that was significantly better than placebo. In the 2-day trial, patients received placebo on day 1 and either 50 mg or 250 mg of ADX10059 on day 2. Results for the 50 mg dose were not statistically significant.Patients receiving 250 mg of ADX10059 had an esophageal pH <4 for 3.5% of a 24-hour period compared with 7.2% for placebo (p=0.014). The compound also significantly reduced the duration of acid reflux episodes vs. placebo over 24 hours (p=0.013) and during nighttime (p=0.0021). Finally, the 250 mg dose of ADX10059 significantly reduced the number and duration of patient reported symptomatic episodes vs. placebo (p=0.031 for both).

Also in April Addex reported that in a Phase IIa trial in 129 patients, ADX10059 met the primary endpoint of significantly more patients than placebo who were pain-free 2 hours after dosing. In the double-blind, U.K. and German trial, 16.1% of ADX10059 patients were pain-free at 2 hours vs. 4.5% of placebo patients (p=0.039). The percent improvement was similar to that seen with triptans, the leading drugs for migraine. ADX10059 had better pain improvement than placebo at all time points up to 2 hours, although the differences were not statistically significant. Addex decided, with input from migraine thought leaders that since ADX10059 is thought to address the underlying mechanism involved in migraine, that it would pursue migraine prophylaxis in Phase IIb studies.

Pipeline update

Addex is preparing the trial designs for Phase IIb testing of ADX10059 in both GERD and migraine and is on track to complete the regulatory submissions for both programs around the end of the first quarter of 2008. The first patients are expected to be treated around the middle of 2008 in both indications. Data from the Phase IIb trials are expected in 2009.

We will announce timing for the ADX10059 Phase IIb anxiety trial after analyzing the Phase IIa anxiety data.

Enrollment of 148 patients has been completed in the placebo-controlled U.S. Phase IIa trial of ADX10061 for smoking cessation. The primary endpoint is four weeks continuous abstinence from the start of treatment week four. Addex will announce top line data from the double-blind study around the end of the third quarter.

Enrollment is ongoing in the placebo-controlled EU Phase IIa trial of ADX10059 to treat acute anxiety in about 50 dental patients. The primary endpoint is the comparison of VAS-Anxiety score at 60 minutes post dose, immediately before a dental procedure. Addex will announce data from the double-blind study around the end of the year.

Addex completed an initial Phase I trial of ADX48621. In this first-in-man single ascending dose study, the orally administered product was well tolerated. Additional Phase I studies of ADX48621 are planned once the galenic formulation of the compound has been completed. The Phase I program will be completed in 2008.

Despite academic research suggesting that the molecular target of ADX48621, metabotropic glutamate receptor 5 (mGluR5), could be an interesting target for pain, Addex found that ADX48621 was not efficacious in two separate preclinical acute pain models. Addex will continue development of ADX48621 and believes it may have potential in multiple indications including depression and anxiety. ADX48621 also could play a role as a backup compound for ADX10059 in GERD and migraine.

ADX63365, a positive allosteric modulator (PAM) of mGluR5, with potential for the treatment of schizophrenia and cognitive impairment, is in late preclinical testing and is on track to start Phase I testing in 2008.

A clinical candidate has been selected from the ADX1 series. The compound, ADX71441, a PAM of GABA b, will now enter Phase 0 testing. We plan to start Phase I testing of ADX71441 next year.

Additions to the Board

In the first half of 2007 Addex added two new members to its board of directors: Jacques Theurillat and Beat E. Lüthi. Mr. Theurillat is the former deputy CEO and SVP Corporate Strategic Development at Serono. Mr. Lüthi is a member of the Management Board of Mettler Toledo (NYSE:MTD) and is head of its largest division, Laboratory Balances and Analytical Instruments.

About Us

Addex Pharmaceuticals Ltd. discovers and develops allosteric modulators, a small molecule therapeutic agent that may offer more sophisticated ways to normalize biological signaling compared to classical “orthosteric” agonist or antagonist drugs. “Allosteric”, literally translated from its Greek roots, means: “other site”. Thus, allosteric modulators bind receptors at sites that are distinct from the binding sites of classical small molecule “orthosteric” agonist and antagonist drugs.

In May 2007, Addex completed an initial public offering on the SWX Swiss Exchange, raising CHF137 million ($111 million / €83 million). The IPO was the largest biotech IPO in Europe in three years.

The most advanced drug candidate, ADX10059, a negative allosteric modulator (NAM) of metabotropic glutamate receptor 5 (mGluR5), recently demonstrated clinically and statistically significant efficacy in separate Phase IIa clinical trials in gastroesophageal reflux disease (GERD) patients and migraine headache patients. Another phase IIa clinical trial of ADX10059 in acute anxiety is scheduled to finish in the second half of 2007. Data from a U.S. Phase IIa trial of ADX10061, an inlicensed orthosteric dopamine D1 receptor antagonist, for smoking cessation are due in the second half of 2007.

The Addex discovery capability has been validated through a collaboration with Ortho-McNeil, a Johnson & Johnson company. The deal is limited to discovery and development of allosteric modulators of metabotropic glutamate receptor 2 (mGluR2).

Forward-looking statements

This publication contains specific forward-looking statements, e.g., statements including terms like "believe", "assume", "expect" or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of the Company and those explicitly or implicitly presumed in these statements. Against the background of these uncertainties readers should not rely on forward-looking statements. The Company assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

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