

Announcement

NeuroSearch initiates clinical Phase I study with ACR343 as a potential new treatment for Parkinson's disease

NeuroSearch has enrolled and dosed the first healthy volunteers in a clinical Phase I study with ACR343 with a view to develop this drug candidate as a new treatment for Parkinson's disease. The Phase I study is a randomized, double-blind and placebo-controlled single ascending dose study to evaluate the safety and tolerability as well as the pharmacokinetic profile of ACR343 after oral administration. The study will be performed in Sweden.

Flemming Pedersen, CEO of NeuroSearch, commented:

"ACR343 is the third drug candidate to be brought into the clinic as a result of our activities in the promising field of dopaminergic stabilizers, where NeuroSearch has a leading position. This achievement further highlights the very satisfactory and value enhancing development seen in the pipeline programmes, we took over with the acquisition of Carlsson Research (now NeuroSearch Sweden) in October 2006."

Dopaminergic stabilizers are a novel class of CNS (Central Nervous System) active compounds that can both enhance and counteract dopaminergic effects in the brain depending on the initial level of dopaminergic activity. Dopamine is an important neurotransmitter in the brain, and the dopaminergic system plays a central role in the regulation of motor function and behaviour. Thus, dopaminergic stabilisers have the ability to stabilise motor and behavioural disturbances caused by neurological and psychiatric disorders. They do this in pathological states without compromising normal brain functions.

In preclinical studies, ACR343 has been able to stabilise motor function in a variety of models for CNS disorders. In a specific model for Parkinson's disease, ACR343 reduces involuntary movements resulting from treatment with L-Dopa without compromising its anti-parkinsonian effects. This validates the use of ACR343 in the treatment of Parkinson's disease. NeuroSearch holds all rights to ACR343.

Attaining this milestone of first human dosing with ACR343 triggers a payment of SEK 75 million (DKK 59 million/EUR 8 million) to the former shareholders of Carlsson Research AB. The milestone payment must be made no later than 30 days after this announcement either in cash or in new NeuroSearch shares, issued at market value. NeuroSearch has not yet decided whether to pay in cash or by delivery of shares.

The initiation of the Phase I study with ACR343 and the related milestone payment do not change NeuroSearch's financial guidance for 2007 of a loss in the range of DKK 230 - 250 million before recognition of associates and other equity interests.

Asger Aamund
Chairman of the Board

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NeuroSearch (NEUR) is a Scandinavian biopharmaceutical company listed on the OMX Nordic Exchange Copenhagen A/S. The company's 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 the activities are partner financed through a broad alliance with GlaxoSmithKline (GSK) and collaborations with among others Abbott and Astellas. The drug pipeline comprises 12 clinical (Phase I-III) development programmes: ACR16 in Huntington's disease (Phase III in preparation), tesofensine in obesity (Phase III in preparation), NS2359 in depression (Phase II) and ADHD (Phase II) in partnership with GSK, NS1209 in epilepsy and pain (Phase II), 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 bipolar disorder and Parkinson's disease (Phase I) ABT-107 as well as ABT-560 for the treatment of various CNS diseases – both (Phase I) in collaboration with Abbott, NSD-644 (Phase I) in collaboration with GSK and ACR343 in Parkinson's disease (Phase I). In addition, NeuroSearch has a broad portfolio of preclinical drug candidates and holds equity interests in several biotech companies.