



2009 Half year report – Telephone conference

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NEUROSEARCH

Forward looking statements



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- **Half year report 2009**
- **Highlights**
 - New partner collaborations
 - Pipeline news
- **Pipeline status**
- **Outlook and expectations**



Financial reporting H1 2009



(DKK million)	H1 2009	H1 2008	FY 2008
Revenue	19	33	67
Cost	(223)	(221)	(433)
Operating loss	(204)	(188)	(366)
Finance, net	12	(6)	(21)
Results affiliates	(7)	(6)	(29)
Tax	21	14	34
Net result	(178)	(186)	(382)
Capital resources	489	716	481

- Full year guidance unchanged: Operating loss ~ DKK 350 mill.
- Capital resources unchanged through first half of 2009
- Capital resources increased in August 2009 to ~ DKK 730 mill.

Financing: Commercial transactions in 2009



- **GSK – January; expansion of former agreement**
 - Upfront payment + milestones and royalties
- **Eli Lilly – February; new drug discovery alliance**
 - USD 30 m in guaranteed funding + milestones and royalties
- **GSK – August; Advance of NSD-721 into Phase I**
 - Exercise of EUR 5 mill. share put option
 - Cash milestone payment of EUR 4 mill.
- **Janssen – August; new drug discovery alliance**
 - EUR 32 mill. in guaranteed funding + milestones and royalties

Conclusions and outlook

- Four partner transactions in 2009
- Attractiveness of CNS Drug Discovery
- Financing ~ DKK 500 mill.
- Significant future revenue potential
- Strategic and financial goals obtained

Main highlights in 2009



- **Huntexil™ (pridopidine); lead orphan drug for Huntington's disease**
 - Completed recruitment in MermaiHD, a European Phase III HD study (437 patients)
 - Launch of Compassionate Use programme in Europe
 - The HART study in NA is still recruiting patients, while progressing satisfactorily

- **Tesofensine; Best in class anti-obesity drug (NCE)**
 - Successful outcome of End of Phase II meeting with the FDA
 - Intensified partner discussions in parallel with final Phase III preparations

- **ACR343; Supportive results in Phase I. Prepared for Phase II in schizophrenia**

- **ACR325; Prepared for first patient study in Parkinsons Dyskinesia**

- **NSD-788; Positive Phase I results and Proof-of-mechanism in depression/anxiety**

- **NSD-721 (GSK); Successfully advanced into Phase I (EURm 9 financing from GSK)**

- **3 new partner deals: Guaranteed funding of ~DKK 500 million + significant potential**

Pipeline



Indication	Programme	Mechanism of Action	Partner	PC dev.	Phase I	Phase II	Phase III	NDA / Reg.
Huntington's disease	Huntexil™	Dopaminergic stabil.						
Obesity	Tesofensine	MRI						
ADHD	ABT-894	NNR modulator	Abbott					
Dyskinesias (PD)	ACR325	Dopaminergic stabil.						
Schizophrenia	ACR343	Dopaminergic stabil.						
Cognitive dysfunctions	ABT-560	NNR modulator	Abbott					
Depression/anxiety	NSD-788	MRI						
Social anxiety	NSD-721	GABA modulator	GSK					
Schizophrenia	NSD-761	Ion channel mod.						
Autoimmune diseases	NSD-726	Ion channel mod.						
Psychoses	NSD-847	Dopaminergic stabil.	GSK					
ADHD	NSD-867	Cortical enhancer	GSK					

Expectations next 6 months



- Huntington's disease - Huntexil™ (pridopidine)
 - First results from pivotal Phase III programme
- Obesity - Tesofensine
 - Finalise Phase III preparations
 - Partner discussions
- Dyskinesias in Parkinson's disease - ACR325
 - Initiation of Phase Ib study in Parkinson's patients with dyskinesias
- Schizophrenia - ACR343
 - Initiation of Phase II studies
- Further pipeline advances
- Additional partner agreements





For more information, please visit www.neurosearch.com or write to investor@neurosearch.dk

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