



## Conference call – Interim report for Q3 2011

17 November 2011 – 9.30am CET / 8.30am UK time/ 3.30am EST  
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NEUROSEARCH

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# Financial results – first nine months of 2011



NeuroSearch Group (DKK million)	Q1-Q3 2011	Q1-Q3 2010	FY 2010
Revenue	0	0	0
Total costs	*(337)	(126)	(168)
<b>Operating profit/(loss)</b>	<b>(337)</b>	<b>(126)</b>	<b>(168)</b>
Net financial income/(expense)	36	20	22
Tax	0	41	47
<b>Net result of continuing activities</b>	<b>(301)</b>	<b>(65)</b>	<b>(99)</b>
<b>Net result of discontinuing activities</b>	<b>(345)</b>	<b>(111)</b>	<b>(160)</b>
<b>Net result for Group</b>	<b>(646)</b>	<b>(176)</b>	<b>(259)</b>

\*Approximately DKK 240 million are one-off costs relating to impairment of goodwill, intangible assets and property, plant and equipment, that has no cash-effect

## Liquidity and capital resources on 30 September 2011

- Cash and cash equivalents including securities totalled DKK 305 million
- Expected payments for staff working on projects under the alliance with Janssen, DKK 46 million
- Unused credit facilities of DKK 29 million

# Financial expectations for 2011 and 2012



## Financial expectations for 2011

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- Operating loss of DKK 370 million from continuing activities
  - hereof DKK 240 million as one-off costs with no cash-effect
- Loss of DKK 345 million from discontinuing activities
- Cash and cash equivalents of approximately DKK 230 million by end of year

## Financial expectations for 2012

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- Operating loss in the range of DKK 150-175 million from continuing activities
- No further costs from discontinuing activities

# Highlights in Q3 2011 and until today



## ➤ **Restructuring**

- Organisation is being reduced to approximately 35 employees by mid-2013
- All affected employees were given notice of termination at the end of October
- An important part of employees were given extended notice in order to fulfil obligations toward Lilly and Janssen

## ➤ **Huntexil® for motor symptoms associated with Huntington's disease**

- Disclosure of detailed design of the continued development programme for Huntexil®
- Multiple Ascending Dose (MAD) study initiated by end September
- Open-HART safety extension study continues to enrol HART patients and has 109 enrolled by 14 November 2011
- The Compassionate use program for former MermaiHD patients now includes 130 patients

## ➤ **Associated companies**

- Sale of shareholding in Sophion Bioscience A/S to Biolin Scientific AB
- Profit from the sale amounts to DKK 41 million, DKK 32 million was received in September

## ➤ **Other**

- The MermaiHD study primary manuscript was accepted and published by *The Lancet Neurology* 8 November

# Huntexil<sup>®</sup> investment highlights



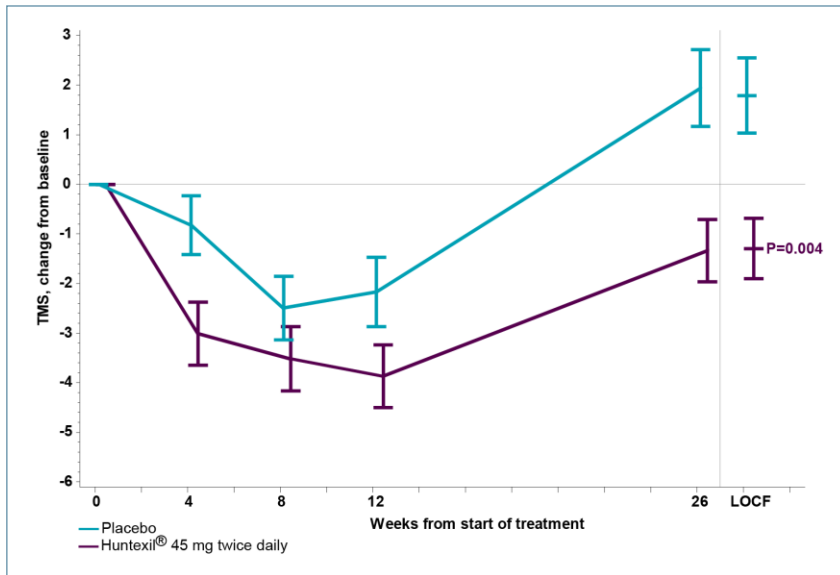
**The aim for NeuroSearch is to create a profitable, specialty pharmaceutical company building on the platform that the company would achieve from a successful development and marketing of Huntexil<sup>®</sup>**

- There is no cure or effective treatment of Huntington's disease and Huntexil<sup>®</sup> is the first compound to address the overall motor symptoms
- Large clinical studies have shown significant improvement of patients' overall motor function
- Safe and well-tolerated in the doses tested and no treatment-related decline detected in other disease symptoms
- Designated orphan drug status with both the FDA and the EMA granting 7 and 10 years market exclusivity, respectively
- NeuroSearch believes there is a large unmet medical need with an estimated approximately 110,000 patients in main markets
- All rights for Huntexil<sup>®</sup> are retained
- Patent protection until 2024 / 2025 in the USA and 2025 in the EU, both including extensions

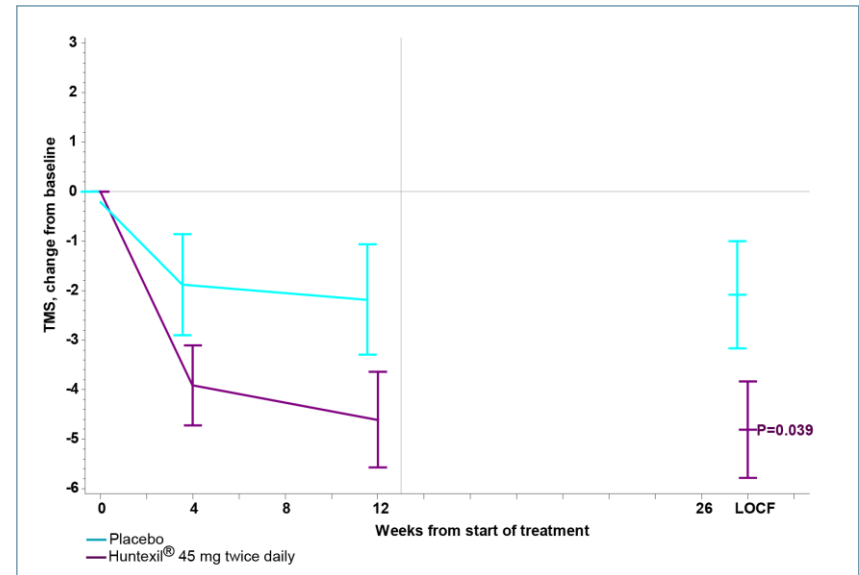
# Huntexil<sup>®</sup> effect on TMS



## The MermaiHD study



## The HART study



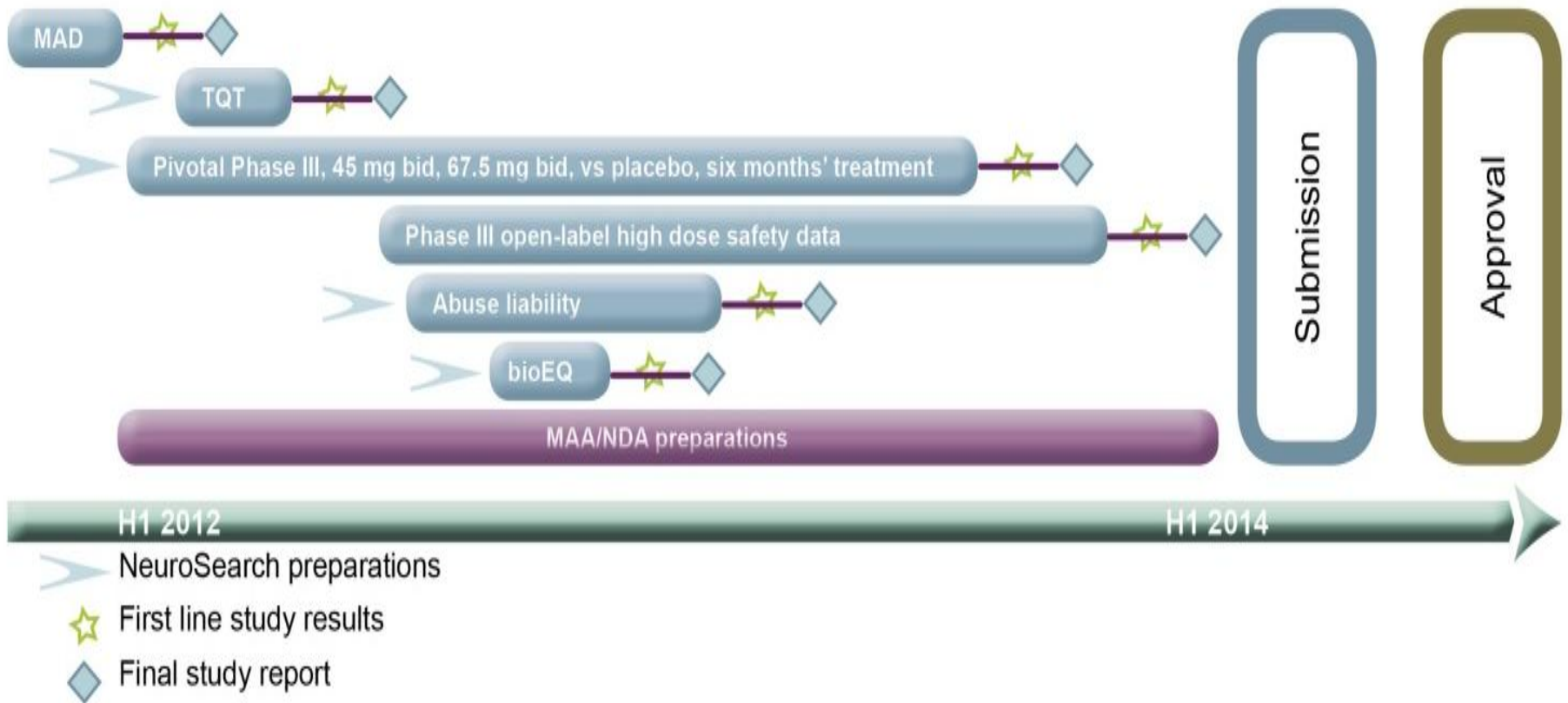
## The MermaiHD study

- Phase III study with 437 patients in eight European countries
- Significant effects on TMS after 26 weeks
- The primary endpoint (mMS) was not met

## The HART study

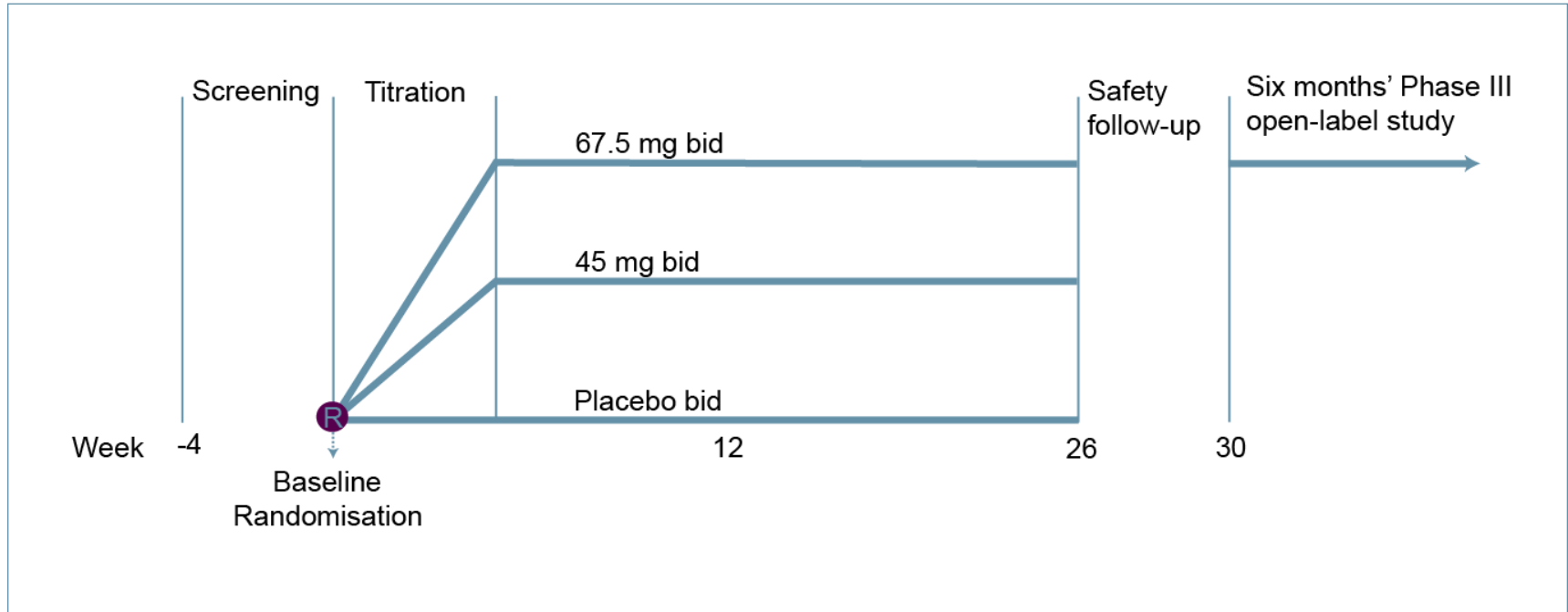
- Phase IIb study with 237 patients in the United States and Canada
- Significant effect on TMS after 12 weeks
- The primary endpoint (mMS) was not met

# Huntexil<sup>®</sup> Phase III programme overview



# Prime-HD for Huntexil<sup>®</sup>

## Confirmatory Phase III efficacy study design



### Confirmatory Phase III efficacy study

- Global study with 630 patients in three treatment arms
- Primary endpoint is TMS. The primary objective is to show efficacy of Huntexil<sup>®</sup> 45 mg twice daily on TMS
- Other endpoints include Clinical Global Impression (CGI), activities on daily living (ADCS-ADL) and non-motor scales from UHDRS

# Expected 12 months news flow



## ➤ **Huntexil® for motor symptoms associated with Huntington's disease**

- The final details of Prime-HD will be determined following an informal protocol review by the FDA
- Results from the Multiple Ascending Dose study during Q1 2012
- First patient enrolled in Prime-HD during H1 2012

## ➤ **Other news**

- Financing of NeuroSearch
- Advances and potential exit for the associated companies
- Update on the Lilly and Janssen alliances
- Potential spin-outs from/of NsDiscovery and NeuroSearch Sweden





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