



PRESS RELEASE

17 May 2004

Addex Pharmaceuticals Completes Largest ever European Biotech Series B Fund Raising

GENEVA, Switzerland: Addex Pharmaceuticals ("Addex"), the Central Nervous System (CNS) drug discovery and development Company today announced the closing of a CHF 50.5 million (US\$39 million, €33 million) Series B venture capital funding, the largest to date in Europe. Investors include TVM Techno Venture Management - who led the round, PolyTechnos Venture-Partners, Bio*One Capital Pte Ltd, Vinci Capital - Renaissance PME, Initiative Capital, Fulcrum Pharma Development Ltd, and returning lead investors from the Series A Index Ventures and Sofinnova Partners. Addex will use these funds to advance its portfolio of clinical and pre-clinical compounds. Since its founding in May 2002, the Company has secured more than CHF 66 million in venture capital funding.

Vincent Mutel, CEO of Addex, commented, "We are delighted to have successfully completed this financing round and view the support of both our new and current investors as a strong endorsement of the team, our strategy and technology. We are now looking forward to developing and commercializing our product portfolio."

Addex' clinical pipeline includes a dopamine D1-selective antagonist which will begin a Phase IIa study for smoking cessation in the US. Addex has developed a pre-clinical pipeline of proprietary compounds that modulate glutamatergic targets in the CNS. This new class of compounds are expected to have greater selectivity, superior drug-ability and in-built safety, giving Addex a significant competitive advantage in the treatment of schizophrenia, anxiety and Alzheimer's disease.

Richard Rimer, Partner at Index Ventures, commented, "at the time of the company's formation, this was just a concept in a business plan - two years later the area has been validated as a major hot-spot for Pharma and Vincent's team are way ahead of the game".

Alexandra Goll, General Partner at TVM, added that "Addex has a unique approach to discovery and development of highly innovative CNS drugs that have already attracted a lot of interest from the Pharma industry".

"In less than two years, Addex has demonstrated its ability to rapidly develop a portfolio of unique compounds which have the potential to revolutionize the treatment of a number of major CNS disorders" **said Antoine Papiernik, Managing Partner of Sofinnova Partners.**

In connection with the investment, Alexandra Goll of TVM has joined the Addex' Board of Directors.



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For further information, please contact:

Genevensis

Danièle Letoré

dletore@bluewin.ch

+41 22 779 0620

Weber Shandwick Square Mile

Christian Taylor-Wilkinson

CTaylor-Wilkinson@WeberShandwick.com

+44 20 7067 0745

Notes to Editors:

About Addex Pharmaceuticals

Addex is an innovative pharmaceutical company developing therapeutics for the treatment of Central Nervous System (CNS) disorders and has a fully integrated pre-clinical and clinical development capability. The Company is focused on novel targets and has proprietary compounds in pre-clinical and clinical development for the treatment of large CNS indications including Alzheimer's disease, schizophrenia, anxiety, depression, pain, Parkinson's disease and nicotine dependence.

Addex is developing a new class of drugs that exert a modulatory activity on specific CNS targets. These modulators offer greater selectivity, superior drug-ability and in-built safety, giving Addex a significant competitive advantage. Addex applies state-of-the-art technologies in biology and chemistry to support its drug development programs with the objective of reducing time to market and attrition rates.

Addex develops compounds up to the end of Phase II proof of concept for all its CNS indications, and will partner the development of its products at this stage. For certain programs in pre-clinical development, Addex is seeking partners for co-development.

For further information, please visit: www.addexpharma.com

About TVM Techno Venture Management

Techno Venture Management (TVM) is a German-U.S. venture capital firm with offices in Munich and Boston. TVM is focused on information technology and life sciences, high growth sectors where innovation, effective management and sound financial backing have enormous impact on company growth. TVM funds have made investments in more than 200 technology companies in Europe and the United States. A pivotal objective is to create trans-national businesses that enjoy access to science, management talent and capital on both sides of the Atlantic. Since 1983 TVM has raised over €1 billion in five fund generations and has established itself as a leading technology investment group in Germany and the United States. For further information, please visit: www.tvmvc.com.



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About Sofinnova Partners

Sofinnova Partners, based in Paris since 1972, is a leading European venture capital firm dedicated to financing and building early stage information technology and life sciences companies in Europe and the US. Sofinnova Partners has in total over €500M under management. In the past five years, Sofinnova Partners has made over 60 investments, primarily as lead or co-lead investor.

For further information, please visit www.sofinnova.fr.

About Index Ventures

Index Ventures is a venture capital fund dedicated to helping top entrepreneurial teams build their companies into global leaders. Index proactively seeks out opportunities to invest in companies with products and services that drive the transformation of their industries. Index's company building approach allows each portfolio entrepreneur to leverage the combined experience, networks and resources of the entire partnership. Managing \$500 million in capital, the Index team has been active in technology investment since 1992. Investors in Index funds include major European and US institutions as well as Cisco, Oracle, Sun and AOL. The firm has offices in Geneva and London and focuses its activity primarily on Europe and Israel.

For further information, please visit www.indexventures.com.

About PolyTechnos Venture-Partners

PolyTechnos Venture-Partners is an independent European venture capital firm focusing on early to expansion stage, technology and life science investments predominantly in German-speaking Europe. Areas of expertise comprise Technology (Information Technology & Communications, Industrial & Engineering, Energy) and Life Sciences (Drug Development, Diagnostics & MedTech), and the respective interfaces. PolyTechnos helps companies turn technology into business by providing support in areas such as strategy, business development, and organisation building. PolyTechnos, located in Munich, Germany, was founded in 1998 and currently advises funds totalling approximately EUR 200 million. For more information, please visit www.polytechnos.com.

About Bio*One Capital Pte Ltd

Bio*One Capital is the dedicated biomedical investment arm of the Singapore Economic Development Board (EDB), the lead government agency responsible for the strategic development of Singapore's Biomedical Sciences industry. It aims to enhance the level of biomedical industrial activities in Singapore as well as generate long-term capital gains. Bio*One Capital manages funds in excess of US\$700 million and has strategic investments in over 80 companies worldwide. For further information, please visit www.Biomed-Singapore.com.



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About Vinci Capital & Renaissance PME

Renaissance PME (www.renaissance-pme.ch) is an investment foundation, created in 1997, with a current membership of 42 Swiss pension funds, structured in two independent investment vehicles, Renaissance Technologies I and Renaissance Technologies II, with total funds under management amounting to CHF 83 millions. The investment focus is Swiss-based private corporations in development or expansion phases. Renaissance PME is advised by Vinci Capital. Vinci Capital, based in Geneva, (www.vincicapital.ch) is a Swiss venture capital firm, created in 2003, focused on Swiss-based technological firms active in the following domains: computing, micro-electronic, bio and nano-technologies, and medical devices. The funds under management include Renaissance Technologies I, Renaissance Technologies II & Minicap amounting to CHF 192 millions.

About Initiative Capital SA

Initiative Capital SA is a Swiss Venture fund focused on early-stage companies located in the Geneva Lake Area that have potential in high technology: biotechnology, medical technology, software, consumers and telcos. Initiative Capital SA will always co-invest with a maximum investment amount of CHF 1 million. Since August 2003, Defi Gestion SA, a leading Private Equity company in Lausanne, has managed and advised the Initiative Capital portfolio.

About Fulcrum Pharma Development Ltd

Fulcrum Pharma plc is an independent, drug development company that is the first to offer global virtual drug development and strategic outsourcing services to the pharmaceutical industry. The Company has expertise in the design, execution and delivery of drug development programmes and relies on state of the art information technology and infrastructure in the supply of its services. Through Fulcrum's services to its clients, the Directors believe that there is the capacity to deliver products faster and more efficiently to the global pharmaceutical market. Fulcrum does this by using its skills in the design of drug programmes that deliver the necessary information for decision-making and product registration. In so doing, Fulcrum works closely with its clients to meet their strategic R&D goals. Fulcrum Pharma is listed on the Alternative Investment Market of the London Stock Exchange. For further information, please visit www.fulcrumpharma.com.

About Tavernier Tschanz

Tavernier Tschanz acted as lead counsel in the transaction advising both Addex and the returning series A lead investors. The Tavernier Tschanz' team was lead by Jacques Bonvin, partner. Tavernier Tschanz is a Geneva based general corporate, commercial and banking law firm focusing on corporate finance and M&A, banking, new technologies, competition, arbitration and commercial litigation. Tavernier Tschanz has a very strong expertise and track record in private equity and venture capital transactions, advising in particular investment banks, private equity and venture capital firms and funds, corporate venture firms as well as incubators and start-ups in connection with legal aspects of raising finance for start-ups or growing companies. For further information, please visit: www.taverniertszanz.com.