Company presentation

H1 2010 Interim report - Carnegie, 26 August 2010

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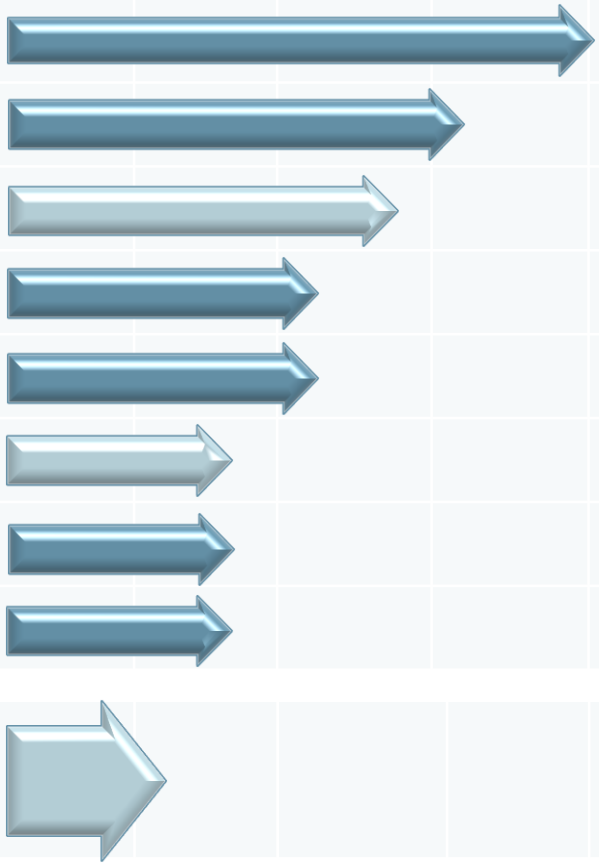
H1 2010 - Financials

Group (DKK million)	**H1 2010**	H1 2009	FY 2009
Revenue	**35**	19	85
Total costs	**(203)**	(223)	(441)
Operating loss	**(168)**	(204)	(356)
Finance net	**21**	12	38
Associated companies	**(1)**	(7)	(13)
Tax	**28**	21	44
Net result after tax	**(120)**	(178)	(287)
Capital resources	**808**	489	968

2010 full year financial guidance adjusted to an operating loss of ~ DKK 350 million (a loss of ~ DKK 400 million)

Pipeline

Indication	Product	Mechanism of action	Partner	PC	Phase I	Phase II	Phase III	Market reg.
Huntington's disease	Huntexil®	Dopidine						
Obesity	Tesofensine	Monoamine RI						
ADHD	ABT-894	NNR modulator	Abbott					
Schizophrenia et al.	ACR343	Dopidine						
PD dyskinesias (LID)	ACR325	Dopidine						
Cognitive dysfunctions	ABT-560	NNR modulator	Abbott					
Depression/anxiety	NSD-788	Monoamine RI						
Social anxiety disorder	NSD-721	GABA modulator						
Preclinical candidates			Lilly Janssen					



Share information

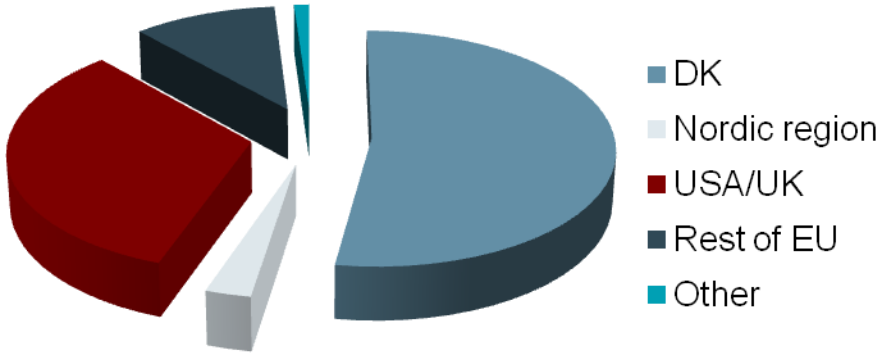
- Number of shares outstanding 24,553,947
- Share price (25 August 2010) DKK 83
- Market Cap DKK ~2.0bill./€ ~ 270mill. / $ ~350mill.
- Capital resources (end Q2 2010) DKK ~810mill/ € ~ 110mill. / $ ~140mill.

Broad shareholder base

Corporate shareholders	~11%
Institutional investors	~ 65%
Retail investors	~ 24%

100% free float

Geographically well distributed



Business highlights

Corporate profile and strategy – A new CEO appointed

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NeuroSearch – Corporate profile and strategy

Late stage products

- Huntexil® for Huntington's disease:
  Positive effects shown in Phase III study – Other studies ongoing
- Tesofensine for obesity: Revised Phase III plan in preparation

Pipeline

- 8 novel drugs in clinical development
  + portfolio of preclinical candidates
- Pipeline inflow: Own R&D and in-licensing/M&A

Company fundamentals

- Broad based drug discovery platform, focused on CNS disorders
  + backed and validated by strong pharma alliances
- Capital resources; EUR 110m (end Q2'10) - 240 employees in DK & SE

Building a CNS speciality pharma

- Huntexil® - A unique orphan opportunity, all commercial rights retained
- Aiming for near term company transformation;
  ensure profitability through commercialisation of speciality CNS drugs

New CEO of NeuroSearch: Patrik Dahlen

Professional background

- More than 10Y of top managerial experience from the international Life Science industry
- Leadership experience from both smaller venture-backed companies and large, global organisations
- Proven track-record in the focusing and growing of commercially oriented companies

Motivation: Key NeuroSearch related competences

- Strong and proven managerial skills
- Commercially savvy and market oriented
- Performance driven
- Scientifically founded
- Broad-based business understanding

Personal data

Born: 1962

Nationality: FIN

Civil status: Married, five children, and living in DK

Business highlights and update

Huntexil® - Huntington's disease

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Huntexil® – Huntington's disease
Where are we?

➢ Huntington's disease: Represents a substantial unmet medical need

- Estimated market size: 1 in 10,000 in most Western countries (> 100,000 pts ww)
- No effective treatment and only very few novel drugs in clinical development

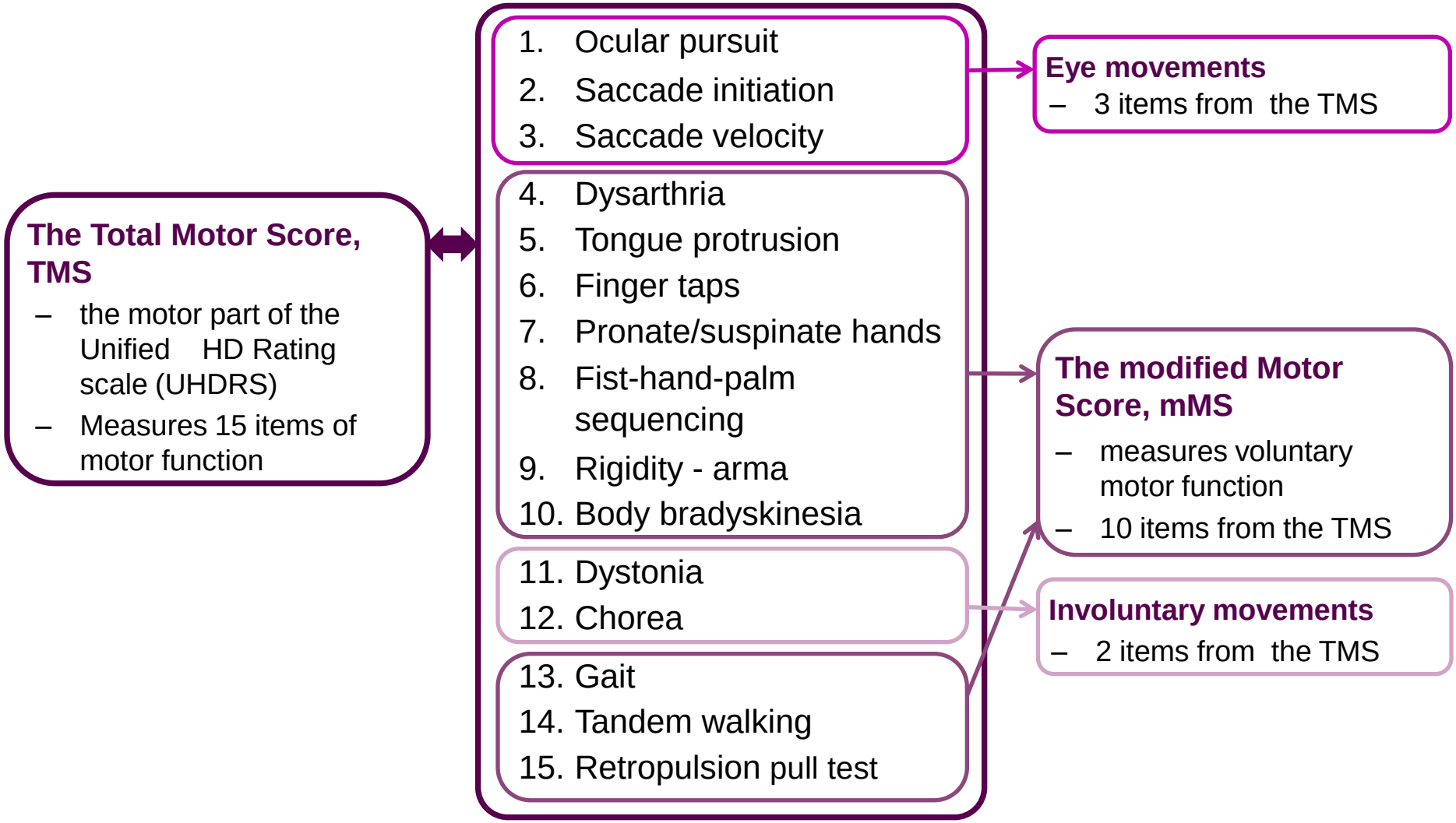
➢ Huntexil® - A unique therapeutic offering in Huntington 's disease

- First ever drug to improve ***motor function*** in HD patients;
  positive effect on both voluntary and involuntary motor symptoms seen
- Results from the MermaiHD study:
  On the primary endpoint, mMS, effect did not meet significance (p= 0.042), but on the TMS, the effect was highly significant (p< 0.005)
- Good safety profile and no worsening of other disease signs and symptoms
- Potentially disease modifying properties; increased effect seen over time (26 wk) and significant effect on Eye Movements (linked to neuronal loss)

➢ Orphan Drug Status with both the FDA and the EMA

➢ Patent protected until 2020 + extension - All commercial rights retained

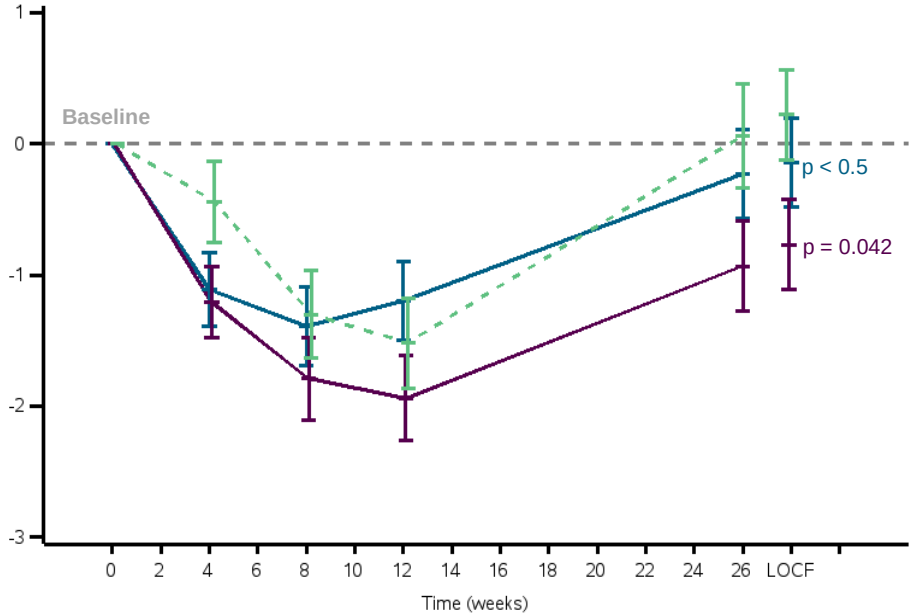
Huntington's disease
- Clinical motor scales and efficacy endpoints



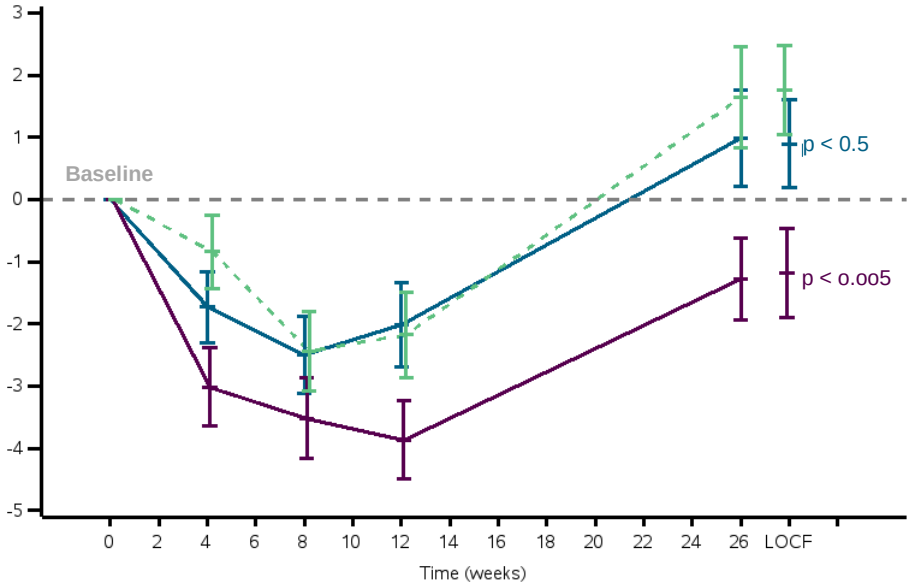
Huntexil® - Huntington's disease
Efficacy results from the MermaiHD study

In the MermaiHD study, 26 wk treatment with Huntexil® (45mg twice daily) demonstrated positive effect on motor function

Effect on the modified Motor Score, mMS (PE)



Effect on the Total Motor Score, TMS



Treatment: Huntexil® 45 mg q.d. | Huntexil® 45 mg b.i.d. | Placebo

The 26 wk effect on mMS and TMS corresponds to an average clinical improvement of 6-8 months

Huntexil® - Huntington's disease – Ongoing clinical studies

Ongoing clinical studies

- The HART study; a 12 week North American study

  Primary objective: Evaluate the effect of Huntexil on motor symptoms in Huntington's, same endpoints as in the MermaiHD study (mMS, TMS etc)

  Status: The treatment of 227 Huntington patients have been completed

  Outlook: Results from the study are expected in mid-Oct

- The OL MermaiHD study; a 26 week open-label safety extension

  Primary objective: Evaluate the safety of Huntexil after 12 months treatment

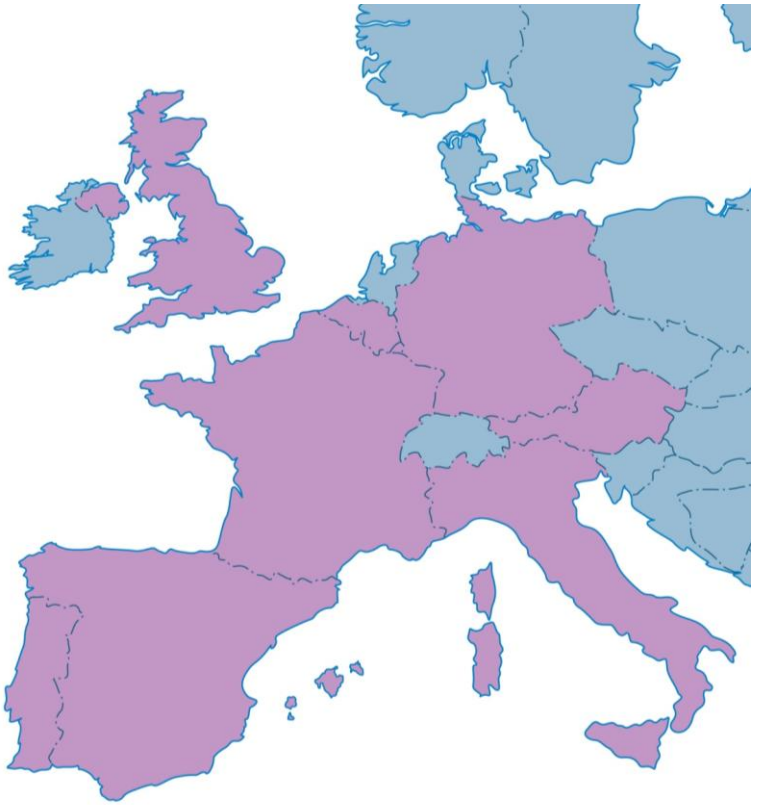
  Status: The treatment of 353 patients have been completed
  Drop-out rate as in the 26 wk randomised phase of the study

  Outlook: Study results are expected in September

Huntexil® - Huntington's disease
Compassionate Use programme

European Compassionate Use programme

- Objective: To offer continued treatment to ex-MermaiHD study patients free of charge
- Now established in all the eight European countries, in which the study was conducted
- Currently, almost 40% of the patients, who completed the OL MermaiHD phase, is covered by the programme



Compassionate Use in the US and Canada

- Broad interest also from ex-HART patients to get access to continued treatment with Huntexil
- NeuroSearch is working to be able to offer access to drug also for these patients free of charge

Huntexil® - Huntington's disease
Regulatory strategy and other activities

Regulatory plans

- When the results from HART and OL MermaiHD are available in Q4 2010, dialogue will be initiated with FDA and EMA to define the most appropriate strategy to obtain market registration of Huntexil as fast as possible

Other activities

- Independent MermaiHD study review by EHDN nominated comittée ongoing
- Cost-of-illness study in major markets to help evaluate the overall benefits of Huntexil® and support pricing
- Planning for an Early Access Programme in Europe to offer treatment with Huntexil® to Huntington patients also outside the MermaiHD study
- Preparing clinical publications of the MermaiHD study results

Huntexil® – Aiming for market registration as fast as possible

Business highlights and update

Tesofensine – A highly efficacious weight-loss drug

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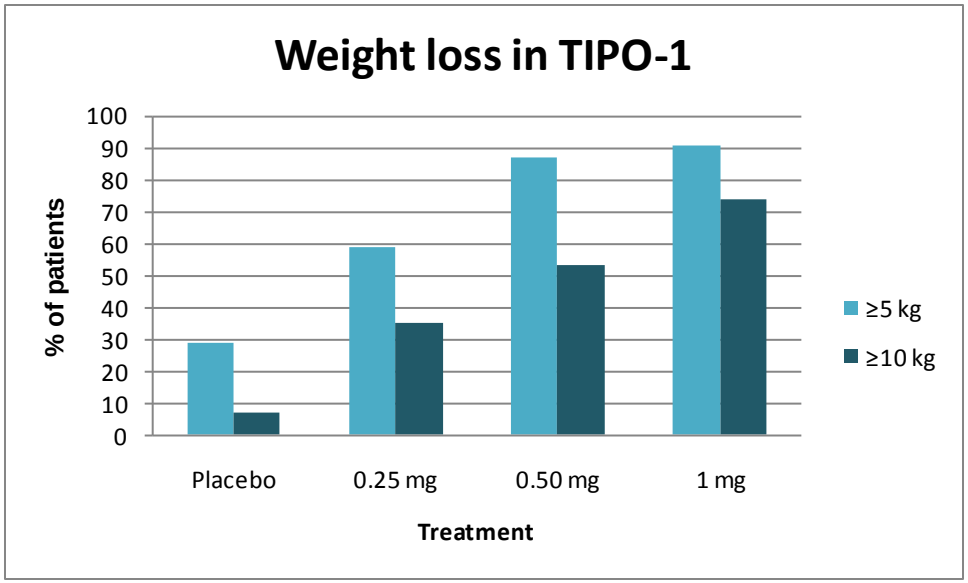
Tesofensine;
Very strong weight loss effect



In the Phase II study, TIPO-1, 24 wk treatment with tesofensine (0.25, 0.5 mg) resulted in

- An average weight loss of ~ 6.5% and 11.4%, respectively
- On 0.5 mg: 87% lost ≥5% (≥ 5kg) and 53% lost ≥10% (≥ 10kg)
- On 0.25 mg: 59% lost ≥5% (≥ 5kg) and 35% lost ≥10% (≥ 10kg)
- Good tolerability and safety profile

Tesofensine – Developmental status and plans

- NeuroSearch has revised the Phase III strategy for tesofensine following withdrawal of sibutramin in Europe
- A new Phase III plan is in preparation
- As part of the revision of Phase III strategy and plans, NeuroSearch is closely following the regulatory feedback on other obesity drugs:
  - The FDA advisory hearing on Qnexa, lorcaserin and sibutramin (SCOUT study outcome)

Outlook and plans

- A revised Phase III plan is expected to be ready for discussion with regulators in the US and Europe in Q4
- In parallel, NeuroSearch will continue dialogue with potential partners with the aim of signing a license agreement prior to initiation of Phase III

Business highlights and update

Seridopidine and ordopidine – Other speciality drug candidates

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ACR343 and ACR325
– Two novel speciality drug candidates

ACR343 (seridopidine) – Schizophrenia

- Phase II PoC study as add-on treatment in schizophrenia is in preparation
- Parallel evaluation of potential in speciality neurologic disorders; Tourette's, dystonia, initiation of gait in Parkinson's etc.
- WHO has granted ACR343 the generic name: *seridopidine*

ACR325 (ordopidine) – Dyskinesias in Parkinson's disease-

- Phase Ib safety study ongoing in Parkinson's patients with dyskinesias
- Phase II PoC study in L-Dopa indused Parkinson's dyskinesias in preparation
- WHO has granted ACR325 the generic name: *ordopidine*

Like Huntexil®, seridopidine and ordopidine belong to a newly established class of pharmaceutical agents: ***dopidines*** (earlier designated dopaminergic stabilisers),

- Unique pharmacological profile
- Stabilise dysregulated psychomotor functions
- with limited or no effect on normal behaviour

Expected news flow

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Expected 12 months news flow

- Huntington's disease - Huntexil®
  - Sept '10: Results of the 26-week open-label extension to the MermaiHD study
  - Oct' 10: Results from the 12-week HART study
  - Regulatory interactions (FDA and EMA) and decision on registration strategy
  - Potential initiation of Early Access programme
- Obesity - Tesofensine
  - Completion of new Phase III plan
  - Regulatory interactions (FDA and EMA)
  - Licensing
- Schizophrenia - Seridopodine
  - Initiation of Phase II study
- Parkinson's dyskinesias – Ordopidine
  - Initiation of Phase II study
  - Completion of Phase Ib study
- Other news
  - Appointment of new Chief Medical Officer
  - Advances for associated companies
  - Pipeline inflow

Appendices

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Huntington's disease: The clinical relevance of CAGn

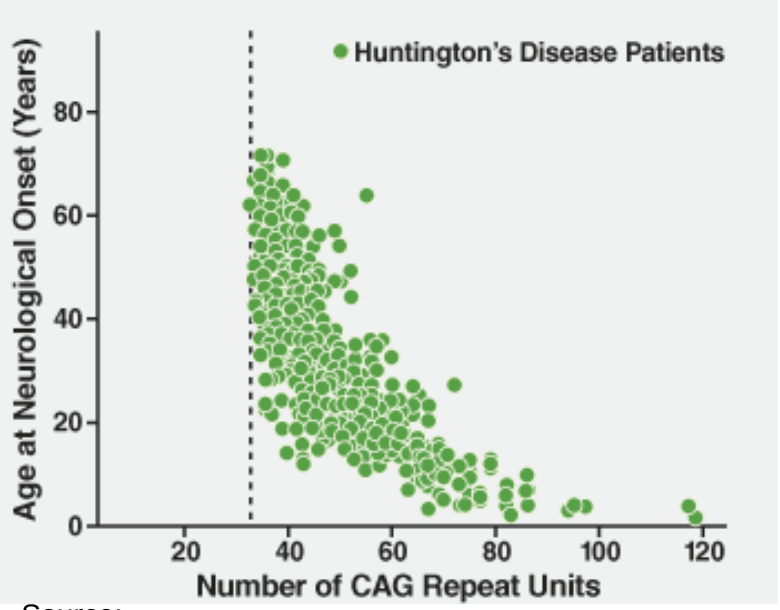
- The Huntington's disease gene (the huntingtin gene) contains a CAG repeat (CAGn) sequence;
  - In normal individuals: CAGn of between 10 and 30
  - In Huntington patients (mutated): CAGn > 36
- The CAGn score (the lenght of the diseased gene) correlates with onset of symptoms and disease progression:

  The longer the CAGn,
  - the faster the onset of symptoms and
  - the poorer the disease prognosis and symptoms progression

External references:

Aziz et al., "*Normal and mutant HTT interact to affect clinical severity and progression in Huntington's disease";* Neurology, 2009; 73; 1280-1285

Ravina et al., "*The Relationship Between CAG Repeat Length and Clinical Progression in Huntington's Disease*"; Movement Disorders, vol. 23, No. 9, 2008, pp. 1223–1227



Source:
The Gladstone Institute of Neurological Disease

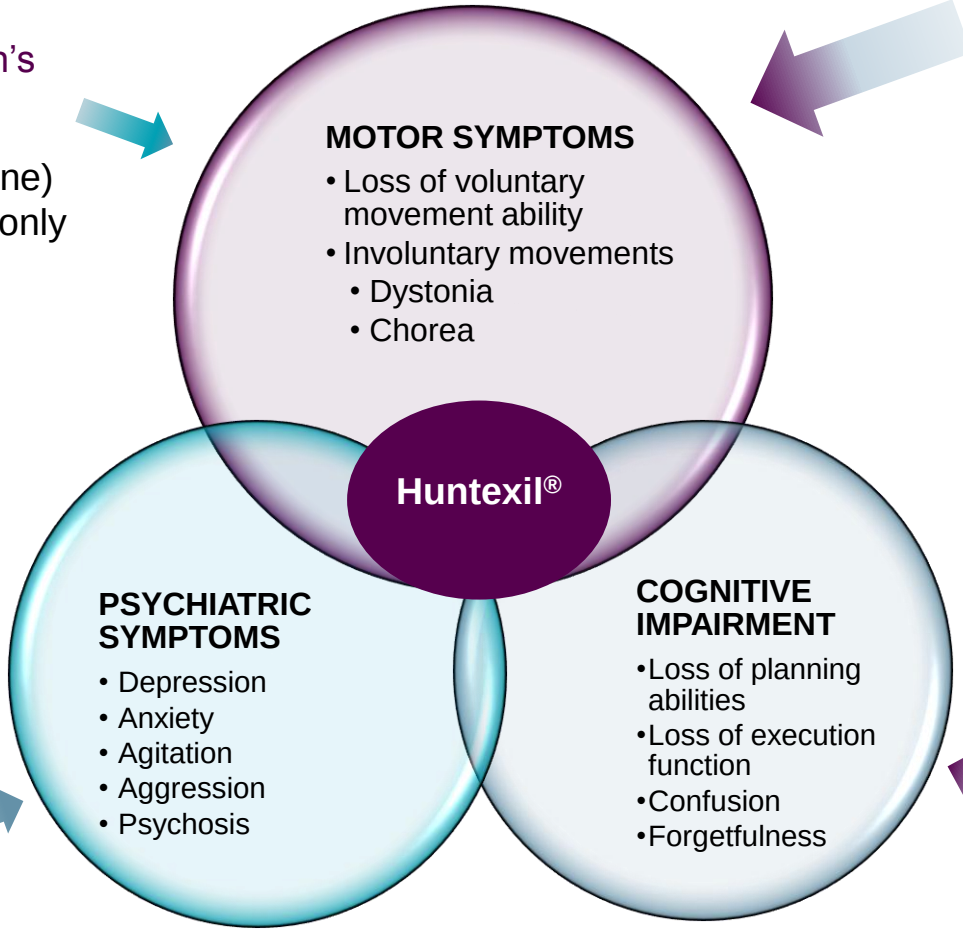
The Huntington's symptoms triad - and the proposed positioning of Huntexil®

Huntexil®

- Improves global motor function in Huntington's patients

Only drug with Huntington's on the label:

- Xenazine® (tetrabenazine) - for chorea symptoms only



Off-label treatment

- Anti-depressants
- Low dose antipsychotics

Off-label treatment

- Alzheimer's drugs

Huntexil® - Shows AE profile similar to placebo

The MermaiHD study – Reported adverse events:

	Placebo (%)	Huntexil® 45 mg q.d. (%)	Huntexil® 45 mg b.i.d. (%)
Full analysis set, patients	144 (100%)	148 (100%)	145 (100%)
Any adverse event(s)	64%	61%	68%
Fall	6%	5%	9%
Dizziness	4%	7%	5%
Huntington's chorea	6%	5%	7%
Diarrhoea	3%	7%	6%
Nausea	6%	7%	3%
Nasopharyngitis	3%	5%	6%
Depression	6%	4%	4%
Fatigue	6%	5%	3%
Insomnia	3%	3%	6%

The MermaiHD study – Compliance and safety

- Randomised population, Intention to treat (ITT) = 437 pts (100%)
- Completers = 92% (403 pts)
  - Placebo = 90%; 45 mg q.d. = 97%; 45 mg b.i.d = 90%
- Withdrawals due to AE = 4% (17 pts)
  - Placebo = 6%; 45 mg q.d. = 1%; 45 mg b.i.d. = 5%
- AEs similar across study arms
- Completers in full compliance, Per Protocol (PP) = 82% (357 pts)
- Anti-psychotic medication
  - 190 patients (43.5%) on and 247 patients (56.5%) not on

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

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