



# Addex Pharmaceuticals

## First Half 2010 Financial Results

July 28, 2010



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# Highlights



- Net loss CHF17.3 million  
*(H1 2009: CHF19.6m)*
- Revenues CHF2.7 million  
*(H1 2009: CHF2.8m)*
- Cash CHF56.7 million  
*(31/12/2009: CHF76.6m)*
- Cash burn CHF19.9 million  
*(H1 2009: CHF25.0m)*
- 2010 cash burn guidance maintained: CHF30-35m

# First Half 2010

## Consolidated Balance Sheets



In CHF thousands	Jun 30, 2010	Dec 31, 2009	Comments
Cash and cash equivalents	56'687	76'560	Reduced by cost of operations
Other current assets	2'922	1'838	Prepaid pension costs & French government research tax credit
Property, plant and equipment	8'021	9'568	No significant capex in H1 2010
Other non-current assets	528	587	Lease rental guarantee
<b>Total assets</b>	<b>68'158</b>	<b>88'553</b>	
Payables and accruals	7'333	10'203	Reductions in CRO related payables
Deferred income	107	687	Merck mGluR4PAM agreement
Non-current liabilities	278	82	IAS 19 pension obligation
Shareholders' equity	60'440	77'581	Reduction due to net loss
<b>Total liabilities &amp; s/holders' equity</b>	<b>68'158</b>	<b>88'553</b>	

# First Half 2010

## Consolidated Income Statements



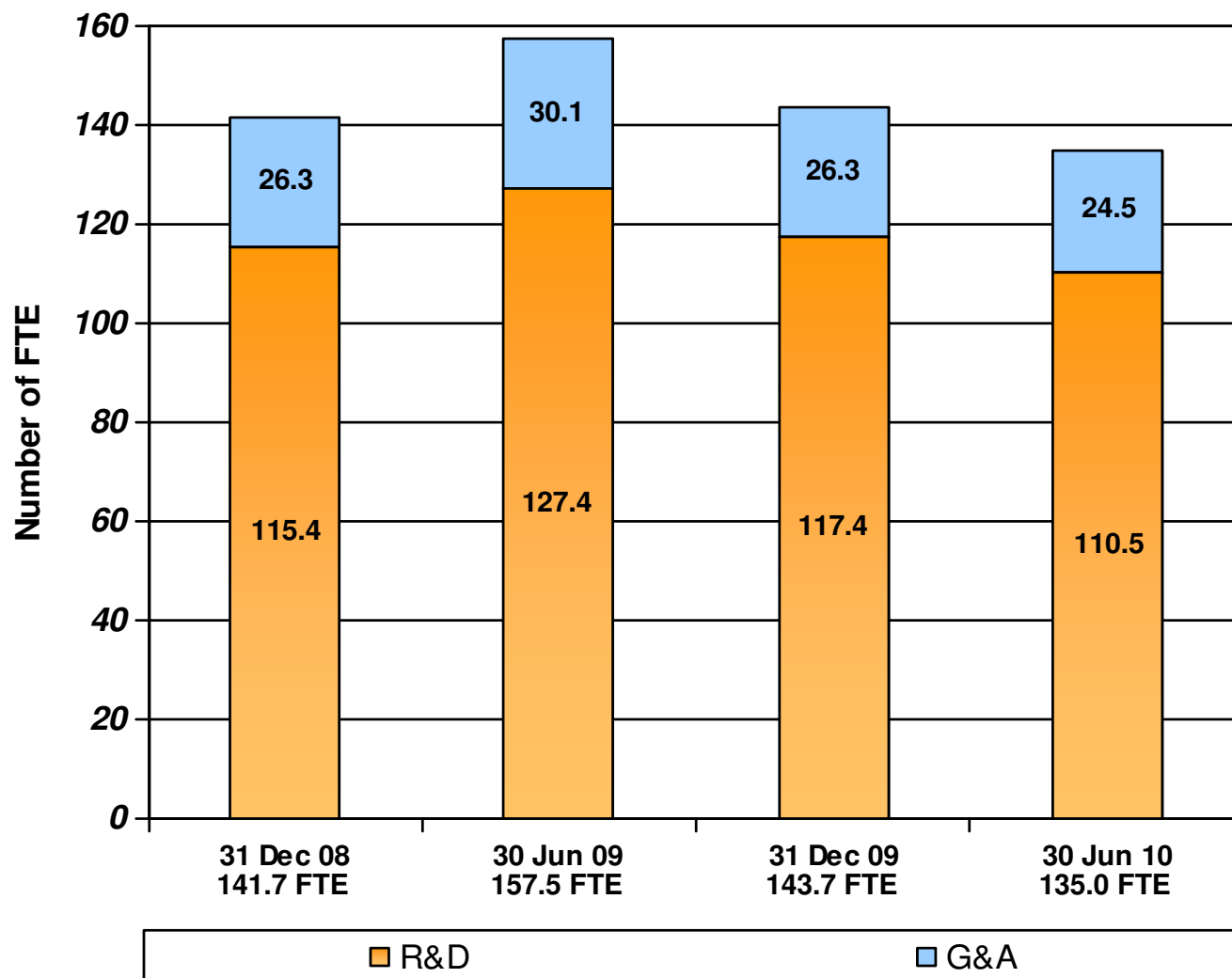
In CHF thousands	H1 2010	H2 2009	H1 2009	Comments
Revenue from collaborations	1'056	1'563	2'527	Merck mGluR4PAM research funding & tech access fee
Other income	1'644	124	288	French research tax credit for 2009 & H1 2010
<b>Total income</b>	<b>2'700</b>	<b>1'687</b>	<b>2'816</b>	
R&D expenses	(16'686)	(21'417)	(18'544)	Reduction in clinical development expenses & headcount
G&A expenses	(3'289)	(3'414)	(4'182)	Reduction in headcount off set by IAS 19 and IFRS 2 non cash charges
<b>Operating loss</b>	<b>(17'275)</b>	<b>(23'144)</b>	<b>(19'910)</b>	
Net finance result	13	45	317	Interest income off set by forex expense
<b>Net loss for the period</b>	<b>(17'262)</b>	<b>(23'099)</b>	<b>(19'593)</b>	
Basic and diluted loss per share (CHF)	(3.01)	(4.02)	(3.42)	

# First Half 2010

## Consolidated Cash Flow Statements

In CHF thousands	H1 2010	H2 2009	H1 2009	Comments
<b>Cash at beginning of the period</b>	<b>76'560</b>	<b>94'537</b>	<b>119'471</b>	
Operating cash flow	(19'987)	(19'560)	(22'741)	Cost of 2010 operations & reduction in YE09 creditors
Cash generated from collab.	485	2'925	-	Merck research funding (H2 09 – OMJPI phase 1 milestone)
Capital expenditure	(271)	(1'697)	(2'514)	Reduced investment in facilities
Interest received	49	83	232	Reduced cash balance
Issue of shares	(7)	315	-	ESOP related
<b>Decrease in cash</b>	<b>(19'731)</b>	<b>(17'934)</b>	<b>(25'023)</b>	
Exchange (loss)/gain on cash	(142)	(43)	89	Strength of CHF vs EUR
<b>Cash at end of the period</b>	<b>56'687</b>	<b>76'560</b>	<b>94'537</b>	

# Head Count Development



## Comments

- YoY headcount reduction of 14% (22.5FTEs incl. 14 short term contracts);
- H1 headcount reduction 7% (8.7FTEs);
- Streamlining complete: 120FTEs expected on payroll at YE 2010;
- New equity incentive plan and organization structure implemented.

# Financial Outlook



- Cash burn guidance maintained at CHF30-35 million
- Cash reach extended from late 2011 to early 2012
  - Assumption: no cash flows from new collaborations or contingent milestones under existing agreements
- Continued focus on cost saving measures
- Expected head count at YE 2010: 120FTEs

# PIPELINE

Molecule / Mechanism	Partner	Assay Development & Screening	Hit-to-Lead	Lead Optimization	Preclinical	Phase I	Phase II	Milestone
<b>ADX48621</b> mGluR5 NAM <span style="color: red;">●</span>		Parkinson's Disease Levodopa Induced Dyskinesia (PD-LID)						Start Ph II 4Q10
		Dystonia						Start Ph IIa 1Q11
<b>ADX71149</b> mGluR2 PAM <span style="color: green;">●</span>	Ortho-McNeil-Janssen	Schizophrenia						Start Ph IIa 2H10
	Ortho-McNeil-Janssen	Anxiety						Start Ph IIa 2H10
<b>ADX71943</b> GABA-B PAM <span style="color: green;">●</span>		Osteoarthritic Pain						
<b>ADX63365</b> mGluR5 PAM <span style="color: green;">●</span>	Merck & Co., Inc.	Schizophrenia ‡						
<b>ADX68692</b> FSHR NAM <span style="color: red;">●</span>		Endometriosis / Benign Prostatic Hyperplasia						

● **NAM** = negative allosteric modulator (an inhibitor)  
● **PAM** = positive allosteric modulator (an activator)

‡ and undisclosed additional indications

\* Ortho-McNeil-Janssen Pharmaceuticals, Inc., a Johnson & Johnson subsidiary

# DISCOVERY PROGRAMS

Molecule / Mechanism	Partner	Assay Development & Screening	Hit-to-Lead	Lead Optimization	Preclinical	Phase I	Phase II	Milestone
mGluR2 NAM <span style="color: red;">●</span>	Merck & Co., Inc.	Alzheimer's / Depression						CNS
mGluR4 PAM <span style="color: green;">●</span>		Parkinson's Disease ‡ funded by Merck						
mGluR7 NAM <span style="color: red;">●</span>		Depression Post Traumatic Stress Disorder						
Orexin 2R NAM <span style="color: red;">●</span>		Sleep Disorders						
GLP1 PAM <span style="color: green;">●</span>		Type II Diabetes						Metabolic Disorders
GIPR PAM <span style="color: green;">●</span>		Type II Diabetes						
TNFR1 NAM (CD120a) <span style="color: red;">●</span>		Rheumatoid Arthritis, Psoriasis, Alzheimer's, Multiple Sclerosis						Inflammation
A2A PAM <span style="color: green;">●</span>		Psoriasis, Osteoarthritis						
IL1R1 NAM (CD121a) <span style="color: red;">●</span>		Gout, Type II Diabetes						

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## Q&A

*allosteric modulators for human health*

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