

## **Addex Has Record Increase on Acquisition Speculation (Update1)**

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(Adds management comment in fifth paragraph.)

By Dermot Doherty

**Aug. 12 (Bloomberg)** -- Addex Pharmaceuticals Ltd., the Swiss biotechnology company working with Merck & Co., had a record rise in Zurich trading on speculation it is a takeover target.

Addex climbed as much as 7.95 Swiss francs, or 19 percent, the steepest gain since shares of the Geneva-based company started trading in May 2007. The shares increased 3.2 francs, or 7.6 percent, to 45.2 francs at 4:03 p.m.

Novartis AG bought a majority stake in partner Speedel Holding AG on July 10 and has offered to purchase the rest in a deal valued at 1.01 billion francs (\$92.7 million). The takeover bid has raised speculation that large drugmakers may buy other biotechnology companies in Switzerland, Andrew Weiss, an analyst at Bank Vontobel said.

"There's been interest in Addex from investors after recent acquisition announcements by big pharmaceutical companies," Weiss said in a telephone interview.

Addex isn't involved in any discussions to be taken over, Chief Executive Officer Vincent Mutel said in an e-mail.

The Swiss company focuses on compounds that bind to a different part of the cell than traditional drugs. Addex has signed two deals with Merck since December covering new therapies for Parkinson's disease and schizophrenia.

A 2004 agreement with Ortho-McNeil Pharmaceutical Inc., a unit of Johnson & Johnson, focuses on new medicines for schizophrenia, as well as anxiety. Addex is also developing a new medicine for heartburn and migraine.

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