

March 5, 2007 – News Release

Affectis Pharmaceuticals AG Announces Extension of Research Collaboration with Mitsubishi Pharma

Munich, Germany, -- Affectis Pharmaceuticals AG announced today that it has extended its research collaboration with Mitsubishi Pharma. The collaboration, established in February 2005, called for Affectis to use its expertise to assist Mitsubishi in developing novel therapeutics for the treatment of affective disorders and has now been expanded by another project.

"I would like to recognize the employees of Mitsubishi and Affectis, who jointly have built the trust and respect that resulted in the renewal of this collaboration," said Herbert Stadler, CEO of Affectis. "Following the recent announcement of our inlicensing agreement with Palau Pharma and the rapid progress of our in-house P2X7 program, I am delighted with the momentum we have created in the past 12 months."

"We are pleased with the accomplishments made to date," stated Dr Nakajima, Executive Officer/Division Manager of the Pharmaceutical Research Division for Mitsubishi Pharma. "The progress we have achieved together during the last two years was extremely valuable. We look forward to continuing to work with Affectis to bring forward the development of new drugs for the treatment of affective disorders."

Contact for Affectis Pharmaceuticals AG:

Sabina van den Brandt
Kraepelinstrasse 2
D-80804 Munich, Germany
Tel: +49 (0)89 - 306 22 - 591
Fax: +49 (0)89 - 306 22 - 370
Email: contact@affectis.com
www.affectis.com

Notes to Editors

About Affectis Pharmaceuticals AG:

Affectis is a biopharmaceutical company implementing novel concepts for the treatment of mental disorders, especially depression and schizophrenia. The Company has unique capabilities to discover and develop drugs based on pioneering findings in the field of mental disorders. These drugs address the increasing need for more comprehensive and faster-acting antidepressants with fewer side effects. Affectis started operations in November 2003 as a spin-off from the renowned Max-Planck-Institute of Psychiatry, a world leader in the field of psychiatric research. A strong team of executives and scientists with long-term industry experience contribute to Affectis' progress. The Company raised its third round of venture financing in October 2006, led by AESCAP Venture. Affectis is based in Munich, Germany.

www.affectis.com

About Mitsubishi Pharma Corporation:

Mitsubishi Pharma Corporation is a global research-driven pharmaceutical company targeting the therapeutic areas of cardiovascular and metabolic diseases, psychiatric and central nervous system diseases, immunological and respiratory diseases, and cancer and hepatic diseases. This company was founded by the merger between former Welfide Corporation and Mitsubishi-Tokyo Pharmaceuticals, Inc., on October 1, 2001. Mitsubishi Pharma Corporation has established a strong drug discovery infrastructure to engage in the development of innovative new drugs.

www.m-pharma.co.jp