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PRESS RELEASE

DYNOGEN PHARMACEUTICALS, INC. ENTERS INTO AGREEMENT WITH MITSUBISHI PHARMA FOR IRRITABLE BOWEL SYNDROME COMPOUND

-- Agreement Marks the Second Clinical Stage Compound in Company's 18-Month History --

Boston, MA, December 22, 2003 –Demonstrating rapid progress in building its clinical pipeline, Dynogen Pharmaceuticals, Inc. announced today that the Company has entered into a Technology Transfer and License agreement with Mitsubishi Pharma Corporation involving a neurological compound that Dynogen will develop for the treatment of irritable bowel syndrome (IBS). The compound, DDP-225 (formerly MCI-225), is one of two Dynogen drug candidates expected to enter Phase II clinical trials during 2004.

The agreement provides Dynogen with rights to all clinical trial data and other information useful for the research, development and manufacturing of the compound, as well as a supply of drug material adequate to complete Dynogen's Phase II clinical trials. Financial terms were not disclosed.

It is increasingly recognized that the nervous system plays important roles in a number of gastrointestinal and genitourinary disorders such as IBS and overactive bladder (OAB). "Dynogen is pursuing a unique approach to identifying and developing existing compounds to treat IBS and OAB that combines our industry leading expertise in neuropharmacology, predictive disease models and drug development," said Lee Brettman, M.D., FACP, President and CEO of Dynogen Pharmaceuticals, Inc. "The agreement for DDP-225 and the progress we have made with DDP-200, our clinical development program for OAB which will enter Phase II in the first part of next year, highlights the potential of this approach to rapidly generate a pipeline of products aimed at very large, underserved markets."

Originally, Mitsubishi had pursued MCI-225 as a treatment for depression and conducted Phase I and Phase II clinical trials involving the administration of the compound to over 350 patients. Dynogen recognized the value of using the compound to treat IBS and certain other genitourinary and gastrointestinal indications and filed broad patent applications covering the use of the compound for those indications.

Studies indicate that IBS affects nearly 20 percent of Americans, accounting for a total of nearly 54 million people. With symptoms such as abdominal pain, cramps, gas, bloating, diarrhea and constipation, patients experience severe discomfort and inconvenience resulting from IBS. Even though there are very

limited treatment options currently available, this market is projected to grow to more than \$1 Billion in the next three years.

Dynogen's DDP-200 program addresses the symptoms of OAB, consisting of frequency, urgency, nocturia and urge incontinence. With over 32 million people affected by the disorder and limited treatment options available, the market potential for a novel therapy that treats the underlying neurological cause of OAB is estimated to be over a \$1 Billion. Currently, there are no approved treatments for over half of the patients affected by OAB and the treatments that are available have limited utility, modest efficacy and many side effects.

About Dynogen Pharmaceuticals, Inc.

Dynogen Pharmaceuticals, Inc. is a neuroscience-based drug identification and development company targeting first-in-class and best-in-class therapies for genitourinary and gastrointestinal disorders. The company reduces the time required and the risk involved in product development by using its predictive *in vitro* and *in vivo* pharmacology platform and experienced development team to identify and reposition advanced stage neurological compounds for genitourinary and gastrointestinal indications. Dynogen is applying these capabilities to rapidly build a pipeline of clinical programs addressing major underserved markets such as overactive bladder, irritable bowel syndrome and sexual dysfunction. For additional information, please visit www.dynogen.com.

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