



FOR IMMEDIATE RELEASE

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**FDA REQUESTS ADDITIONAL INFORMATION IN ITS REVIEW OF THE
PROSORBA[®] COLUMN FOR RHEUMATOID ARTHRITIS**

January 25, 1999, San Diego, CA – Cypress Bioscience, Inc. (NASDAQ: CYPB) announced today that the U.S. Food and Drug Administration (FDA) has issued a letter of deficiency relating to the ongoing review of the ProSORBA column for use in moderate to severe rheumatoid arthritis (RA).

The letter identifies questions that must be addressed before an approval is granted. These questions relate to certain documentation from Cypress' pivotal trial, as well as to the requirement for gaining FDA agreement on the post-approval Phase IV study design. The FDA queries arose after a recently completed routine compliance audit of clinical trial documentation. Cypress has prepared and submitted the corresponding documentation requested by the FDA in response to these questions.

In parallel, Cypress is continuing its dialogue with the FDA regarding the design of its post approval Phase IV clinical trial. In October 1998, a FDA advisory panel recommended the ProSORBA column for approval, based on a pivotal trial comparing the ProSORBA column alone versus a sham procedure control. As severe RA patients are often treated with multiple therapies, the FDA mandated an additional trial after approval, studying the effectiveness and safety of the ProSORBA column in patients who are currently treated with methotrexate, the most commonly used Disease Modifying Anti-Rheumatic Drug (DMARD).

“We are disappointed by this temporary setback and are working diligently to minimize resultant delays. Based on our history of a close and collaborative relationship with the FDA and our understanding of the issues raised in the letter, we believe that resolution can be achieved within a relatively short timeframe,” said Mike Gendreau, MD, VP Research and Development and Chief Medical Officer of Cypress Bioscience.

Cypress Bioscience, Inc. develops, manufactures and markets medical devices and therapeutics for the treatment of certain types of immune disorders and is engaged in the development of novel therapeutic agents for the treatment of blood platelet disorders. In addition to Cypress’s lead product, the ProSORBA column, the Company acquired Cyplex™ (Infusible Platelet Membranes), which is positioned to become an alternative for traditional platelet infusions.

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties, including, but not limited to, the risk of delay in the formal product launch of the ProSORBA column; the Company’s ability to market successfully the ProSORBA column for use as a treatment for RA; whether the Company will be successful in collaborating with a marketing partner or not; the Company’s ability to receive regulatory approval for Cyplex on a timely basis, if at all; and whether Cyplex will become a substitute for traditional platelet infusions, as well as other risks detailed from time to time in the Company’s SEC reports, including its report on Form 10-K for the year ended December 31, 1997.