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Cypress Bioscience, Inc.'s Milnacipran Significantly Improves Pain and Fatigue in Fibromyalgia Syndrome Patients

No Therapies Currently Approved for Treatment of Fibromyalgia Syndrome

SAN DIEGO, CA – December 10, 2002 – Milnacipran, Cypress Bioscience, Inc.'s (NASDAQ:CYPB) drug currently being evaluated for treatment of the Fibromyalgia Syndrome (FMS) was shown to provide statistically significant improvement of pain and fatigue symptoms in a preliminary analysis of the Company's Phase II clinical trial. This trial is the first to evaluate milnacipran as a potential treatment for FMS.

FMS is a chronic pain syndrome that is estimated to affect 2-4% of the general population. The symptoms of FMS can be debilitating, and are characterized by chronic and widespread pain throughout the body, often accompanied by severe fatigue and poor sleep. Treatment options are limited as there are no drugs specifically approved by the U.S. Food and Drug Administration for the treatment of FMS.

A preliminary analysis of the randomized, double blind, placebo-controlled, flexible dose escalation monotherapy trial was conducted on 95 patients, or 76% of the total patients enrolled in the trial, who had completed the trial as of October 31, 2002. A total of 125 patients are enrolled in the trial – the remaining 30 patients have recently completed the study. Patients were randomized to receive placebo or milnacipran (either once or twice per day) for four weeks of dose escalation, followed by eight weeks of constant dose. The study evaluated the efficacy and safety of milnacipran for the treatment of pain and associated symptoms such as fatigue, depressed mood and sleep. Patients were asked to characterize their pain, fatigue, sleep and related symptoms several times each day on an electronic diary.

Milnacipran-treated patients randomized to the twice a day dosing group (BID) showed statistically significant improvements in pain compared to those who received placebo. Of the 95 patients that had completed the trial as of the date of this analysis, 87 percent of all milnacipran-treated patients reported overall improvement, compared to 33 percent in the placebo group ($p < 0.001$). Further, 36 percent of milnacipran BID-treated patients reported at least a 50 percent reduction in pain intensity, compared to 9 percent of patients who received placebo, a difference that was statistically significant ($p = 0.030$, intent to treat analysis). In addition, milnacipran-treated patients showed significant improvements in fatigue and depressed mood.

"It is extraordinary to see such a significant improvement in symptoms in this patient population" said Dr. Daniel Clauw, Professor of Medicine, Division of Rheumatology; Director, Center for Advancement of Clinical Research; and Director, Chronic Pain and Fatigue Research Center, The University of Michigan and Chairman of Cypress' Rheumatology Advisory Board.

"Attempts to treat the complex pain of FMS with existing medications have met with limited success," noted Jay D. Kranzler, MD, PhD, Chairman of the Board and Chief Executive Officer of Cypress Bioscience Inc. "Milnacipran, a novel dual-acting reuptake inhibitor that acts on two key neurotransmitters in the human body, norepinephrine and serotonin, which are involved with the central modulation and processing of chronic pain, is distinguished from other dual reuptake inhibitors by its preference for norepinephrine reuptake inhibition over serotonin reuptake inhibition. Based on these preliminary results, milnacipran appears to have the potential to relieve several of the symptoms associated with FMS, and perhaps other related Functional Somatic Syndromes."

Eighty-four percent of all milnacipran patients escalated to the highest dose with no tolerability issues. The most common dose-related side effect reported by patients was nausea, particularly early in the study. Most adverse events were mild to moderate in intensity, and transient in duration.

A final analysis of the trial, including all enrolled patients, will be available early in 2003. It should be noted that response rates and significance levels may change when the final analysis is performed.

About Cypress Bioscience Inc.

Cypress is committed to be the innovator and commercial leader in providing products for the diagnosis and treatment of patients with Functional Somatic Syndromes, such as Fibromyalgia Syndrome, or FMS, and other related chronic pain and central nervous system disorders. In August 2001, Cypress licensed from Pierre Fabre Medicament its first product for clinical development, milnacipran. Milnacipran, the first of a new class of agents known as NSRI's, or Norepinephrine Serotonin Reuptake Inhibitors, shares a pharmacological profile with the tricyclic antidepressants (TCAs), considered the most effective drugs for treatment of FMS, while appearing to lack the side effects associated with the latter. Cypress recently completed a Phase II trial in which milnacipran is being evaluated as a potential treatment for FMS. For more information about Cypress, please visit the Company's web site at www.cypressbio.com. For more information about FMS, please visit www.FMSresource.com.

This press release, as well as Cypress' SEC filings and web site at <http://www.cypressbio.com>, contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including statements about the potential of milnacipran to treat FMS. Actual results could vary materially from those described as a result of a number of factors, including those set forth in Cypress Annual Report on Form 10-K and any subsequent SEC filings. In addition, there is the risk that the final results from the Phase II trial of milnacipran will be significantly different than the preliminary analysis, that we may not be able to successfully develop or market milnacipran or any other products for the treatment of FMS; that our clinical development plan or timeline for milnacipran may be delayed, including the final results of our Phase II clinical trial; that our current working capital will not allow us to execute our business plans into 2003; that we may encounter regulatory or other difficulties in the development of milnacipran for FMS; and that milnacipran may not significantly improve the treatment of FMS. Cypress undertakes no obligation to revise or update these forward-looking statements to reflect events or circumstances after the date of this press release, except as required by law.

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