



CYPRESS BIOSCIENCE, INC. EXPANDS INTELLECTUAL PROPERTY PORTFOLIO WITH RECEIPT OF NEW U.S. PATENT FOR THE USE OF MILNACIPRAN IN THE TREATMENT OF FIBROMYALGIA SYNDROME

FOR IMMEDIATE RELEASE

San Diego, California, August 5, 2003 – Cypress Bioscience, Inc. (NASDAQ: CYPB) announced today that its intellectual property portfolio has been expanded with the issuance of a patent from the U.S. Patent and Trademark Office for the use of milnacipran in the treatment of Fibromyalgia Syndrome (FMS). FMS is the most frequent cause of chronic, widespread pain, estimated to affect 2-4% of the population. U.S. Patent No. 6,602,911 covers methods of treating FMS with milnacipran in various dosages and formulations. Cypress has similar patents pending in Canada, Europe, and elsewhere.

Milnacipran is a first-in-class dual-acting reuptake inhibitor that acts on two key neurotransmitters, norepinephrine and serotonin, which are involved with the modulation and processing of chronic pain. Cypress' recent Phase II trial demonstrated that milnacipran statistically improved a number of primary and secondary hallmark symptoms of FMS, including pain and overall well-being. There is no FDA-approved product for treatment of FMS, a condition that affects an estimated 5 million to 11 million Americans.

“From a business perspective, Cypress believes it is now well-situated to continue to fulfill its mission to be the innovator and leader in developing products for Functional Somatic Syndromes such as FMS,” said Jay D. Kranzler, M.D., Ph.D., Chairman of the Board and Chief Executive Officer of the company. “As announced in June of this year, we have improved the economic terms for our purchase of the milnacipran active pharmaceutical ingredient from Pierre Fabre Médicament, SA, Paris, France. We also expanded our exclusive license from Pierre Fabre to develop and sell any product containing milnacipran as an active ingredient for any indication in the U.S. and Canada. The new patent adds to Cypress' proprietary position by protecting our novel methods of using milnacipran for the treatment of FMS.”

“From a clinical perspective, it appears that milnacipran may be an excellent candidate as a therapeutic agent for the millions of FMS patients who are currently treated with agents that are either not effective or that may produce serious side effects,” Dr. Kranzler noted. “Our Phase II trial evaluating milnacipran as a treatment for FMS showed that twice-daily dosing of milnacipran was associated with statistically significant improvements in multiple measures of clinical pain and many secondary symptoms, including fatigue, mood and patient global status reports. Cypress is now preparing to commence Phase III trials, which we expect to initiate before the end of the year.”

About Cypress Bioscience, Inc.

Cypress is committed to be the innovator and commercial leader in providing products for the 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 NSRIs, 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. In March 2003 Cypress announced results from a Phase II trial in which milnacipran was 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 and other related Functional Somatic Syndromes. 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 we may not be able to successfully develop or market milnacipran or any other products for the treatment of FMS and other related Functional Somatic Syndromes; that our clinical development plan or timeline for milnacipran may be delayed; that we may encounter regulatory or other difficulties in the development of milnacipran for FMS, including delays in commencing our proposed Phase III trials; and that milnacipran may not significantly improve the treatment of FMS or any other related Functional Somatic Syndrome. 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.

###

EDITORS NOTE: For more information on milnacipran, click
<http://www.cypressbio.com/corp/health/milbackground.jsp>
For more information on Fibromyalgia Syndrome, click
<http://www.cypressbio.com/corp/health/fmsbackground.jsp>

CONTACT: Sabrina Martucci Johnson, Chief Financial Officer
Mary Gieson (investor relations)
Cypress Bioscience, Inc.
858.452.2323