



CYPRESS BIOSCIENCE, INC. ANNOUNCES EXERCISE OF OVER-ALLOTMENT OPTION

San Diego, CA, April 7, 2004 – Cypress Bioscience, Inc. (NASDAQ:CYPB) today announced that the underwriters of its recently announced public offering have notified Cypress that they will exercise their option to purchase an additional 900,000 shares to cover over-allotments. As a result, a total of 6,900,000 shares will be sold at the closing of the public offering, which is expected to occur today following satisfaction of certain conditions to closing set forth in an underwriting agreement between Cypress and the underwriters. The proceeds to Cypress, before expenses, are expected to be approximately \$74.6 million.

Deutsche Bank Securities Inc. acted as the sole book-running manager in the offering. CIBC World Markets Corp., Lazard Frères & Co. LLC and Jefferies & Company, Inc. acted as co-managers. Copies of the final prospectus supplement and accompanying prospectus can be obtained from the Prospectus Department of Deutsche Bank Securities Inc. (60 Wall Street, 4th Floor, New York, NY 10005), or from the offices of any of the co-managers identified above.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any jurisdiction.

Cypress Bioscience is committed to be the innovator and leader in providing products for the treatment of patients with Functional Somatic Syndromes, such as Fibromyalgia Syndrome, and other related chronic pain and central nervous system disorders.

This press release contains forward-looking statements regarding expectations as to the completion of and proceeds from any public offering. A number of risks and uncertainties could cause actual events to differ from the company's expectations indicated by these forward-looking statements. These risks include successful closing with the underwriters and completion of the offering, as well as other risks addressed in the company's periodic reports filed with the Securities and Exchange Commission, as well as its Prospectus Supplement filed on April 2, 2004.

For additional information please contact

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