

Neuren Pharmaceuticals Limited

Appendix 4D Half-Year Financial Report

30 June 2005

Name of entity

Neuren Pharmaceuticals Limited

ARBN

111 496 130

Half-year ended

30 June 2005

1. Neuren Pharmaceuticals Limited ("Neuren" or the "Company") presents this financial report, including the interim financial statements, for the six months ended 30 June 2005.

The interim financial statements have been prepared in accordance with New Zealand FRS-24: *Interim Financial Statements*. As these are the first interim financial statements to be prepared and presented by the Company, comparative information for the previous corresponding interim period has not been presented.

All amounts shown are in NZ\$'000s unless otherwise stated.

The Interim Report should be read in conjunction with the Company's annual report for the year ended 31 December 2004.

2. Results for announcement to the market

	30 June 2005 NZ\$'000	% Change
2.1 Operating revenue	1,195	n/a
2.2 Loss after tax from ordinary activities	(4,021)	n/a
2.3 Net loss from ordinary activities	(4,021)	n/a
2.4 Dividends and franked amount per security	nil	n/a
2.5 Dividend record date	n/a	
2.6 Explanation of results:		
<p>During the period capital raising activities were completed, raising A\$15 million in further share capital, incurring NZ\$1.9 million in IPO costs. The net loss for the period was NZ\$4.0 million, and at 30 June 2005 net assets were NZ\$19.9 million with NZ\$11.0 million cash. These results were in line with the Company's expectations. Research and development of the Company's compounds, for which the capital raised was intended, has continued through the period. A more detailed discussion of the activities undertaken in the period is set out in the Chief Executive's Report contained in the attached Interim Report to shareholders.</p>		

+ See chapter 19 for defined terms.

3. Net Tangible Assets per Security

	<u>Current period</u>	<u>Comparative period</u>
Net tangible assets per share	NZ\$ 0.12	n/a

4. Entities over which control has been gained or lost during the period:

None.

5. Details of dividends

Not applicable.

6. Details of dividend reinvestment plans

Not applicable.

7. Details of associates and joint venture entities

None.

8. Accounting standards

The interim financial statements have been prepared in accordance with New Zealand FRS-24: *Interim Financial Statements*.

9. Audit dispute or qualification

The interim financial statements have been subject to independent review by the Company's auditors. The unqualified review report is included in the attached Interim Report.

⁺ See chapter 19 for defined terms.