



Press Release

Suven and Lilly Establish Drug Discovery Collaboration

Hyderabad, India August 29, 2006 - Suven Life Sciences Limited announced today it has signed an agreement with Eli Lilly and Company, a U.S. based global pharmaceutical company, to collaborate on the pre-clinical research of molecules in the therapeutic area of central nervous system disorders (CNS).

"This effort is a collaboration between Suven and Lilly, with scientists from both parties working together in a team, with the goal of identifying potent, oral compounds that selectively modulate the specified G-Protein Coupled Receptor for the target CNS disease," said Dr. Ramakrishna Nirogi, Vice President, Drug Discovery of Suven Life Sciences.

Suven will receive payments from Lilly and potentially downstream payments if the identified candidates are selected by Lilly for further pre-clinical research and development.

"This is our first true research collaboration with a global pharmaceutical company, thereby helping us realize the next step of our strategic vision," said Mr. Venkat Jasti, Vice Chairman and CEO of Suven. "Suven's decade old business model has expanded from contract research and manufacturing services (CRAMS) to drug discovery and development support services (DDDSS) to now collaborative research (CRP) with a leading global life science player."

Suven Life Sciences

Suven Life Sciences is a Hyderabad based Indian pharmaceutical company focused on the drug discovery and development of novel, highly selective, potent small-molecule drugs that target G-Protein Coupled Receptors for the treatment of debilitating CNS disorders such as Alzheimer's disease, schizophrenia, depression, vascular dementia, mild cognitive impairment, Parkinson's disease, memory impairments with aging, sleep disorders, feeding disorders and obesity.

The committed, dedicated and highly scientific experts at Suven combine their expertise in CNS, medicinal chemistry, and molecular biology with preclinical drug development, including drug discovery, screening, identification and optimization of potential clinical candidates. With the in-house capabilities and drug discovery and development support services expertise, **Suven has generated a diverse pipeline of drug candidates in CNS that are in various phases of preclinical development**

Risk Statement:

Except for historical information, all of the statements, expectations and assumptions, including expectations and assumptions, contained in this news release may be forward-looking statements that involve a number of risks and uncertainties. Although Suven attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. Other important factors which could cause results

to differ materially including outsourcing trends, economic conditions, dependence on collaborative partnership programs, retention of key personnel, technological advances and continued success in growth of sales that may make our products/services offerings less competitive