

# Corporate Fact Sheet

April 2008



Discovering excellence, driving clinical success™

<b>COMPANY</b>	<p>Pharmacoepia is a clinical development stage biopharmaceutical company dedicated to discovering and developing novel small molecule therapeutics to address significant medical needs. The company has a broad portfolio of clinical and preclinical candidates being developed internally or by partners to address several large indications including hypertension, diabetic nephropathy, muscle wasting, inflammation and respiratory disease. The company is leveraging its fully integrated drug discovery platform to sustain the growth of its development pipeline.</p> <p>Investor Contact: Amy P. Sharpless, 609-452-3643, sharpless@pcop.com</p>
<b>Headquarters:</b>	
Princeton, New Jersey, USA	
<b>Website:</b>	
www.pharmacoepia.com	
<b>NASDAQ:</b> PCOP	
<b>Q1 2008 FINANCIALS</b>	
<b>Cash &amp; short-term investments as of 3/31/08:</b>	
\$61.5 million	
<b>Shares outstanding 3/31/08:</b>	
29.7 million	
<b>Market capitalization 3/31/08:</b>	
~\$110 million	

INTERNAL PIPELINE	Discovery	Preclinical	Clinical Phase		
			1	2	3
PS433540 Cardiovascular/DARA	→				
PS178990 Muscle Wasting/SARM	→				
PS031291 CCR1 Rheumatoid Arthritis	→				
JAK3 Topical Derm/Ocular	→				

PARTNERED PIPELINE	Market Rights	Discovery	Preclinical	Clinical Phase		
				1	2	3
PS291822 COPD/CXCR2	Schering-Plough	→				
PS540446 Psoriasis/RA/p38	Bristol-Myers Squibb	→				
PS095760 Oncology	Schering-Plough	→				
PS386113 Inflammation	Schering-Plough	→				
PS948115 Respiratory	Schering-Plough	→				
PS873266 Inflammation	Celgene	→				
PS248288 Metabolic Disease	Schering-Plough	→				
PS015146 Undisclosed	Schering-Plough	→				
JAK3 Immunology/Inflammation	Wyeth	→				

## PROGRAM HIGHLIGHTS

### DARA – PS433540

**Snapshot:** Dual acting angiotensin (All) and endothelin (ET1) receptor antagonist (DARA) currently in Phase 2 development for treatment of hypertension. Results of a Phase 2a study, initiated approximately six months ahead of schedule in Stage I and Stage II hypertensive patients, are expected to be reported in the second quarter of 2008. A second Phase 2 trial in hypertensive subjects was initiated in March 2008, with results from this trial expected before the end of the year. In Phase 1, PS433540 has been shown to be safe and well tolerated at a range of doses. The Phase 1 data also demonstrated that PS433540 produced statistically significant dose dependent increases versus placebo in plasma-renin activity levels as well as reductions in systolic and diastolic blood pressure in non-hypertensive healthy subjects.

**Target Indications:** Hypertension, Diabetic Nephropathy

**Patient Population:** Of the 50 million Americans that are estimated to have hypertension, only 60% are treated and it is estimated that approximately 30% of those treated require 3 or more drugs in their treatment. Worldwide estimated total number of adults with diabetic nephropathy is 40 million and is expected to double by 2030.

**Market Sizes:** Worldwide hypertension market estimated at approximately \$25 billion and expected to exceed \$30 billion by 2010.

**Competitive Advantage:** First and only dual-acting receptor antagonist (DARA) in clinical development. Possesses two clinically validated mechanisms of action in a single compound. Opportunity to be first- and best-in-class of a new family of cardiovascular therapeutics with potential oral, once-daily dosing.

### SARM – PS178990

**Snapshot:** Muscle selective androgen receptor modulator (SARM) currently in Phase 1 development for treatment of disease-related muscle wasting. Has been shown to be safe and well tolerated at and above anticipated therapeutic doses. In pre-clinical models, PS178990 has shown to be 200 times more potent than testosterone in muscle and 160-fold selective for muscle over prostate and to increase muscle mass and bone strength.

**Target Indications:** Muscle wasting. These conditions fall into two general categories: (i) disease-related muscle wasting associated with dialysis in end-stage renal disease, cancer- and AIDS-related cachexia as well as during recovery from severe burns, traumatic surgery and wounds; and (ii) age-related functional decline, which includes osteoporosis, sarcopenia and general frailty.

**Patient Population:** Disease-related muscle wasting affects approximately 10 million individuals, while age-related conditions impact more than 20 million additional people.

**Market Sizes:** Disease-related muscle wasting conditions are estimated to represent a \$3 billion market, with age-related indications growing the total potential addressable market to more than \$10 billion.

**Competitive Advantage:** PS178990 is believed to be one of the most potent SARM agonists currently identified. Opportunity to be best-in-class in addressing the significant unmet medical need associated with muscle wasting where treatment options are severely lacking.

## CXCR2 – SCH 527123/PS291822

**Snapshot:** CXCR2 antagonist currently in Phase 2 development by Schering-Plough for treatment of chronic obstructive pulmonary disease (COPD). Has been shown to effectively inhibit a key component of COPD in healthy volunteers.

**Target Indications:** COPD including chronic bronchitis and emphysema

**Patient Population:** According to the National Center for Health Statistics, COPD is the fourth leading cause of death in the U.S., and it is estimated to become the third leading cause by the year 2020. Approximately 12 million adults in the U.S. are reported to have COPD, although approximately 24 million adults have evidence of impaired lung function, which may indicate that COPD is under-diagnosed.

**Market Sizes:** Though there presently is no cure for COPD, the total U.S. market for therapeutic product sales is more than \$3 billion according to the U.S. Department of Health and Human Services, National Institutes of Health, National Heart, Lung, and Blood Institute.

**Competitive Advantage:** Potential to be a novel oral COPD treatment that addresses shortcomings of current therapeutics. Existing therapeutics have been unable to modify the long-term decline in lung function that is the hallmark of COPD.

## p38 – BMS-582949/PS540446

**Snapshot:** Orally active p38 MAP (mitogen-activated protein) kinase inhibitor currently in Phase 2 development by Bristol-Myers Squibb for treatment of moderate to severe psoriasis. We expect BMS to initiate Phase 2 trials in rheumatoid arthritis (RA) and atherosclerosis. Designed to block release of both tumor necrosis factor-alpha (TNF $\alpha$ ) and interleukin-1 (IL-1). Has demonstrated excellent safety and activity profile.

**Target Indications:** Moderate to severe psoriasis, RA and atherosclerosis

**Patient Population:** Approximately 7 million Americans have psoriasis and the condition is believed to affect 1-3% of the world's population. Additionally, 2.1 million Americans suffer from rheumatoid arthritis.

**Market Sizes:** Worldwide market for innovative RA drugs is projected to reach \$10 billion by 2008. Worldwide psoriasis market is expected to reach \$3.9 billion in 2011.

**Competitive Advantage:** Oral small molecule that offers potential combination of efficacy with enhanced compliance and cost advantages compared with current biologic therapies. Combines the effects of leading treatments Enbrel (TNF blocker) and Kineret (IL-1 antagonist) in one molecule. Has the potential to effectively treat a broad range of inflammatory diseases.

### GlaxoSmithKline

Pharmacoepia's innovative collaboration with GSK's Center of Excellence for External Drug Discovery (CEEDD) has achieved a number of critical drug discovery milestones significantly ahead of schedule. The alliance has identified a total of three lead compounds for advancement, with two in the area of inflammatory pain and the third focused on respiratory disease.

The goal of the alliance is for Pharmacoepia to discover and advance active molecules through clinical proof of concept. GSK has exclusive options to conduct Phase 3 clinical trials and to commercialize pharmaceutical products from the collaboration on a worldwide basis. Pharmacoepia will retain rights to programs for which GSK does not exercise its option. In addition to \$15 million of research funding, Pharmacoepia is entitled to milestone payments totaling up to \$83 million per program, as well as double-digit royalties.

### Wyeth

In early 2007, Pharmacoepia licensed the rights to our JAK3 program for systemic administration to Wyeth. This alliance brought Pharmacoepia research funding as well as up to \$175 million in potential milestone payments and double-digit royalties on future product sales. Pharmacoepia retained the rights to topically administered JAK3 products in the dermatological and ocular disease areas.

### Corporate Officers

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Treasurer*

Eric J. Liebler  
*Executive Vice President  
Corporate Development*

Stephen C. Costalas, Esq.  
*Executive Vice President,  
General Counsel and Secretary*

René Belder, M.D.  
*Senior Vice President  
Clinical and Regulatory Affairs*

S. David Kimball, Ph.D.  
*Senior Vice President  
Discovery*

Maria L. Webb, Ph.D.  
*Vice President, Preclinical Research,  
Biological and Pharmacological  
Sciences*

### Board of Directors

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