



Thomas A. Glaze
Metabolex CEO
510/ 293-8800

FOR IMMEDIATE RELEASE

METABOLEX TEAMS WITH YAMANOUCHI IN MAJOR DIABETES AND OBESITY COLLABORATION

HAYWARD, CA (March 20, 2002): Metabolex, Inc., a privately held company that discovers and develops novel therapeutics for diabetes, today announced a multi-year collaboration with Yamanouchi Pharmaceutical Co., Ltd. to develop drugs for diabetes and obesity. The companies intend to discover and develop new therapeutics to treat type 2 diabetes, insulin resistance, impaired glucose tolerance (IGT) and obesity using drug targets identified and validated by Metabolex's discovery program. Beyond an initial payment and ongoing research funding, Metabolex could also receive screening and development milestones, royalties, and will retain co-promotion rights in North and South America.

The agreement calls for Metabolex and Yamanouchi to analyze 100 well characterized targets selected from Metabolex's database of genes expressed in human tissue that are related to insulin resistance and obesity. Metabolex has applied its expertise in diabetes biology, along with advanced genomics techniques, to build a unique target collection. Using its own custom-designed Affymetrix GeneChip™ DNA arrays, Metabolex identifies genes whose expression correlates with insulin resistance, obesity and type 2 diabetes. Genes of interest are evaluated in animal models of diabetes and proprietary in vitro assays to identify superior targets for development.

"We are delighted to initiate this collaboration with Yamanouchi," said Thomas A. Glaze, Metabolex chief executive officer. "We are very pleased to have found a pharmaceutical partner who shares the same vision that understanding the underlying biology and genetic basis of a disease is the best way to identify the most relevant drug targets. We both believe that these targets will lead to more effective drugs to treat diabetes and obesity, two of the most devastating human conditions."

"Type 2 diabetes is one of the most important disease areas in Yamanouchi's product pipeline," said Toichi Takenaka, Yamanouchi's chief executive officer. "We intend to discover new molecular entities using a ge-

Joan Kureczka 415/ 821-2413
Ellen Martin 510/ 832-2044
Kureczka/Martin Associates
Jkureczka@aol.com

nomics-based drug discovery approach. Metabolex has assembled one of the largest, most diverse programs in diabetes research of any biotechnology company. Therefore, this partnership should allow us to discover and develop several promising product compounds."

About Yamanouchi

Yamanouchi Pharmaceutical Co., Ltd., established in 1923 and headquartered in Tokyo, Japan, is the third largest pharmaceutical company in Japan. Yamanouchi is expanding its business base to Europe, the United States and Asia and employs around 9,500 people worldwide. As a research-based developer, manufacturer and marketer, Yamanouchi has introduced several world-class drugs to the international market, including the H2 antagonist, famotidine; the calcium antagonist, nifedipine; and tamsulosin, a treatment for functional symptoms of benign prostatic hyperplasia. Genomic drug discovery is a critical part of Yamanouchi's drug discovery strategy. The Company is enthusiastic about entering into strategic collaborations with biotechnology companies and academia in various fields such as gene function analysis, bioinformatics (drug discovery research using IT), proteomics (systematic search for target proteins for drug discovery), and pharmacogenomics (utilization of gene information aiming at tailor-made medicine). Yamanouchi is accelerating the development of new drugs through alliances with a wide range of partners.

About Metabolex

Metabolex, Inc. is a privately held company founded to discover and develop therapeutics for diabetes. The company's lead product, MBX-102, is a novel insulin sensitizer currently in Phase I clinical trials. Metabolex's pipeline includes one product candidate in pre-clinical development, and three other programs optimizing lead drug candidates, one of which is partnered with Abbott Laboratories. Metabolex's two drug target discovery programs have produced one of the world's largest databases of diabetes-expressed genes. The company's other ongoing target discovery collaboration, in insulin secretion, is partnered with Pfizer, Inc.

www.metabolex.com

Metabolex, Inc.
3876 Bay Center Place
Hayward, CA 94545 USA
Tel 510 293.8800
Fax 510 293.9090