



Creating value through therapeutic innovation

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BIO 2007

Key Highlights



- **Global leader in NO-donating drugs focused on cardiometabolic and inflammatory diseases**

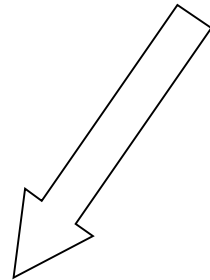
- **Scientific & commercial validation of technology platform from partnerships with leading industry players (Pfizer and Merck & Co.)**

- **Broad and balanced drug candidate pipeline and strong IP position**
 - **Naproxcinod**: unencumbered in phase 3 for osteoarthritis with blockbuster potential
 - § Positive first phase 3 efficacy and safety data received
 - § Clear evidence of no detrimental effect on blood pressure unlike all existing NSAIDs
 - § Two further phase 3 trials to be initiated in 1H 2007
 - § Clear regulatory pathway – First marketing application submission 1Q'09 in US
 - **NCX 4016**: unencumbered in phase 2 for type 2 diabetes
 - **Four further drug candidates** in phase 2a with partners

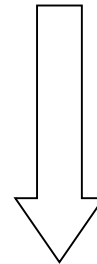
An ambitious but focused strategy



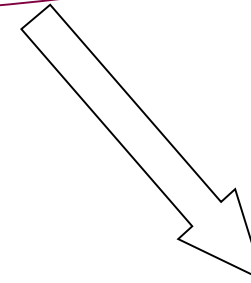
**To become an integrated biopharmaceutical company
in short-to-mid term**



Develop compounds
in the core areas
(cardiometabolic and
inflammatory
diseases)



Retain
commercialization
rights on own
compounds in
specialist areas



Selectively
in-license/acquire
compounds with
strategic fit

Broad and Balanced Product Pipeline



	Research	Pre-clinical	Phase 1	Phase 2	Phase 3	STATUS
Naproxcinod (HCT 3012) - osteoarthritis	→					Internal Development
NCX 4016 - type 2 diabetes	→					
NCX 6560 – dyslipidemia/cv risk	→					
TPI-1020 (NCX 1020) - COPD/asthma	→				Topigen Inc.	Partnered Compounds
NCX 1000 - portal hypertension	→				Axcan Pharma Inc.	
NCX 1510 - allergic rhinitis	→				Biolipox AB	
PF-03187207 - glaucoma	→				Pfizer Inc	
NO-donors - hypertension	→		Merck & Co., Inc.			
NCX 1047 - dermatology	→		Ferrer Grupo			
NO-donors - ophthalmology	→		Pfizer Inc			
NO-donors - cardiometabolic	→					Internal Research
NO-donors - inflammation/pain	→					

Naproxcinod - A \$1bn + potential sales, late-stage opportunity



Naproxcinod Profile

- **First-in-class COX Inhibiting Nitric Oxide-Donating drug (CINOD)**
- Efficacy equivalent to standard of care
- No detrimental effect on blood pressure unlike all existing NSAIDs
- Improved GI safety profile versus standard NSAIDs

Development Status

- **First phase 3 study and 24hr ABPM study completed**
- Two remaining pivotal phase 3 studies to commence in 1H'07
- No large CV safety outcome study required by FDA and EMEA
- First marketing application submission expected by 1Q'09 in US

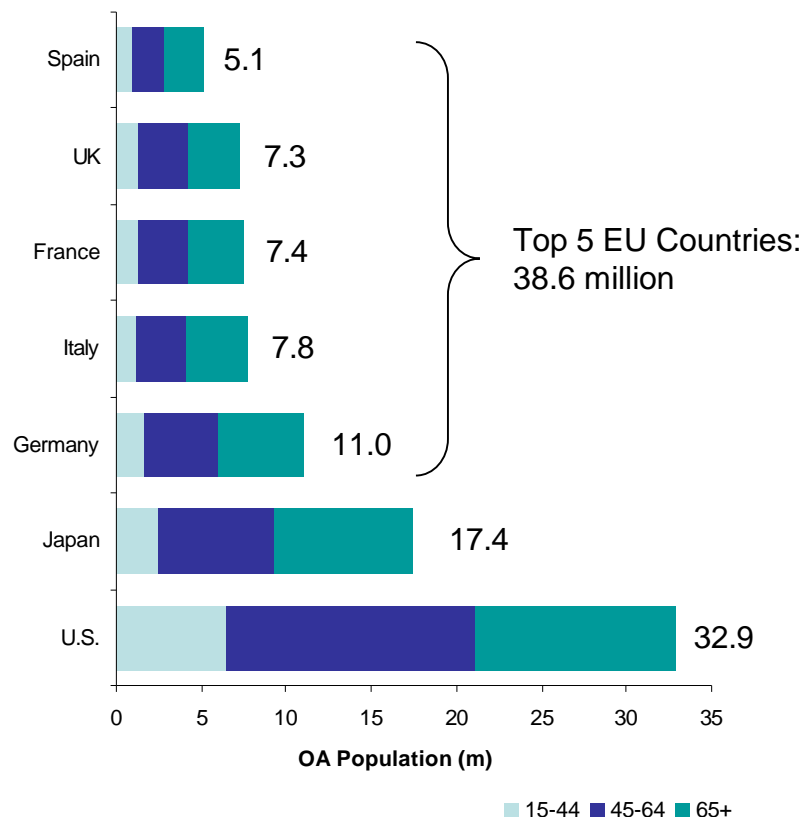
Partnering

- **NicOx will continue to fund the phase 3 program**
- NicOx will partner as appropriate before commercialization
- NicOx will retain selected commercialization rights

Market opportunity in osteoarthritis



Osteoarthritis Population



Over 70 million OA sufferers in the US and in Europe

Market Opportunity

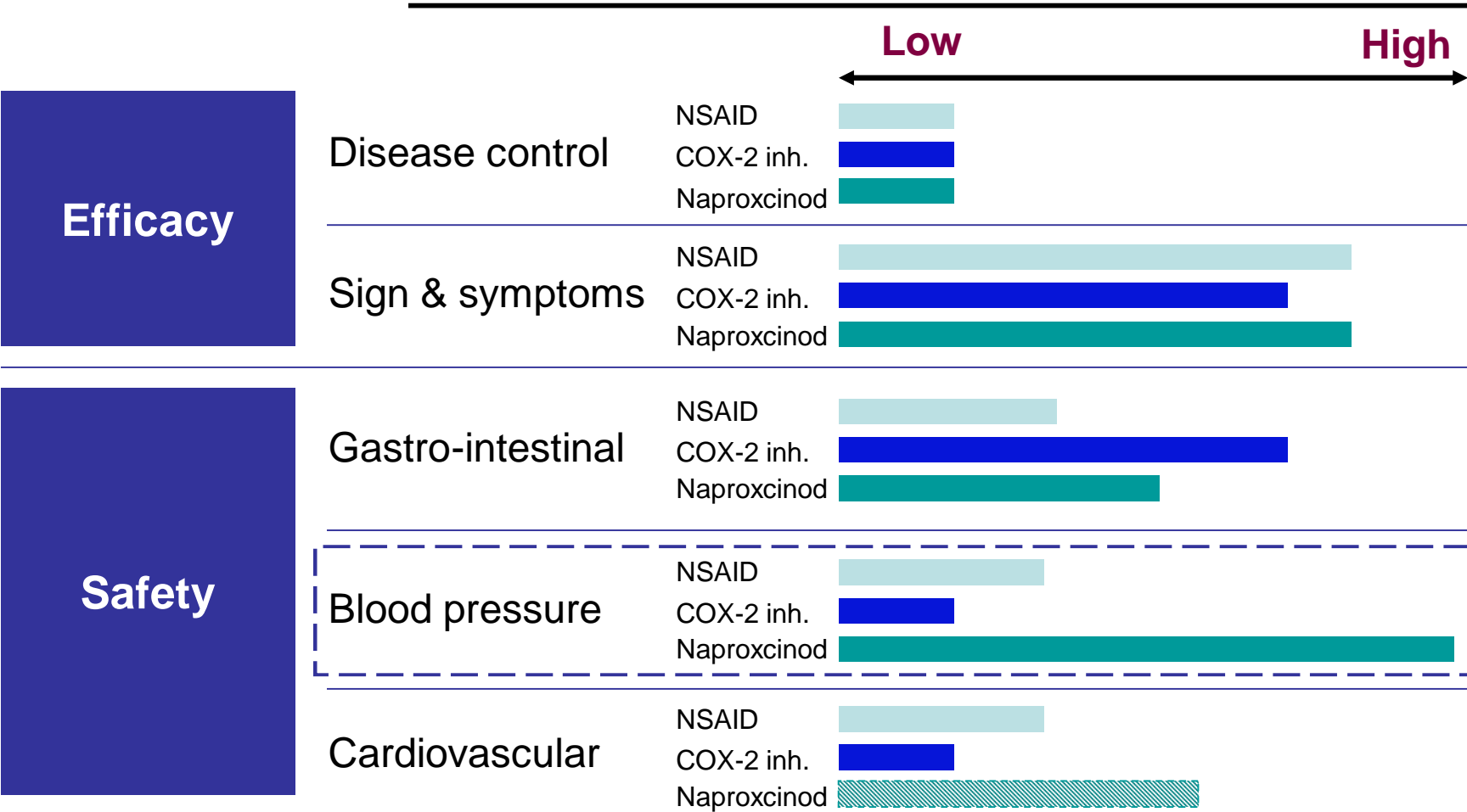
- NSAID market worth over \$12 billion/year
- 40% of OA sufferers are estimated to be hypertensive
- Naproxcinod addresses a significant opportunity since fallout from COX-2 inhibitor class
- Since 2004, Vioxx (\$2.7 billion estimated 2004 sales) and Bextra (\$1.3 billion estimated 2004 sales) were withdrawn; Celebrex sales declined by over \$1 billion in 2005
- All NSAIDs in the US now carry a blood pressure warning

Significant need for a safer treatment with no impact on blood pressure

Naproxcinod - Delivering a differentiated profile



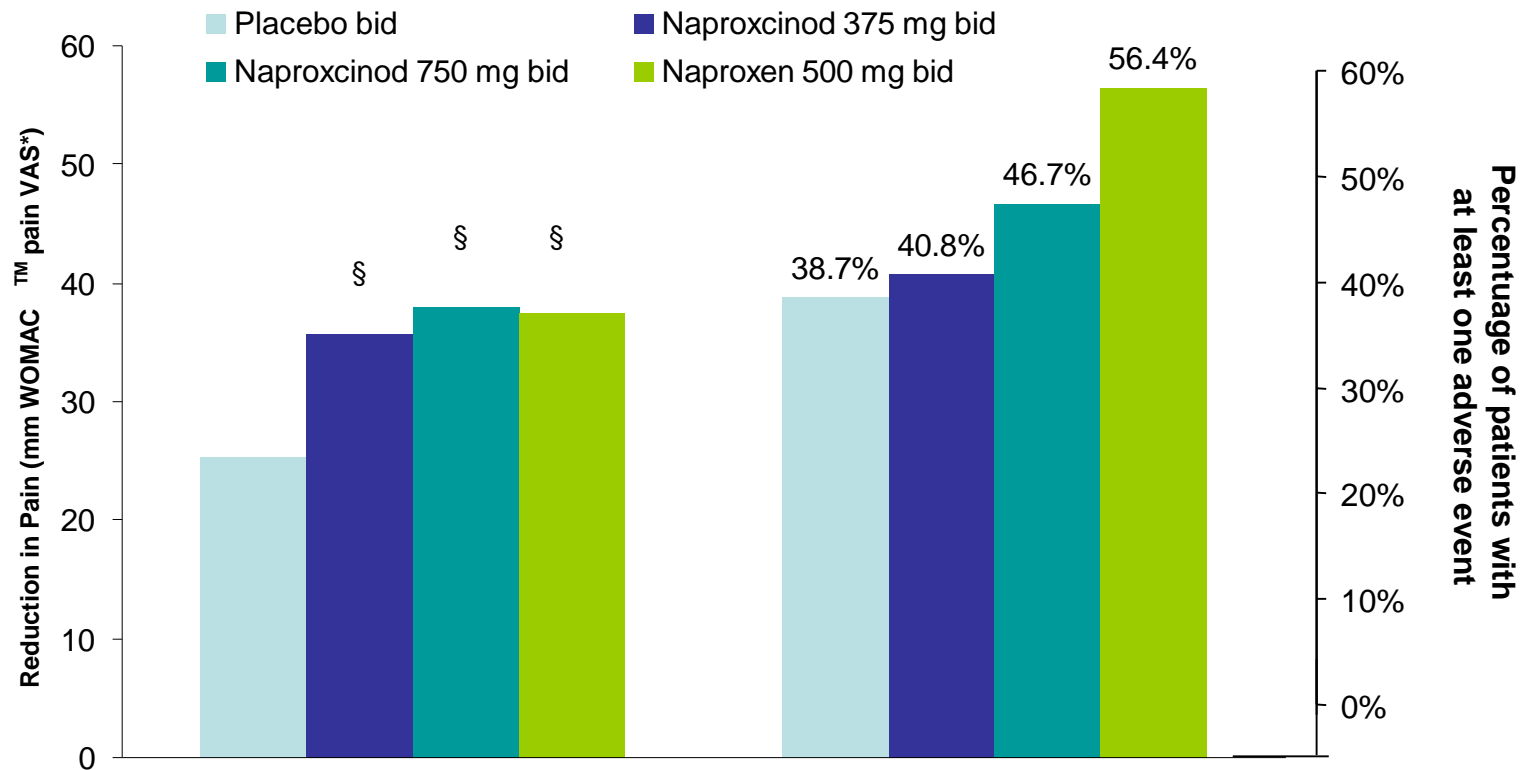
Perceived Therapeutic Satisfaction



Naproxcinod - Promising therapeutic index



301 Study – Mean Decrease from Baseline in WOMAC™ Pain (mm) and percentage of patients with =1 AE at week 13



§ Highly statistically significant for superiority to placebo ($p < 0.001$)

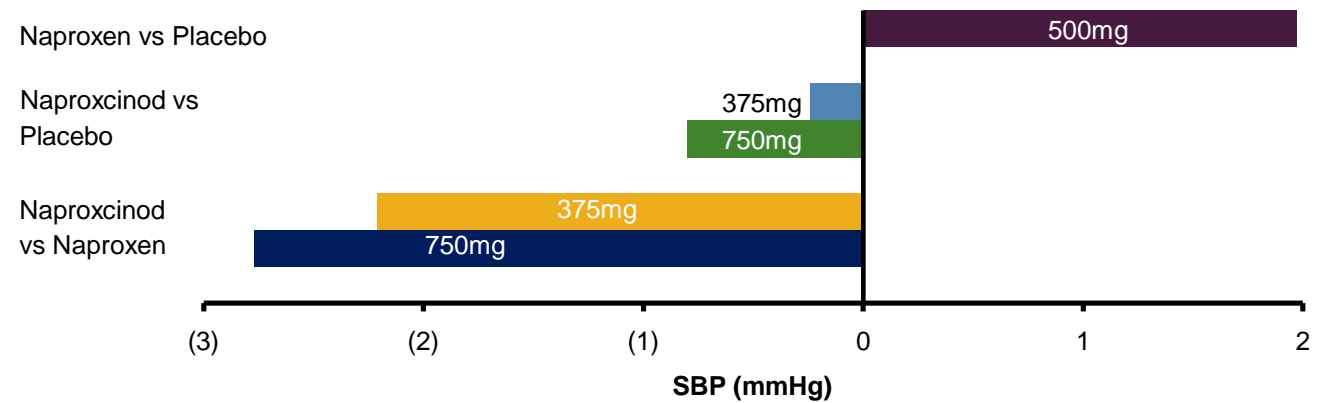
* Visual Analogical Scale

Naproxcinod - Beneficial impact on blood pressure in two clinical trials

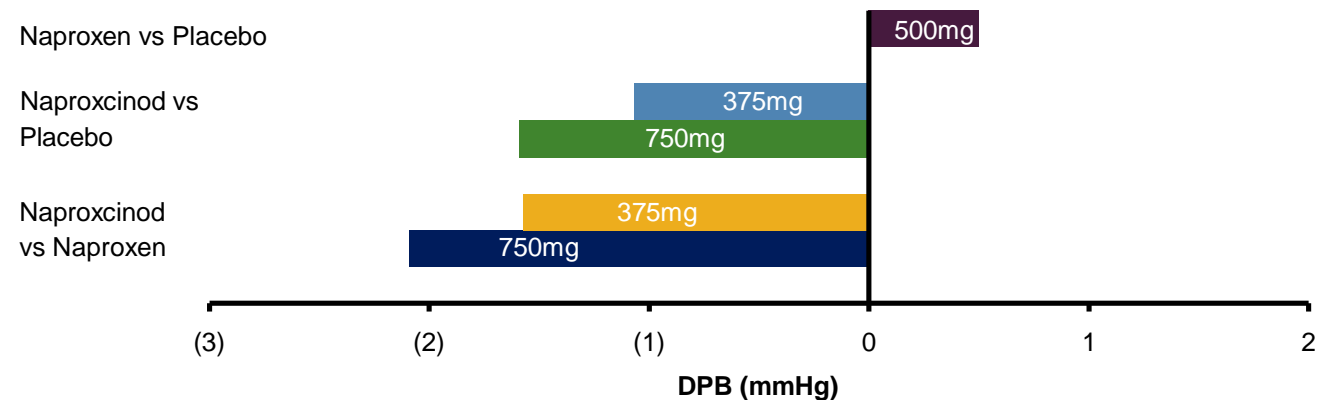


Mean Changes from Baseline in the Post-Dose SBP and DBP (mmHg) at Week 13 (Safety Population)

**Systolic
Blood Pressure
Difference
from baseline**



**Diastolic
Blood Pressure
Difference
from baseline**



Naproxcinod - Favourable blood pressure profile in the ABPM trial

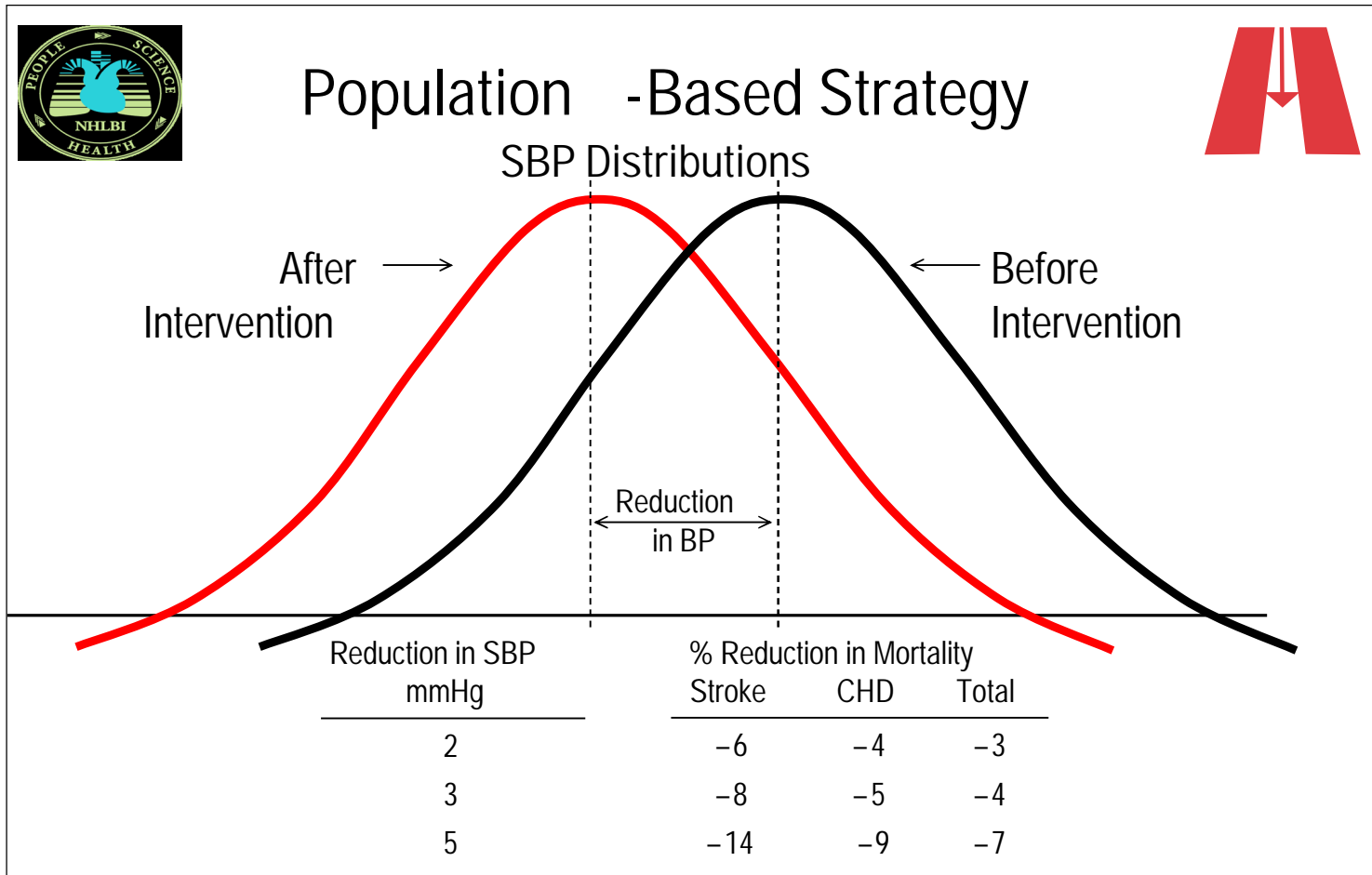


Top-line ABPM results

ABPM Study (104) - A clear trend for a favorable average 24-hour SBP differentiation of naproxcinod 750 mg bid vs. naproxen 500 mg bid after two weeks of treatment, consistent with magnitude of effect in 301 study at the same time point

ABPM Study (104) - A statistically significant 2 mmHg difference in the average 24-hour DBP in favor of naproxcinod 750 mg bid vs. naproxen 500 mg bid ($p=0.007$) observed at two weeks

Significant benefit of modest blood pressure lowering

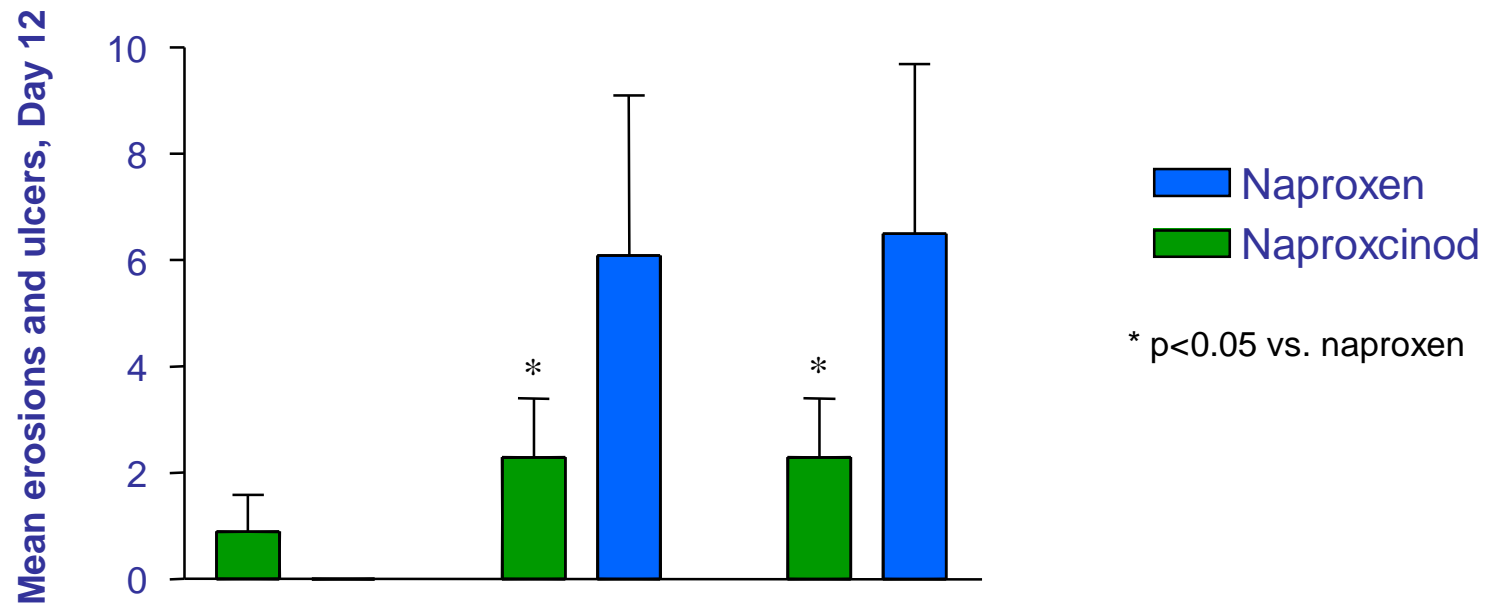


Source: JNC7 report Chobanian et al. 2003
 Note: SBP is the abbreviation for Systolic Blood Pressure

Naproxcinod - Enhanced GI safety profile from phase 1 Studies



Randomised, double blind, crossover study
25 healthy volunteers/groups, 12-day treatment



Scand .J. Gastroenterol. (2006) 41:264-273

Naproxcinod - A “clear” regulatory pathway to filing



United States

- The FDA concluded that a large clinical cardiovascular safety outcome study is not required for NDA submission or post approval
- Global phase 3 plan adequate for efficacy and safety requirements for US registration
- Target indication ‘relief of the signs & symptoms of osteoarthritis’

European Union

- In October 2006 the EMEA stated it agrees with NicOx pre-approval safety database proposal which conforms with ICH guidelines
- The EMEA commented on the phase 3 program, in terms of efficacy and blood pressure monitoring
- Target indication ‘symptomatic relief in the treatment of osteoarthritis of the knee and hip’

Current projection on first marketing application submission (US) 1Q'09

Naproxcinod – A potential future blockbuster



Naproxcinod, a novel first-in-class anti-inflammatory product with no detrimental effects on blood pressure and good GI tolerability, will become the drug of choice for OA, enabling patients to live better lives

Naproxcinod has the potential to be > \$1 Bn product

Naproxcinod

- NicOx will continue to fund the phase 3 program
 - In parallel, we are actively seeking co-development and/or co-commercialisation partners on a worldwide basis
-

NCX 4016 in type 2 diabetes

NCX 6560 for dyslipidemia in high risk CV patients

- NicOx will take NCX 4016 and NCX 6560 through proof of concept
- NicOx intends to commercialise directly in selected markets and will also be seeking co-development and/or co-marketing partners on a worldwide basis

6 partnerships



Moderate loss considering advanced development and solid cash reserves



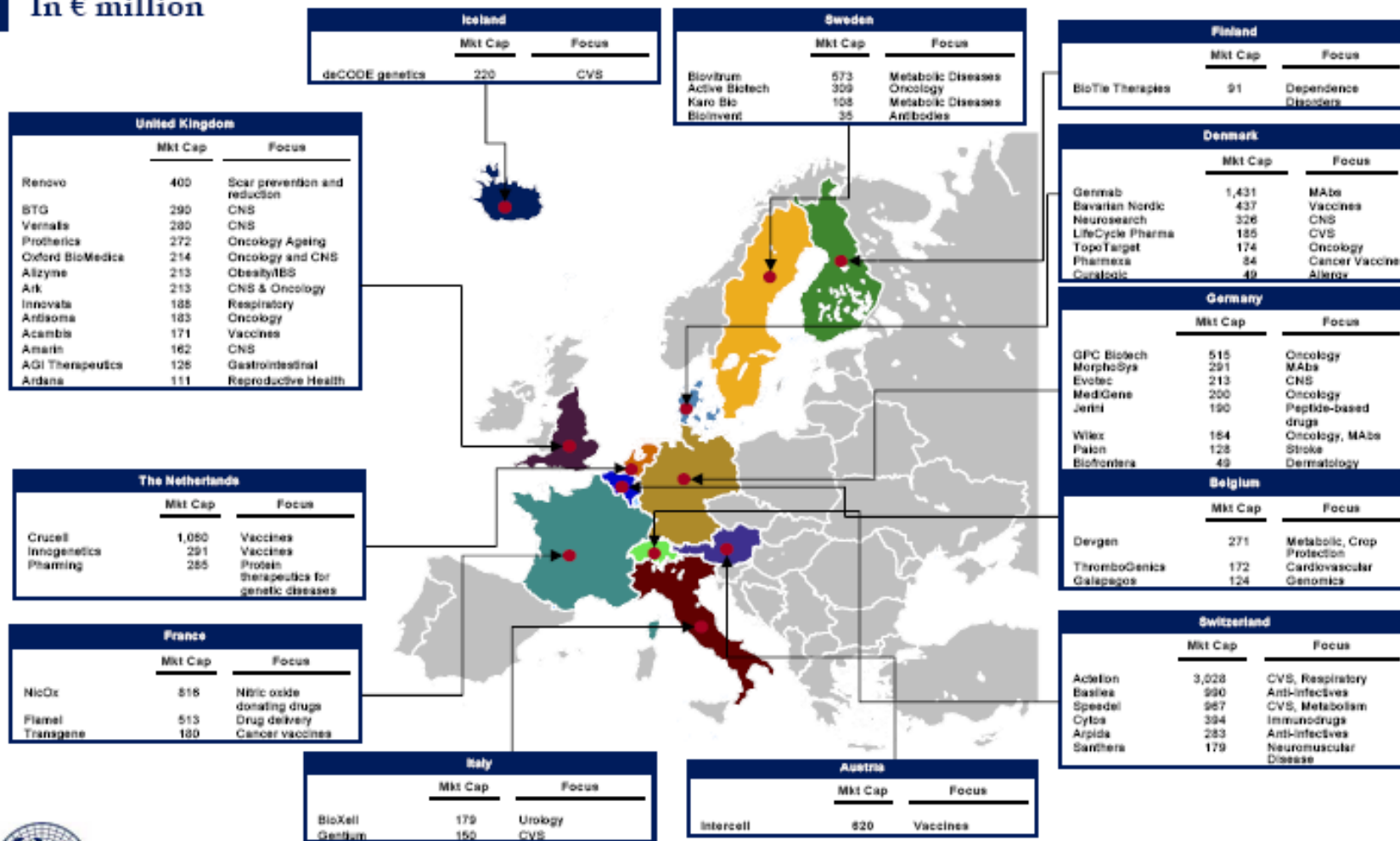
Consolidated Statements of Operations € x 1000	2006	2005
Revenues	9,630	6,528
Cost of sales	(1,605)	(1,775)
Research & Development Expenses	(26,966)	(16,201)
Selling, General & Administrative Expenses	(7,717)	(4,888)
Total Operating Expenses	(36,288)	(22,864)
Operating loss	(26,658)	(16,336)
Net financial income	2,223	1,056
Income tax expense	(261)	(228)
Net Loss	(24,696)	(15,508)

Cash and cash equivalents at 31 Dec. 2006: €81,7 million
Rights issue February 2007: Gross proceeds €129.7 million

NicOx now one of the Largest Biotechs in Europe



In € million



Note: Market capitalisations as of 27th November, 2006



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Merrill Lynch

Global Markets & Investment Banking Group



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