

THE THINGS YOU ENJOY
SHOULDN'T BE A PAIN



POZEN *is a
pharmaceutical
company developing
products for the
treatment of acute
and chronic pain
and pain-related
conditions*

First Albany Road Show

March 17, 2006

Forward-Looking Statements

The following presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. You should be aware that our actual results could differ materially from those contained in the forward-looking statements, which are based on management’s current expectations and are subject to a number of risks and uncertainties, including, but not limited to, our failure to successfully commercialize our product candidates; costs and delays in the development and/or FDA approval of our product candidates, including as a result of the need to conduct additional studies, or the failure to obtain such approval or our failure to achieve milestones that would have provided us with revenue; the failure to obtain approval of our product candidates, including for reasons arising from, among other reasons, differences in the FDA's interpretation of the results of studies or trials from that of POZEN's and FDA's judgment that the benefits of the drug do not outweigh its risks; our inability to maintain or enter into, and the risks resulting from our dependence upon, collaboration or contractual arrangements necessary for the development, manufacture, commercialization, marketing, sales and distribution of any products; competitive factors; our inability to protect our patents or proprietary rights of others; general economic conditions; our failure to successfully commercialize our product candidates; the failure of any products to gain market acceptance; our inability to obtain any additional required financing; technological changes; government regulation; changes in industry practice; and one-time events, including those discussed herein and on our Form 10-K for the period ended December 31, 2005 under “Management's Discussion and Analysis of Financial Condition and Results of Operations.” We do not intend to update any of these factors or to publicly announce the results of any revisions to these forward-looking statements.

Company Overview

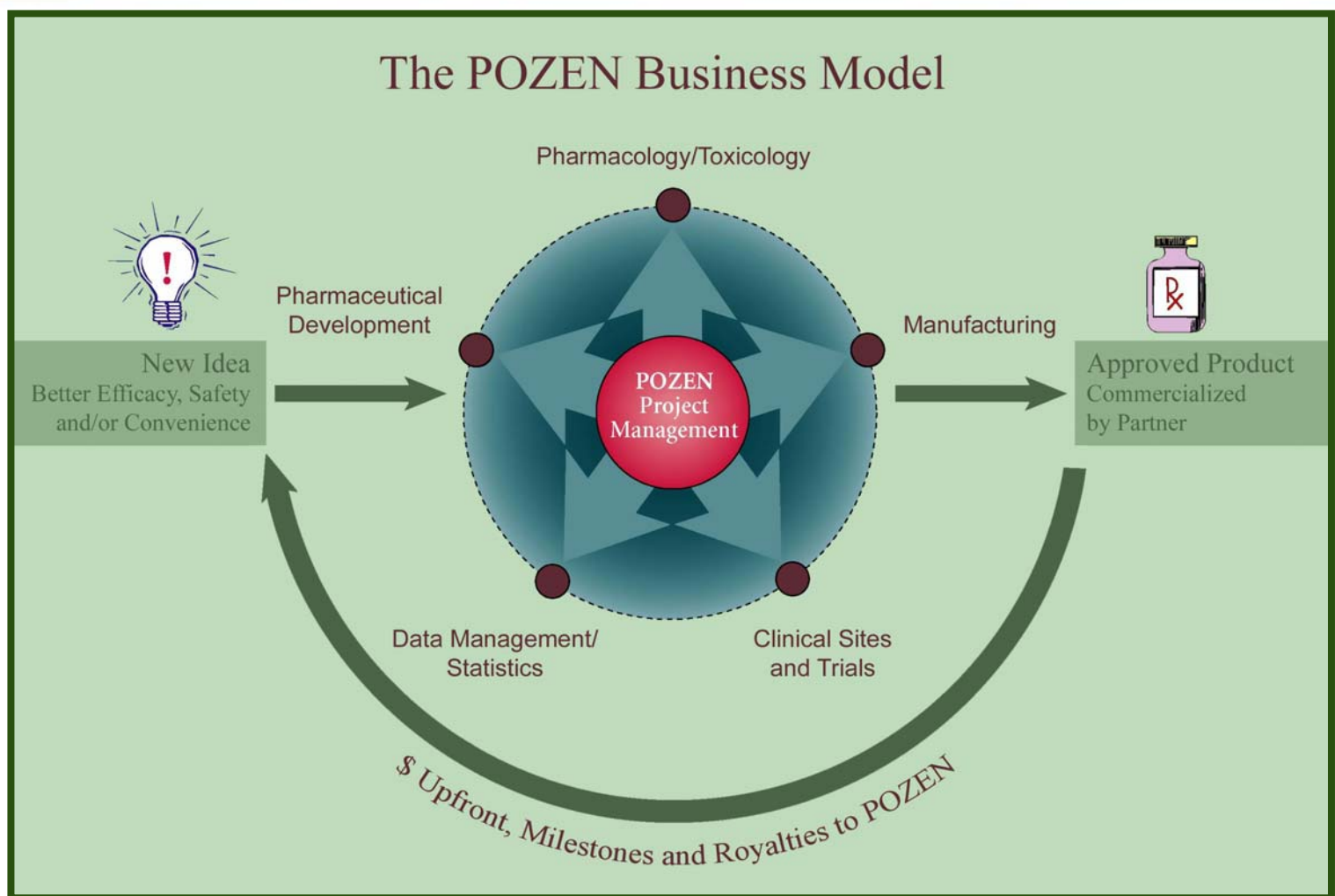
POZEN is a pharmaceutical company developing products for the treatment of acute and chronic pain and pain-related conditions.

Established	1996
Shares outstanding	29 million
Market capitalization at 3/15/06	\$518 million
Cash at 12-31-05 (no debt)	\$45.8 million
Number of employees	35

POZEN Highlights

- Efficient business model executed by experienced management team
 - Low burn
 - High productivity
- Trexima NDA filed and accepted
 - Potential blockbuster product in hands of GSK
 - June 2006 anticipated Trexima PDUFA date
- Robust pipeline addressing unmet needs in large Rx markets
 - PN product(s) entering Phase 3
 - Lornoxicam injection in Phase 2

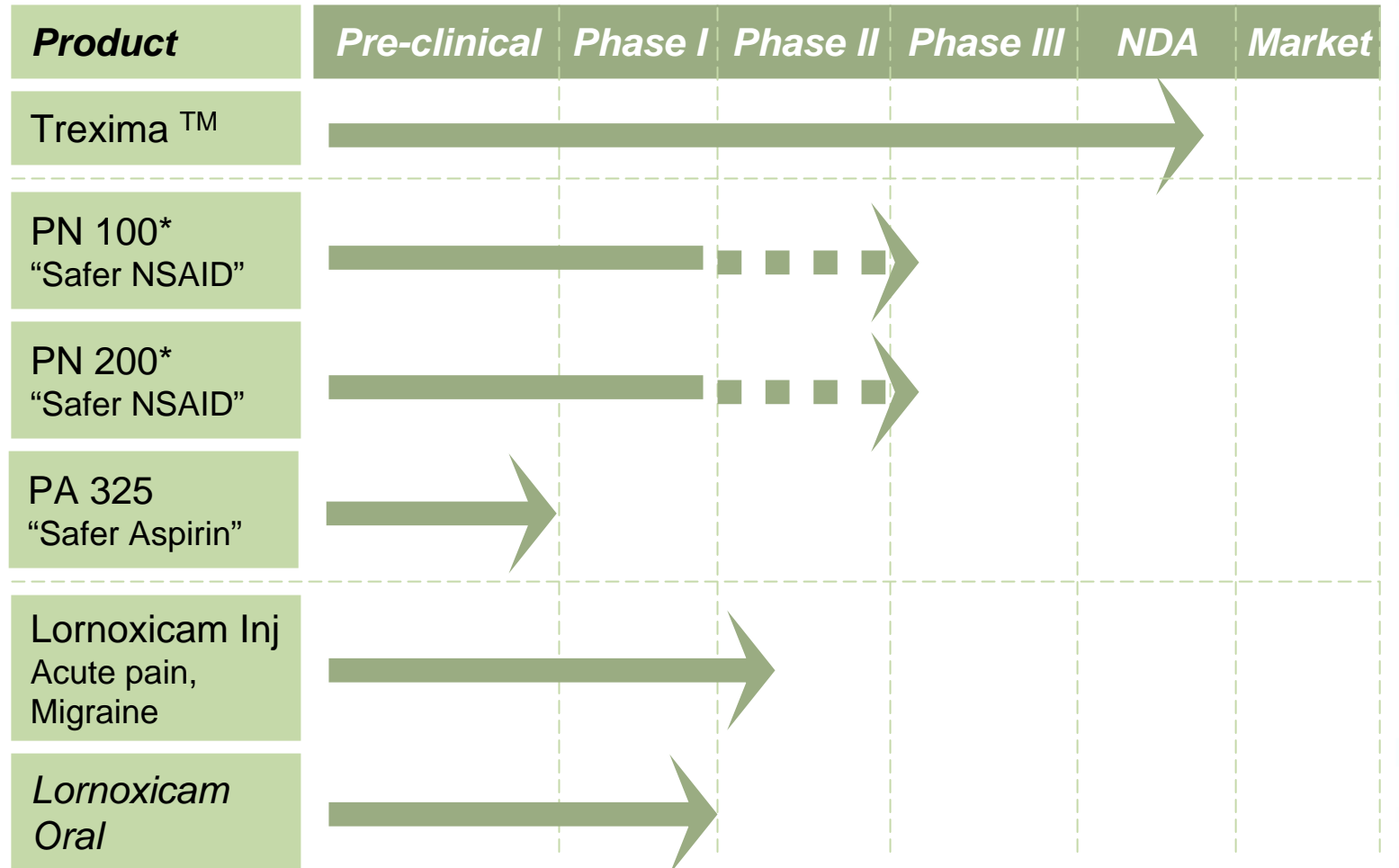
Strategic Outsourcing



POZEN Business Model

- Product development driven by ***self-innovation*** and/or ***acquisition*** of early clinical stage products
 - 17 patents issued US and worldwide
- Leverages ***strategic outsourcing*** to efficiently develop these products through Phase III
- Commercializes products through ***strong commercial partners***
 - Trexima[™] – GlaxoSmithKline

POZEN Product Pipeline Status

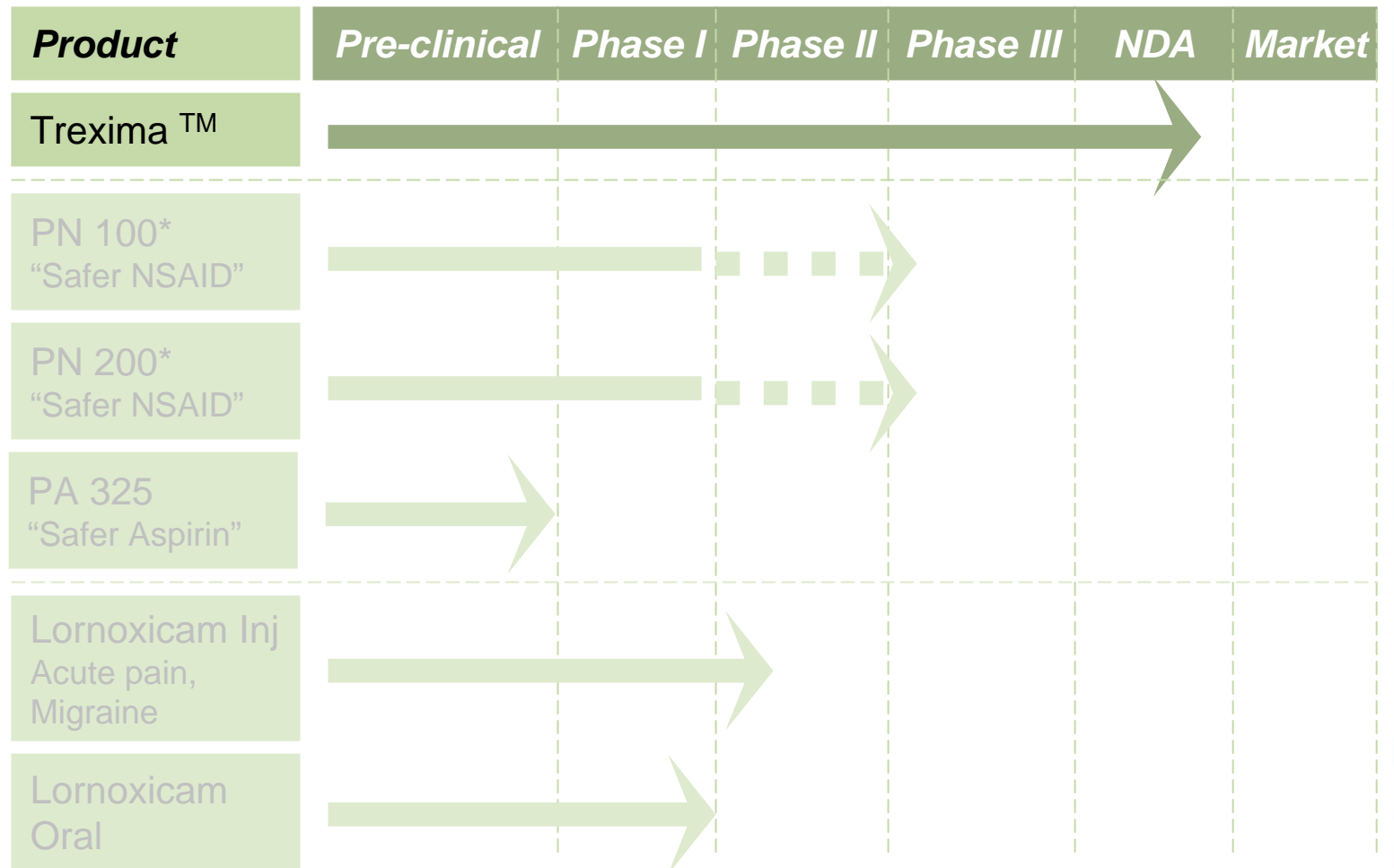


* Only one scheduled to move into Phase III mid 2006

Why Combination Products?

- Potential Advantages:
 - Improves the likelihood of patient compliance and a better therapeutic outcome
 - Delivers the right dose of each component at the right time for time critical products
 - Able to effect a “multi-mechanism” approach to therapeutics within a single dosage form
 - Improve safety and/or improve efficacy
 - Potentially more cost-effective for patients

POZEN Product Pipeline Status



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Trexima™:

Next Generation Migraine Therapy

- Combination therapy developed in collaboration with GSK
- First triptan-based product with multiple mechanisms of action
- Expected benefits of Trexima over triptan monotherapy
 - Faster onset of pain relief
 - Longer duration of action
 - Effective in more patients
 - Similar tolerance to triptan monotherapy
 - Superior benefit/risk profile
- Formulation utilizes GSK's proprietary RT Technology™

POZEN/GSK Deal Terms

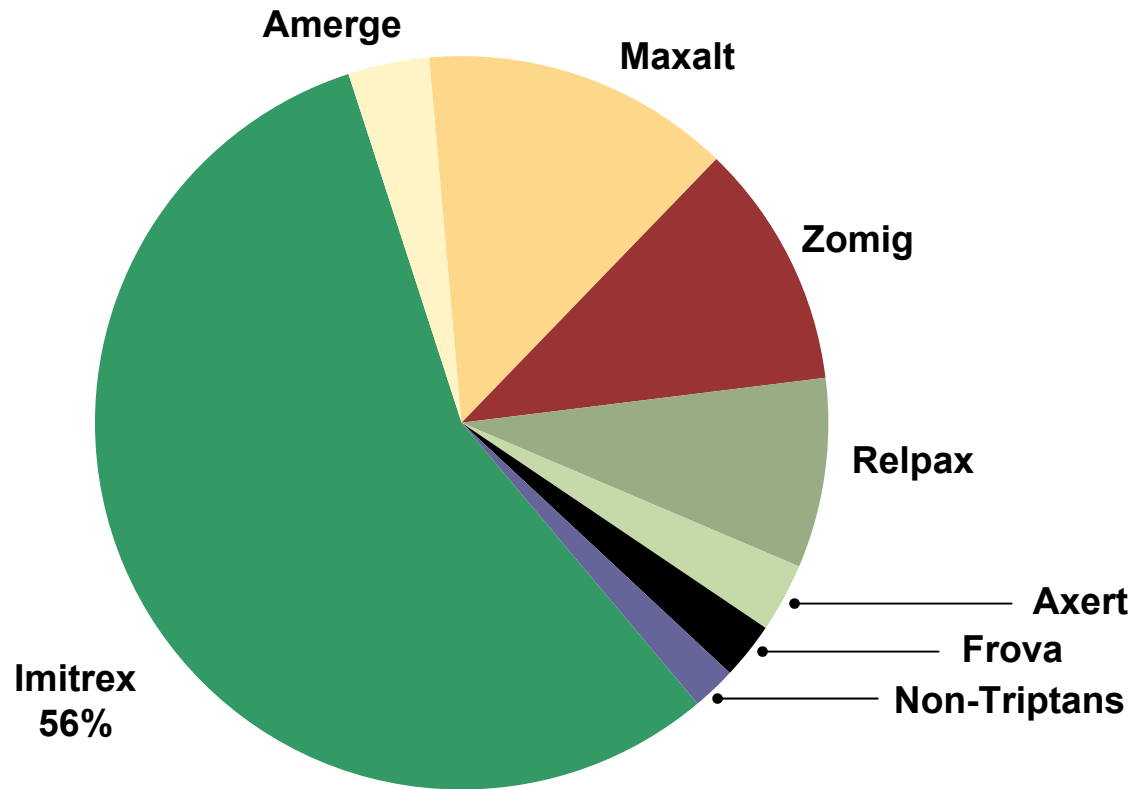
<ul style="list-style-type: none"> • Total Upfront And Milestone Payments 	<p>\$160 million</p>	
<ul style="list-style-type: none"> • Upfront fee and milestone payment in 2003 	<p>\$25 million</p>	<p>√</p>
<ul style="list-style-type: none"> • Initiation of Phase 3 program 	<p>\$15 million</p>	<p>√</p>
<ul style="list-style-type: none"> • Acceptance of NDA filing by FDA 	<p>\$20 million</p>	<p>√</p>
<ul style="list-style-type: none"> • NDA approval and GSK notification of “intent to commercialize” 	<p>\$20 million</p>	
<ul style="list-style-type: none"> • Sales performance milestones based on achievement of certain sales thresholds 	<p>\$80 million</p>	
<ul style="list-style-type: none"> • POZEN Will Receive Royalties Based On Sales 		

Phase 3 Trials: Clear Clinical Benefit

<i>Trexima</i>	301	302
vs Sumatriptan 24 Hour Sustained Pain Free	P<0.001	P=0.009
vs Naproxen 24 Hour Sustained Pain Free	P<0.001	P<0.001
vs Placebo – 2 Hour Photophobia Phonophobia Pain	P<0.001	P<0.001
Nausea – 2 Hour	NS*	P=0.007

* Reached statistical superiority at 3 hours and maintained through 24 hours

\$2 Billion U.S. Migraine Market



What GSK is Saying About Trexima™

The Next Generation Migraine Treatment!

Trexima™
sumatriptan succinate/
naproxen sodium

- First and only therapy targeting multiple pathways that cause migraine pain
- Beat the Gold Standard head to head
- Opportunity to capture shares from all medications currently used to treat migraine

Courtesy of GSK

Phase III data to be published at AAN and ASH during 2006. In development with Pozen, Inc.

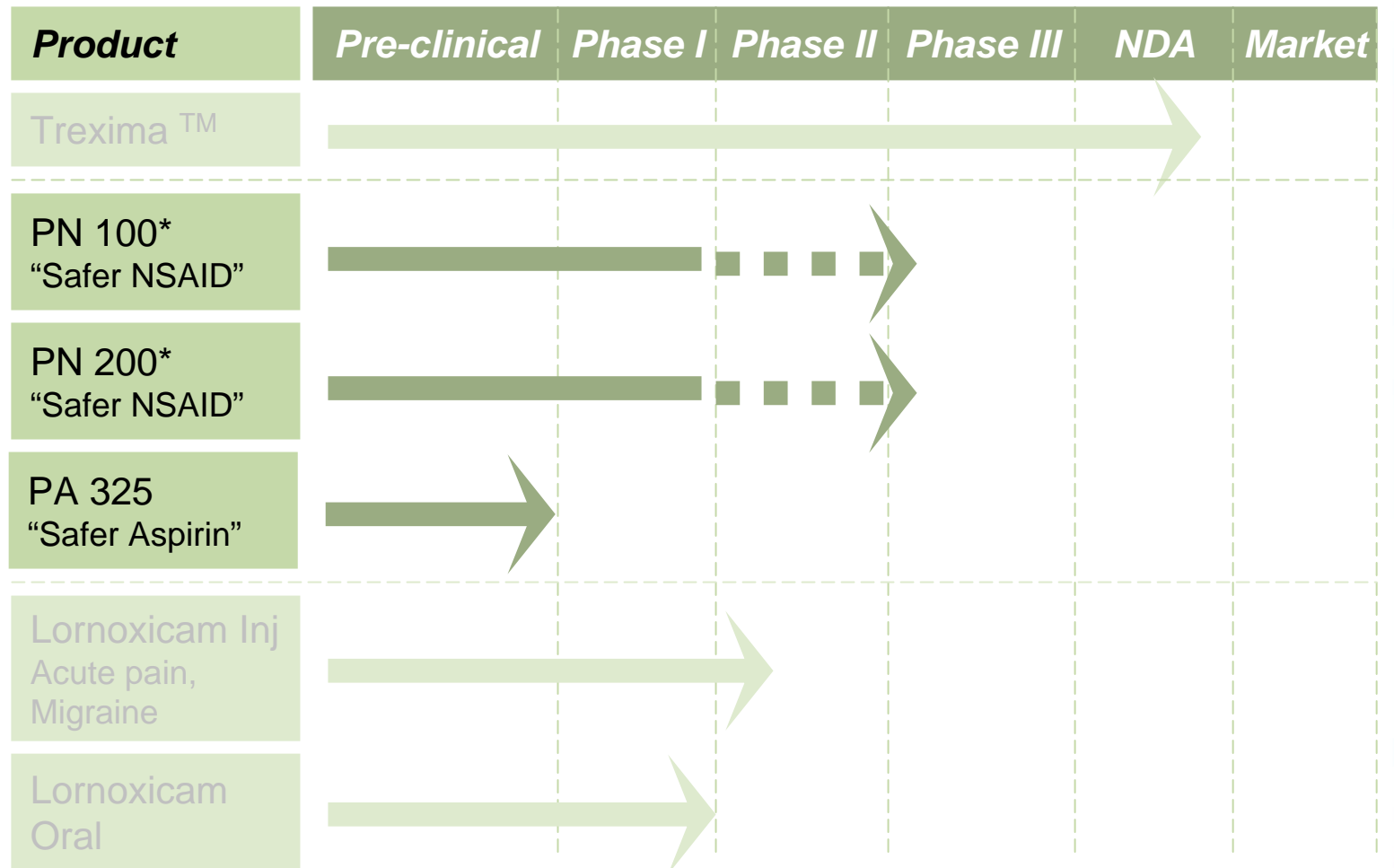
When Will Additional Trexima™ Data Be Presented?

- Four Abstracts have been accepted at the AAN meeting in San Diego, April 1-8, 2006
- The efficacy data of the phase III pivotal trials will be presented in a podium presentation at AAN meeting on April 5, 2006
- Five abstracts have been submitted to the American Headache Society June 2006 meeting

Trexima™ – Highlights

- PDFUA target action date June 2006
- Additional data to be released by GSK in Q2
- GSK is the dominant market leader in \$2B U.S. migraine market
- Very lucrative deal for POZEN

POZEN Product Pipeline Status

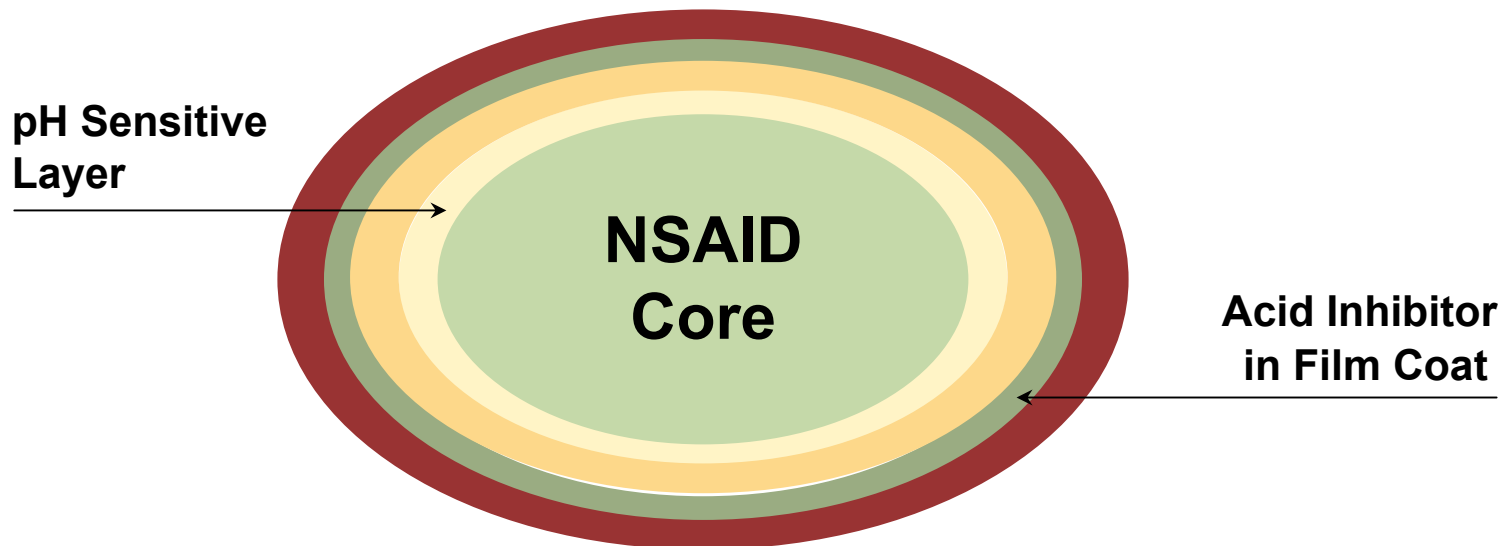


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PN/PA Technology

- Combination of a PPI and NSAID or (PN)
 - Goal: develop “safer* NSAID” for chronic use
 - Enables **coordinated delivery** of an acid inhibitor and an NSAID in a **single dosage** form
- Combination of a PPI and aspirin (PA)
 - Prevention of cardiovascular events (stroke, AMI, etc)

PN Concept – Better by Design




- Product design ensures compliance
 - 32 % of patients were < 80 % adherent with GPA use (in U.S.)¹
 - Additional studies detail decrease in compliance in concomitant therapy over time^{1,2}
- 90% of doctors surveyed preferred a single, combination tablet³

1. Goldstein JL, et al. *Gastroenterology* 2005; 128(No. 4) Suppl 2. Abstract 860, A138.

2. Sturkenboom MCJM, et al. *Aliment Pharmacol Ther* 2003; 18:1137-47.

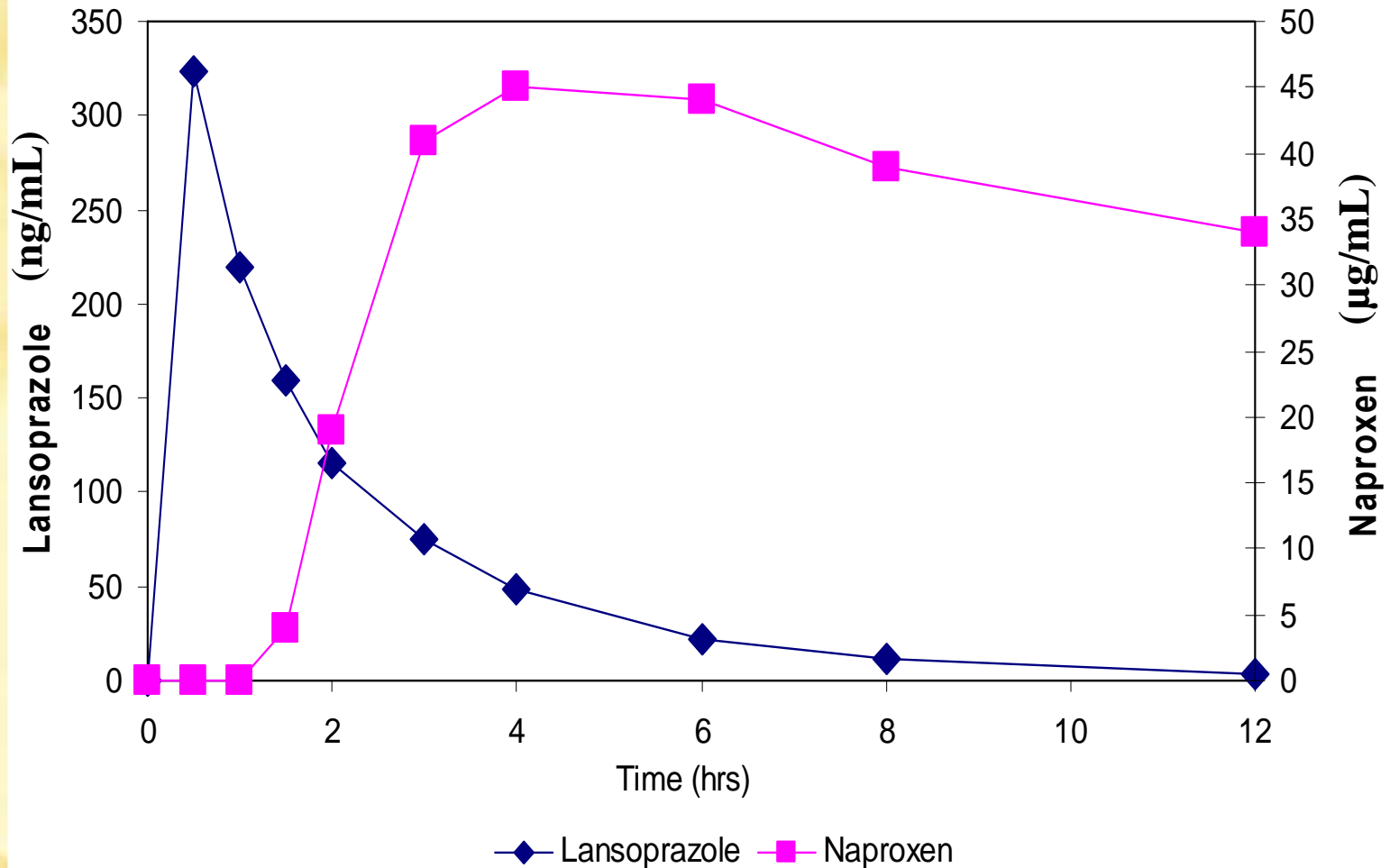
3. POZEN marketing research data on file.



Drugs don't work
in patients who
don't take them

– C. Everett Koop, M.D.

PN Delivers Protection Before the Offending Agent is Released

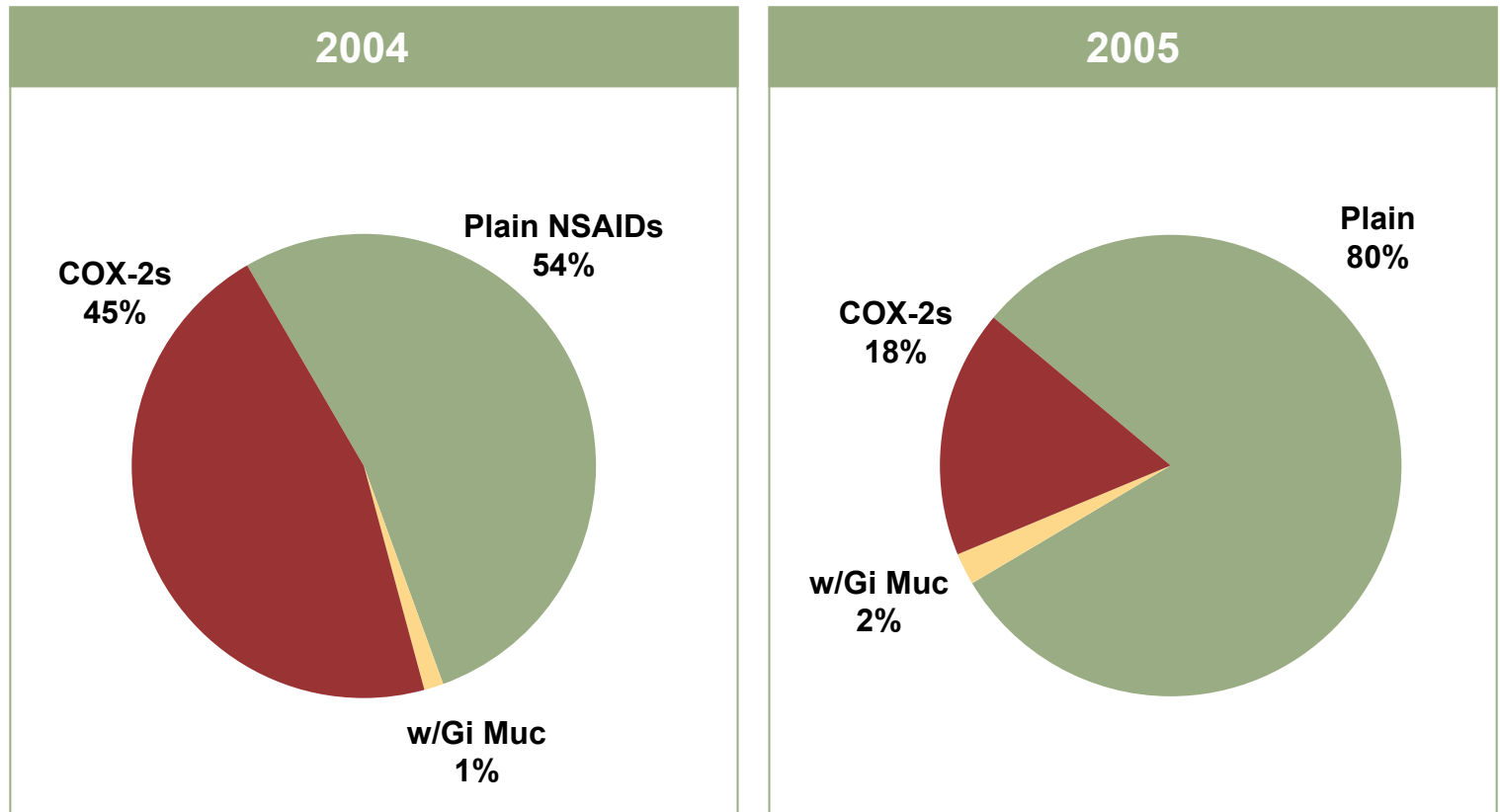


The Time for PN is Now!

- 20 million Americans regularly use NSAIDs
 - Clinically serious GI side effects (deaths, hospitalizations, bleeding) occur in 1-2%
 - Approximately 16,500 NSAID attributable deaths and 100,000 hospitalizations yearly in U.S.
- COX-2 safety and efficacy issues
- PN tablet provides 100% compliance with co-active therapy in arthritis patients

Withdrawal of COX-2's Creates Opportunity

U.S. Oral NSAID Market: Prescriptions



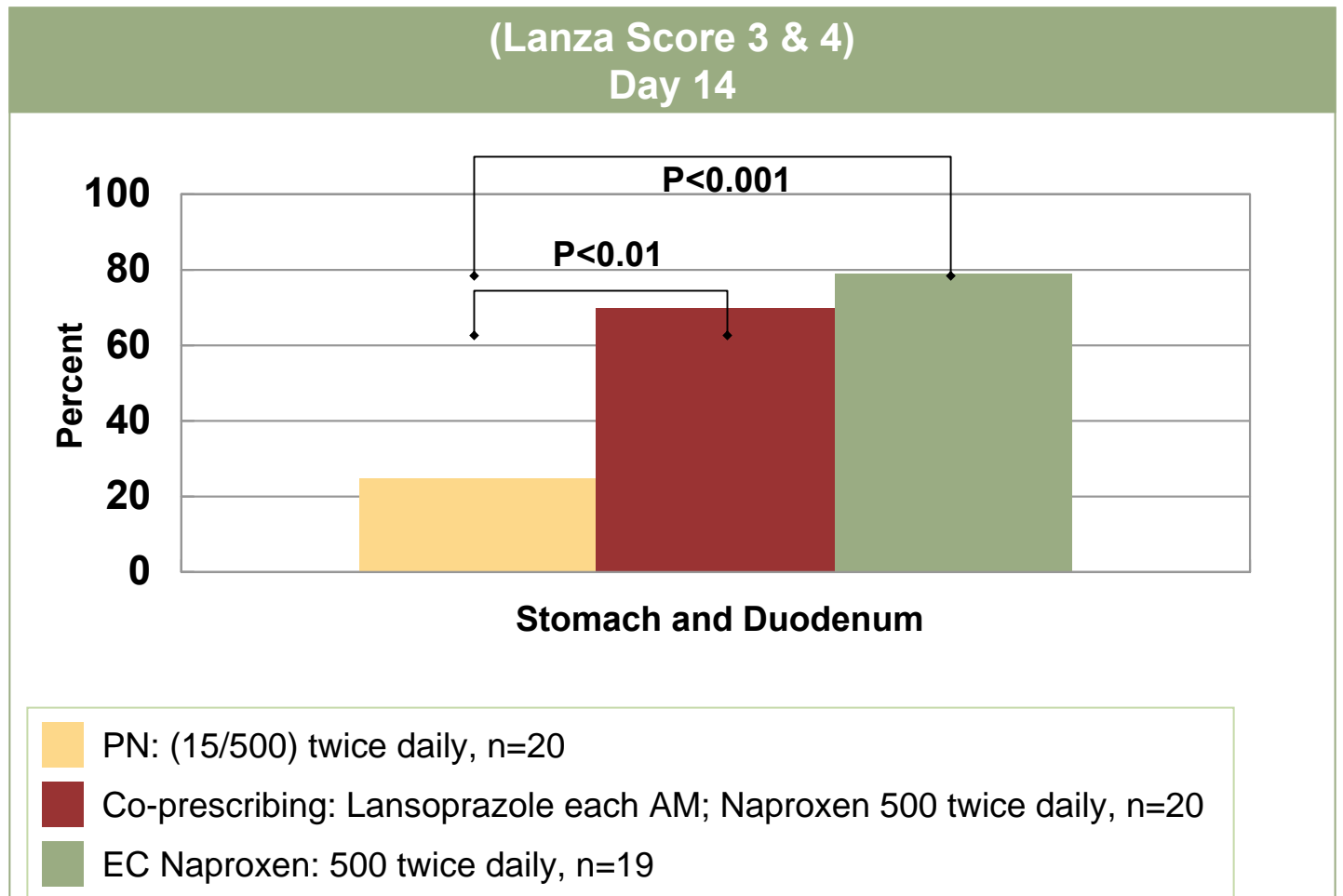
PN Program Overview

- PN Product Candidates:
 - PN 100 – Lansoprazole-naproxen combination tablet
 - PN 200 – Omeprazole-naproxen combination tablet
- Patents filed 2002 – Patent Issued August 2005
- POZEN Out-license Strategy
 - Proof of concept activities executed by POZEN
 - Core development plan agreed with FDA
 - Strong partner sought to commercialize product

Study PN 100-103

- Comparison of PN 100 vs. EC Naproxen vs. co-administration of EC PPI & Naproxen
- Normal healthy volunteers aged 40-65 years
 - 3 treatment groups
 - EC Naproxen 500mg BID (n=20)
 - PN 100 BID (n=20)
 - EC PPI 15 mg q AM and Naproxen 500 mg BID (n=20)
 - Endoscopy at baseline, Day 8, and Day 14
 - Lanza GI damage assessment rating scale
 - PK and gastric pH measured

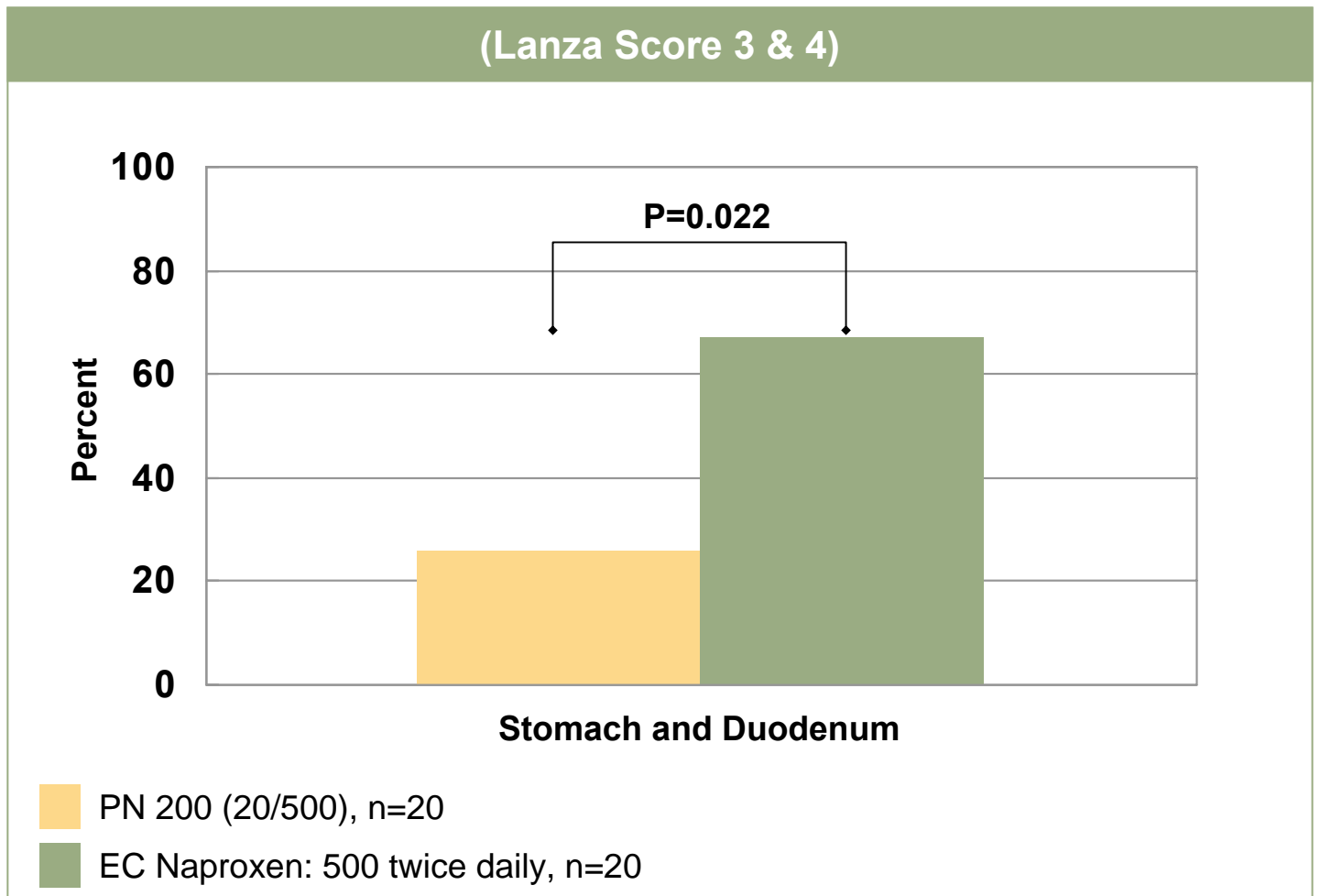
PN 100-103: Results at Day 14 Endoscopy



Study PN 200-101

- Comparison of PN 200 vs. EC Naproxen
- Healthy volunteers aged 40-65 years
- 2 treatment groups
 - PN 200 tablet (20/500) BID (n=20)
 - EC naproxen 500 mg tablet BID (n=20)
- Endoscopies were conducted at baseline and at Day 15

PN 200-101: Results at Day 15 Endoscopy



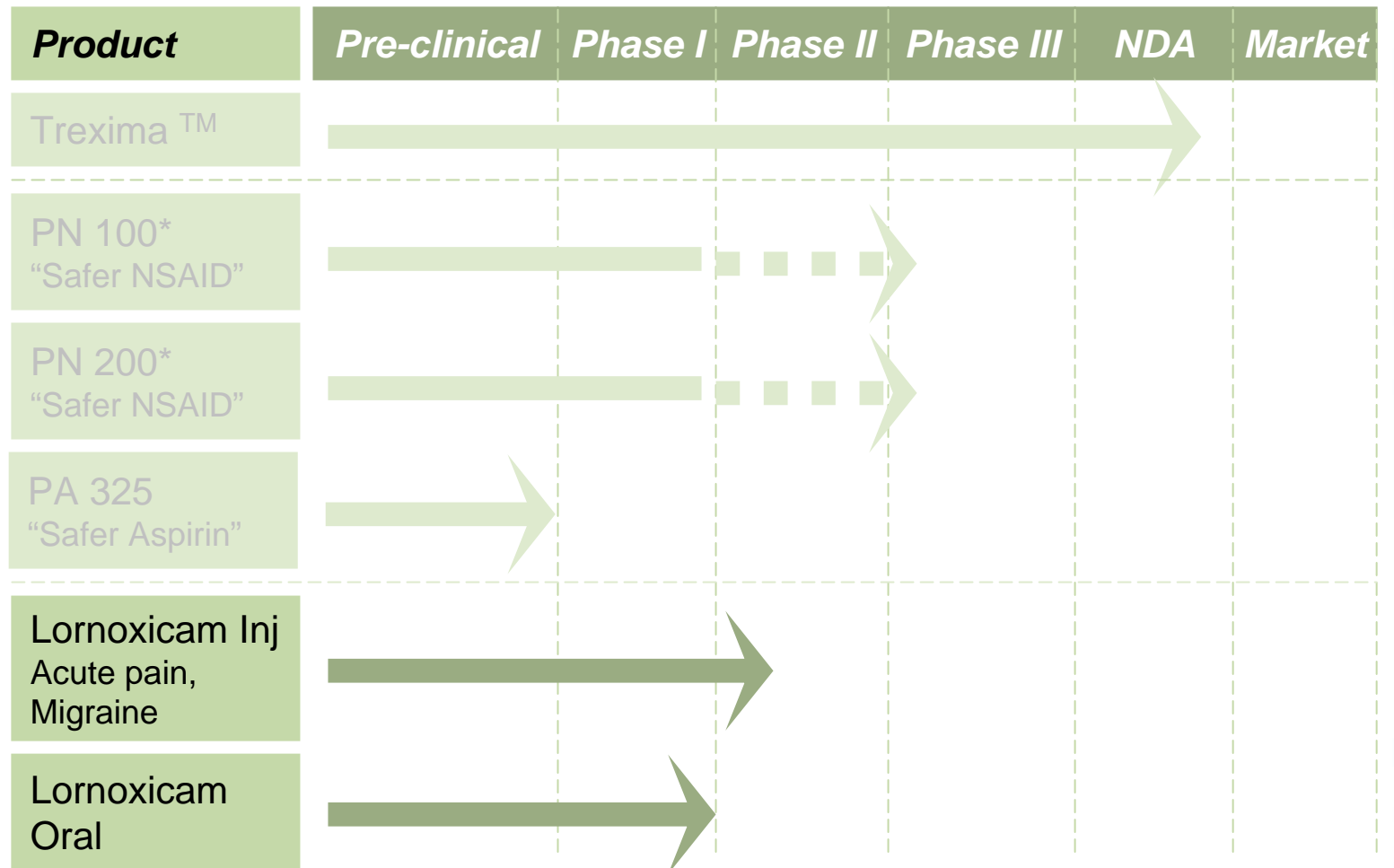
Proposed PN Development Plan

- Bioequivalence study to marketed EC Naproxen
- Arthritis Patients at Moderate to Low Risk (Pivotal Studies)
 - PN vs. EC naproxen alone (twice daily)
 - Primary Endpoint: Incidence of gastric ulcers at 6 months
 - SPA submitted to FDA in Q1 2006
- Arthritis Patients at High Risk
 - PN vs. approved co-active therapy
 - Primary Endpoint: Incidence of gastric ulcers at 6 months
- Traditional 12-month Safety Study

PN Highlights

- Significant gap in large market with withdrawal of Cox-2's
- PN shows promising results in completed studies
- Patent issued in 2005
- FDA agreement to go to Phase III
- Straightforward development process to NDA filing
- Potential blockbuster in the hands of a strong commercial partner

POZEN Product Pipeline Status



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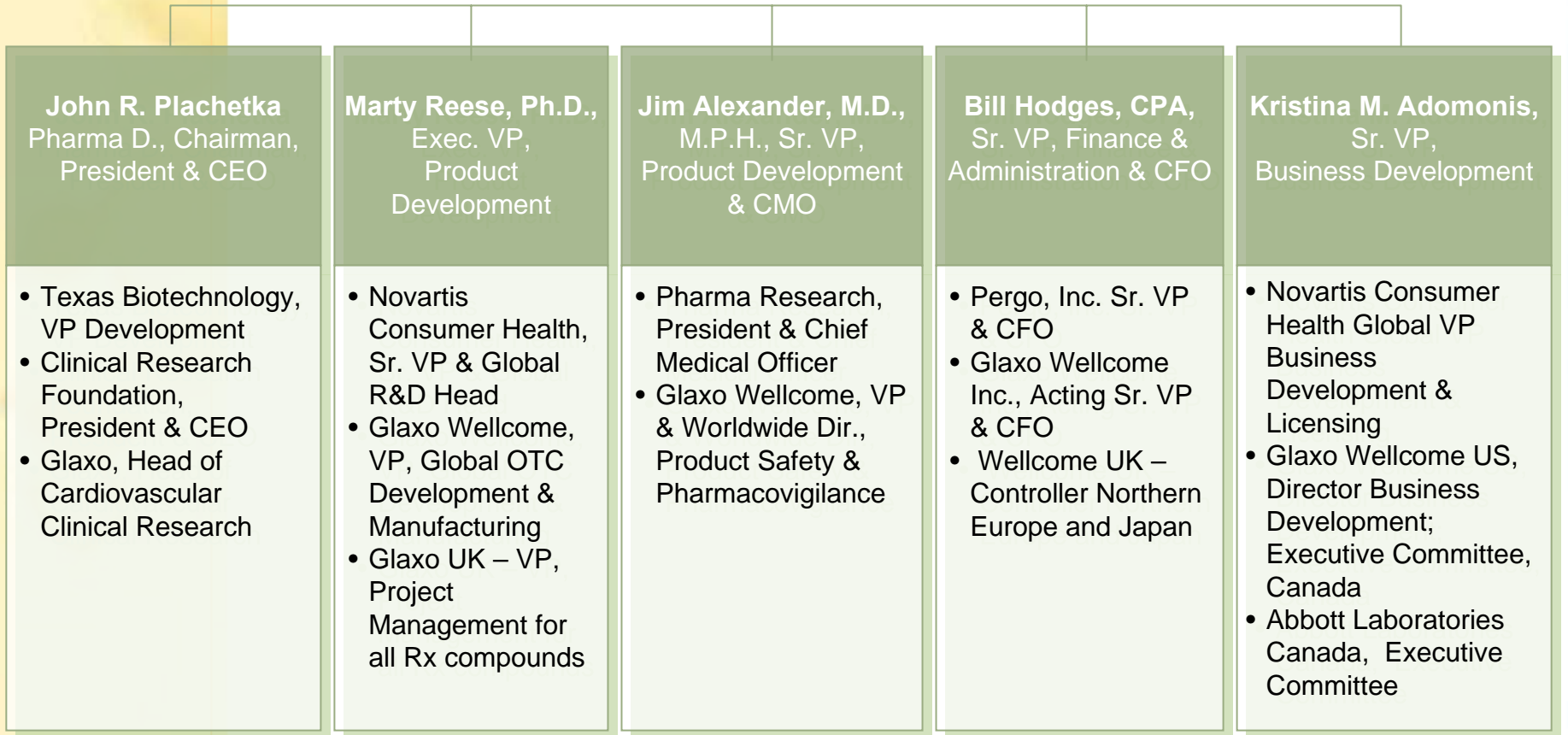
Lornoxicam: Oral and Parenteral NSAID

- Uniquely balanced COX inhibitory activity
 - High potency
 - Twice daily dosing possible
- Proven efficacy and safety in clinical use outside the US since 1997
- Phase 2 injectable program initiated in migraine and acute pain
- Oral program will target combinations with other analgesics

Compelling U.S. Opportunity

- A large analgesic market – \$7 Billion
- Lornoxicam efficacy similar to opioids without the narcotic side effects
- Oral combinations with high market potential
- Intravenous to oral therapy conversion potential – hospital to outpatient
- Superior safety profile to the only marketed intravenous NSAID

Management Team



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