EPIX PHARMACEUTICALS

CORPORATE PROFILE

EPIX Pharmaceuticals is a biopharmaceutical company focused on discovering and developing novel therapeutics through the use of its proprietary and highly efficient *in silico* drug discovery platform. The company has a pipeline of internally-discovered drug candidates currently in clinical development to treat diseases of the central nervous system and lung conditions. EPIX also has collaborations with leading organizations, including GlaxoSmithKline, Amgen, Cystic Fibrosis Foundation Therapeutics, and Bayer Schering Pharma.

Near-term Catalysts	Timing
Results from Phase 2b trial of PRX-00023 in major depression	1H08
Potential for opt-in by GSK on partnered programs	Ongoing
Achievement of partnership-related milestones	Ongoing

Top Institutional/Mutual Fund Holders*

- Orbimed Advisors
- T. Rowe Price
- Prescott Group Capital Management
- Wellington Management Company
- Renaissance Technologies

ROBUST PRODUCT PIPELINE

Product	Target	Lead Discovery	Lead Optimization	IND/ GLP Tox	Phase 1	Phase 2	Phase 3	NDA	Approved
PRX-08066	(5-HT2B)	Pulmonary Hypertension w/ COPD							
PRX-00023	(5-HT1A)	Depression							
PRX-03140	(5-HT4)	Alzheimer's Disease (GSK has exclusive option)							
PRX-07034	(5-HT6)	Obesity, Cognitive Impairment							

PARTNERSHIPS & THERAPEUTIC ALLIANCES

GlaxoSmithKline (GSK)

In December 2006, EPIX entered into a worldwide multi-target strategic collaboration to discover, develop and market novel medicines targeting four G-protein coupled receptors (GPCRs) for the treatment of a variety of diseases, including EPIX's novel 5-HT4 partial agonist program, PRX-03140, in early-stage clinical development for the treatment of Alzheimer's disease. EPIX received total initial payments of $35 million, including $17.5 million in an equity investment. In addition, EPIX is now eligible to earn potential milestones and opt-ins of up to $1.2 billion based on the achievement of certain discovery, development, regulatory and commercial milestones across the four GPCR programs. EPIX will also receive tiered double-digit royalties on sales by GSK of all collaboration-developed product sales. This alliance with GSK is conducted through its Center of Excellence for External Drug Discovery (CEEDD).

Amgen

On July 31, 2006, EPIX finalized an agreement with Amgen for the development of novel, orally available S1P1 modulators for the treatment of multiple auto-immune diseases. EPIX and Amgen are collaborating on the development of existing EPIX preclinical-stage compounds and new S1P1 modulators. As part of the agreement, EPIX received an upfront payment of $20 million, can earn up to an additional $287.5 million in potential milestone payments and has the opportunity to receive double-digit royalties on further sales of products resulting from this collaboration.

Financials*

- 52-Week Range: $2.89-$7.28
- Cash (9/30/07): $66.1 M
- Market Capitalization (1/9/08): $139.19 M
- Shares Outstanding (1/9/08): 36 M
- Float: 31.15 M
- Institutional Ownership: 46.80%
- Average 3-month Trading Volume: 408.57K shares

Contacts

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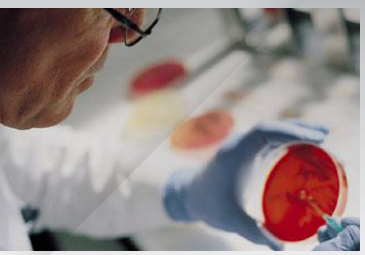
*as of 1/9/08



This document contains express or implied forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, that are based on current expectations of management. These statements relate to, among other things, expectations regarding the timing and results of clinical trials involving our drug candidates, the commercial success of our product candidates and strategic collaborations and the timing of activities related thereto, the expected future development of our drug candidates and management's plans, objectives and strategies.

These statements are neither promises nor guarantees, but are subject to a variety of risks and uncertainties, many of which are beyond our control, and which could cause actual results to differ materially from those contemplated in these forward looking statements. In particular, the risks and uncertainties include, among other things: any failure to comply with regulations relating to our products and product candidates, including FDA requirements or requests; our inability to successfully in-license products and/or technologies; our inability to identify and interest potential collaborators in our technologies and products; our inability to successfully defend against litigation; our inability to protect our intellectual property and the cost of enforcing or defending our intellectual property rights; our inability to further identify, develop and achieve commercial success for new products and technologies; the possibility of delays in the research and development necessary to select drug development candidates and delays in clinical trials; the risk that clinical trials may not result in marketable products; the risk that we may be unable to successfully secure regulatory approval of and market our drug candidates; risks associated with new and uncertain technology; the development of competing systems; and risks of new, changing and competitive technologies and regulations in the United States and internationally. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to update or revise the information contained in this document, whether as a result of new information, future events or circumstances or otherwise. For additional information regarding these and other risks that we face, see the disclosure contained in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q.

PARTNERSHIPS & THERAPEUTIC ALLIANCES *(continued)*

Bayer Schering Pharma

EPIX has partnered with Bayer Schering Pharma, for the development and global marketing of Vasovist™, an innovative pharmaceutical for enhanced MRA imaging. Vasovist is approved for use in 32 countries outside of the United States.

Cystic Fibrosis Foundation Therapeutics

EPIX has a collaborative research, development and commercialization agreement with Cystic Fibrosis Foundation Therapeutics Inc., the drug discovery and development affiliate of the Cystic Fibrosis Foundation, focused on discovering potential drug therapies targeting the P2Y(2) receptor and the CFTR ion channel.

LEAD PRODUCT CANDIDATES

PRX-08066

EPIX is developing PRX-08066, a selective 5-HT2B antagonist, for the treatment of pulmonary hypertension (PH) associated with chronic obstructive pulmonary disease (COPD) and recently completed a Phase 2a trial that resulted in statistically significant reductions in systolic pulmonary artery pressure and showed that PRX- 08066 was well-tolerated, with potential for co-administration with other therapies.

PRX-00023

PRX-00023 is a novel, highly selective, oral, long acting, 5-HT1A partial agonist targeting anxiety and depression. EPIX is currently conducting a Phase 2b trial of PRX-00023 in major depressive disorder after its Phase 3 trial in generalized anxiety disorder showed strong trends in reducing anxiety and statistically significant reductions (p=0.009) in a pre-specified secondary endpoint of depressive symptoms. Results from this trial are expected in the first half of 2008.

PRX-03140

PRX-03140 is a novel, highly selective, oral, small-molecule agonist of a specific GPCR known as 5-HT4 for the treatment of Alzheimer's disease. EPIX recently completed a Phase 2a clinical trial of PRX-03140 alone or in combination with 10 mg donepezil (Aricept®); statistical significance in the improvement of cognitive function as measured by ADAS-cog was noted in the monotherapy portion of the trial along with a favorable side effect profile. PRX-03140 is part of the strategic collaboration forged between EPIX and GlaxoSmithKline to discover, develop and market novel medicines targeting GPCRs.

PRX-07034

PRX-07034 is a novel, highly selective, oral, small-molecule antagonist of a specific GPCR known as 5-HT6 and is expected to be developed for the treatment of obesity, Alzheimer's disease and cognitive impairment associated with schizophrenia. In a recently completed Phase 1b trial in 33 healthy obese adults, results indicated that PRX-07034 was well-tolerated, showed a dose-dependent trend in improvement in cognitive function and resulted in a greater proportion of subjects experiencing weight loss than those on placebo. Additional Phase 2a trials are planned for 2008.

Research Coverage

- Cowen & Co.
- Needham & Co.
- Maxim Group, LLC
- Natixis Bleichroeder

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