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**Cowen and Company
2009 Healthcare Conference**

March 16, 2009

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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 of our product candidates, including as a result of changes in regulatory standards or the regulatory environment during the development period of any of our product candidates; uncertainties in clinical trial results or the timing of such trials, resulting in, among other things, an extension in the period over which we recognize deferred revenue or our failure to achieve milestones that would have provided us with revenue; 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, including our dependence on GlaxoSmithKline for the sales and marketing of *Treximet*; competitive factors; our inability to protect our patents or proprietary rights and obtain necessary rights to third party patents and intellectual property to operate our business; our inability to operate our business without infringing the patents and proprietary rights of others; general economic conditions; 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 in our Quarterly Report on Form 10-K for the period ended December 31, 2008. We do not intend to update any of these factors or to publicly announce the results of any revisions to these forward-looking statements.

POZEN is a Results Oriented Company

- Best in Class migraine product approval 2008
 - *Treximet*[®] sales growing via GSK efforts
- Self funding since 2000; No debt
- New oral arthritis medicine targeted for NDA submission mid-year
- New anti-platelet product entering Phase 3 mid-year
- Increasing cash flow expected in 2010

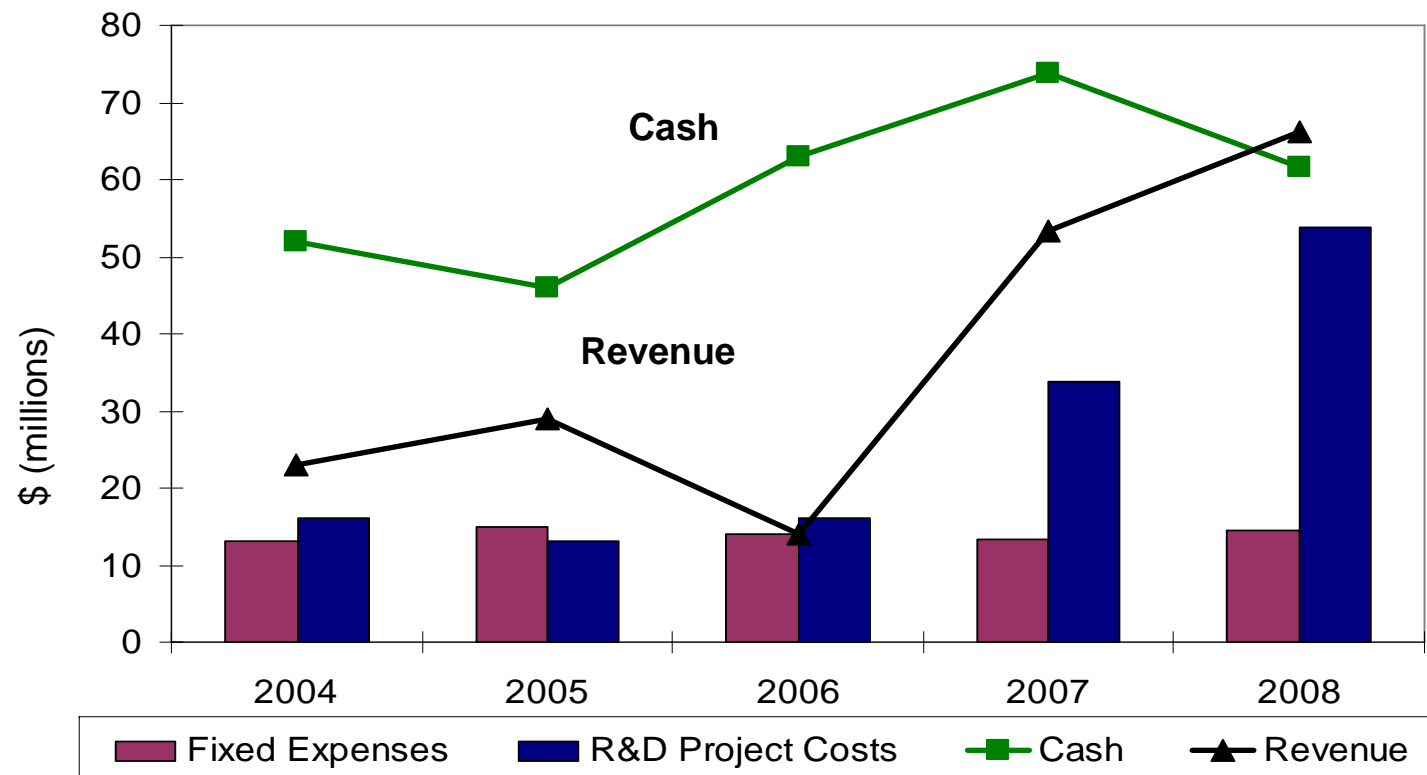
Key Financial Facts

Financial Overview

Cash at 12/31/08	\$61.7 Million
No Debt	
Shares Outstanding	29.8 Million
Share Price	\$5.65
Employees	34

Five Year Financial Performance

Revenue / R&D Project Costs / Fixed Expenses* / Cash





* Fixed expenses exclude non-cash stock-based compensation costs in all years

POZEN - Unique amongst the Class of 2000 IPO's (47 companies)

- POZEN is the only company not to execute a financing
- 5 companies delisted, in bankruptcy or out of business
- 12 companies valued at <10% of IPO share price
- 12 companies acquired
- Unknown number are in need of cash to survive

POZEN Development Strategy- Satisfy Unmet Medical Needs

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Therapeutic Category	Partner	Status
<u>Migraine</u> <i>Treximet</i> [®]	 US Only	Marketed
MT 400 (low dose)	To Be Determined WW (Except US)	Phase 3
<u>Chronic Pain</u> PN 40020 OA 65020	 AstraZeneca WW (Except Japan) To Be Determined	NDA – mid-2009 Phase 1 – POC
<u>Cardiovascular</u> PA 32540 PA 08140 PA 10040	To Be Determined	Finalized SPA/ Phase 3 mid-2009 Phase 1 – POC Exploratory
<u>Oncology</u> CA 32540 CA 32520 CA 50040	To Be Determined	Exploratory Exploratory Exploratory
<u>Gastroenterology</u> ORD 2020	To Be Determined	Phase 1 – POC

POZEN's Product Development Philosophy

- Pouring billions into the search for “perfect” single new molecular entities has returned little value
 - THERE IS NO SILVER BULLET FOR MOST DISEASES!!
- Monotherapy success is limited in many disease states
 - Cancer, cardiovascular diseases, infectious diseases, pain, etc are complex pathologies involving multiple mechanisms
- Innovative combinations of two drugs sometimes produce surprising and unexpected results
 - *Treximet*, PN and PA
- Optimizing the choice of agents, and the dosing, delivery, and sequencing them, will lead to more therapeutic advances than looking for a single molecule, and with a higher probability of regulatory approval

Treximet – “The Future Is Here”



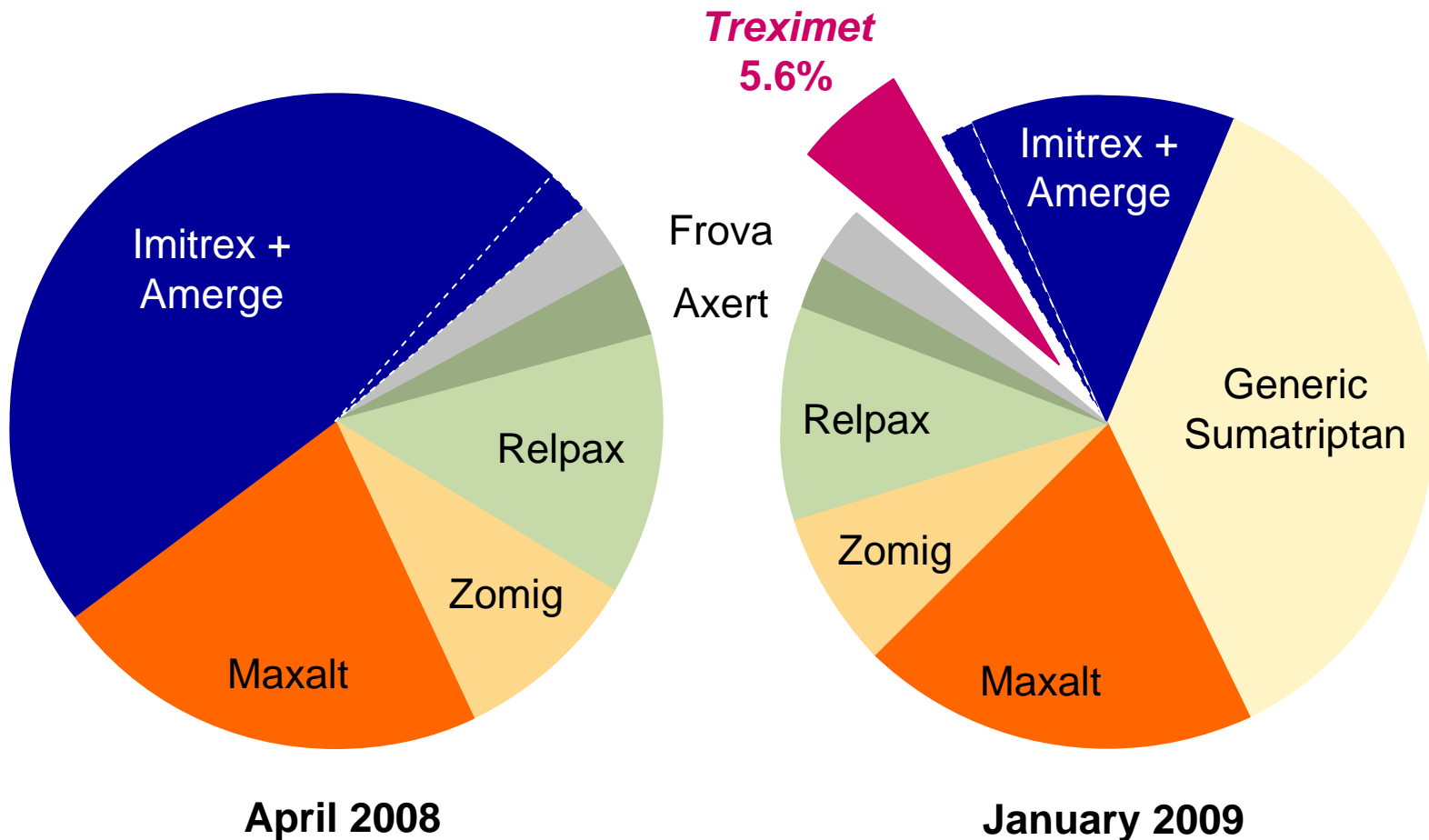
Treximet— Superiority Over Market Leader

	<u>Improvement vs. Sumatriptan¹</u>
Sustained pain free 2-24 hours	60%
Pain free at 2 hours	33%
Sustained absence of phonophobia	30%
Sustained absence of photophobia	28%
Sustained absence of nausea	18%
Reduction in vomiting	50%
Reduction in rescue medication	36%

¹JAMA, April 4, 2007—Vol. 297, No. 13

Branded Migraine Products- Only *Treximet* Grew Market Share in 2008

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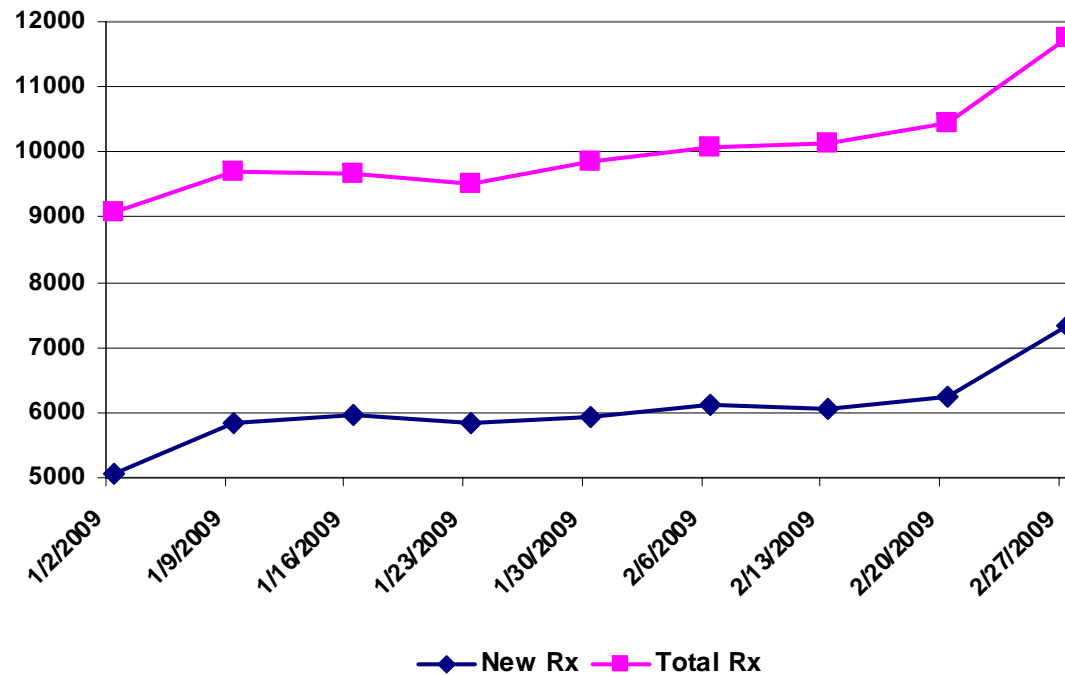


Source: IMS NPA

Treximet – New and Total Rx's Respond to Improved Promotional Efforts

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New and Total Rx



Source: IMS Weekly National Prescription Audit

Treximet's Future Cash Flow Contribution

- Income
 - Mid-single digit royalty (on net sales) through 2009
 - High teens royalty beginning January 1, 2010
- Expenses
 - Nothing except for patent defense

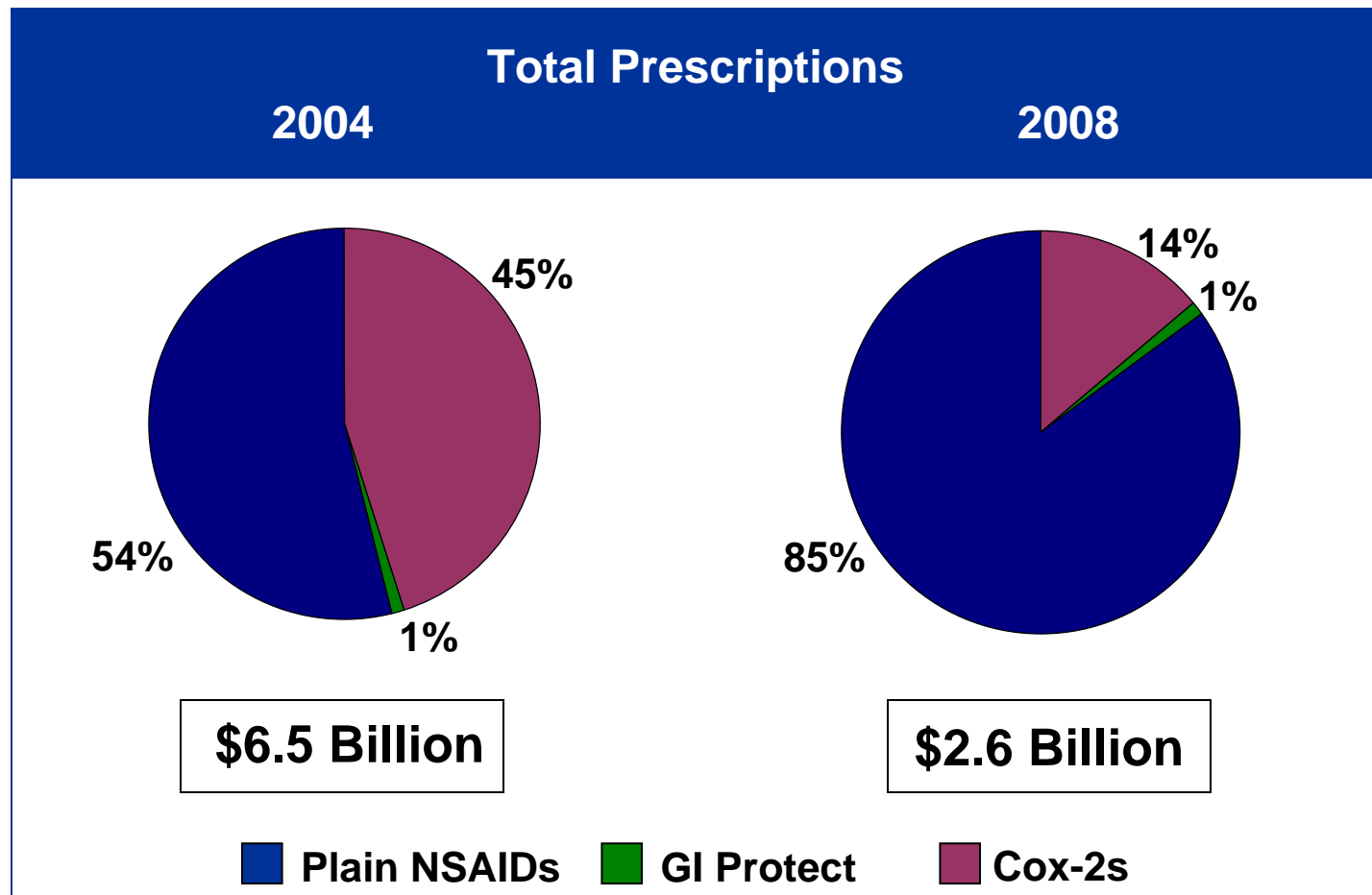
PN 400* – Meeting the Needs and Concerns of Patients and Doctors

- Relief from the symptoms of OA (pain, morning stiffness, etc) for patients at risk for developing a gastric ulcer
 - Patients over 50
 - Patients with a history of gastric ulcer
 - Patients taking aspirin for CV conditions
- A convenient, simple twice daily dose
- Less risk of gastric ulcers proven in both pivotal trials
 - Safety profile consistent with clinical trials database

* PN 400 – EC naproxen, IR esomeprazole

Will PN 400 Be Seen as an Alternative to COX-2 Agents?

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Source: IMS National Sales Perspective, IMS National Prescription Audit™, 2004 & 2008

The Time for PN is Now!

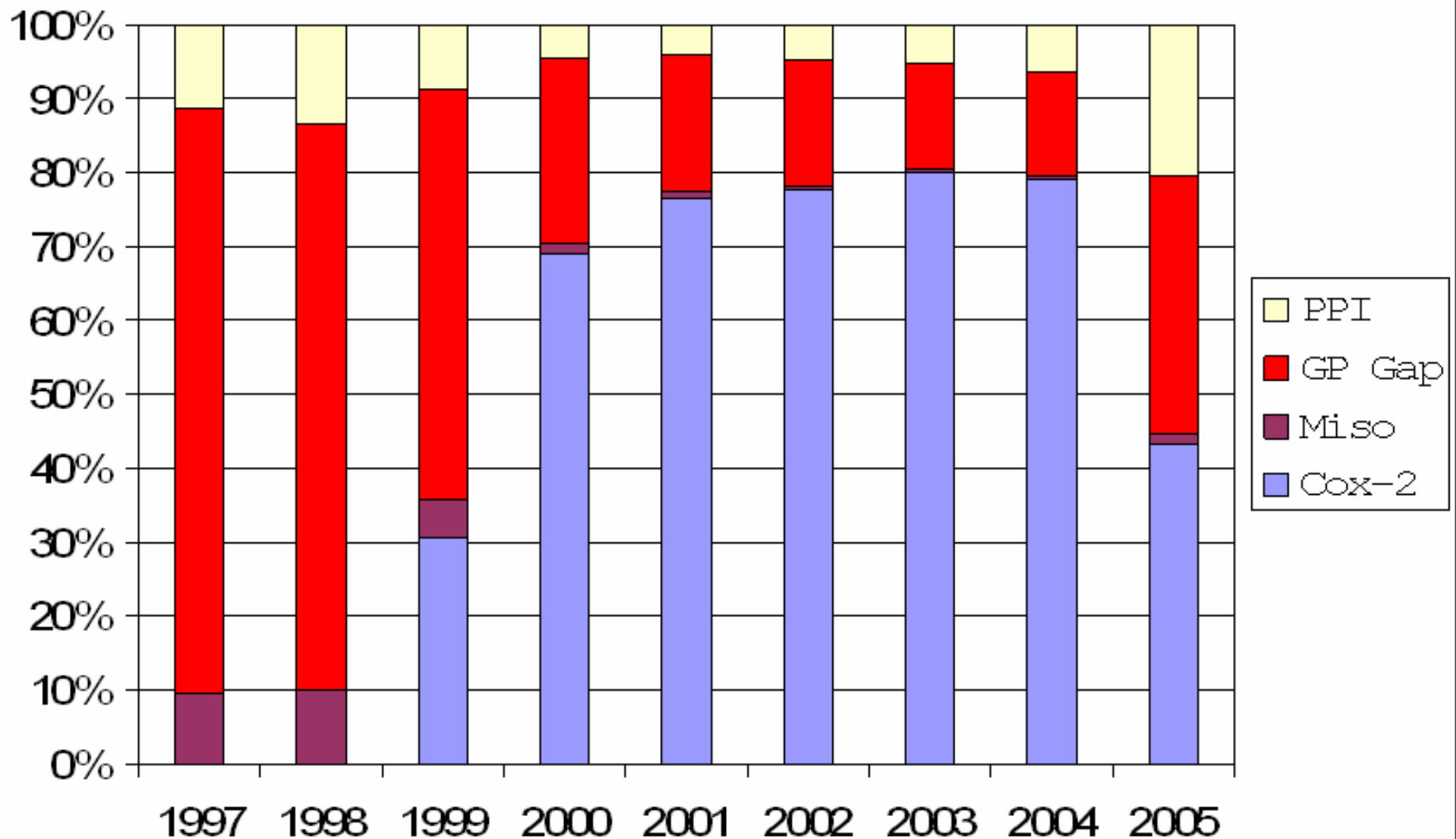
- Effective, but not a COX-2 agent
- 46 million people suffer from arthritis in the U.S.¹
 - 750,000 hospitalizations, 36 million outpatient visits
- By 2030, nearly 67 million adults will suffer from arthritis¹
- NSAIDs are most commonly prescribed treatment for arthritis but usage complicated by GI toxicity risk
- Stomach complications in patients taking NSAIDs appear to be on the rise due to gap between NSAID prescriptions and therapies providing GI protection²

¹ Centers for Disease Control and Prevention (CDC), January 2008

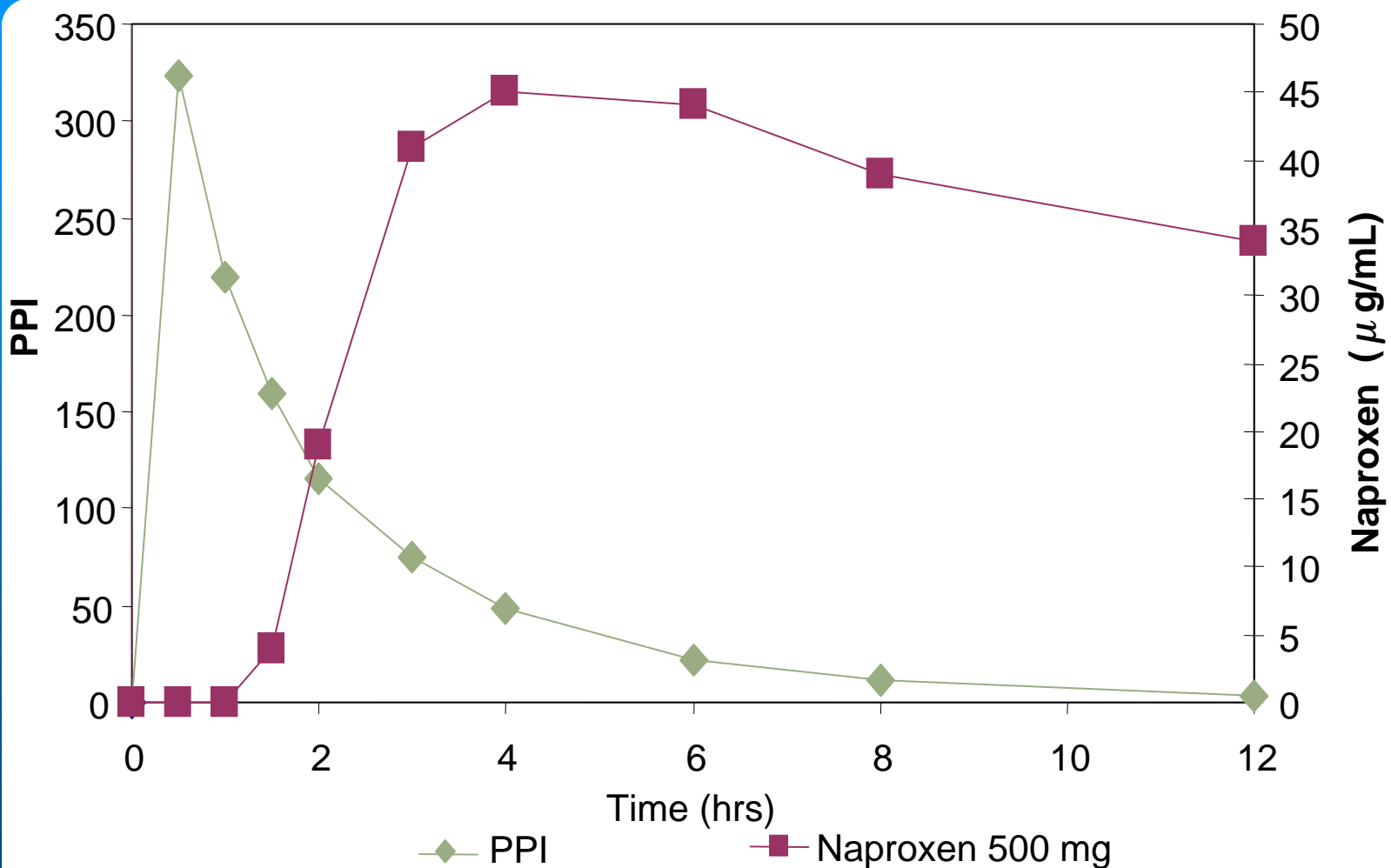
² American College of Rheumatology Annual Meeting 2008

Gastroprotection Gap

Elderly patients >65 yr with arthritis



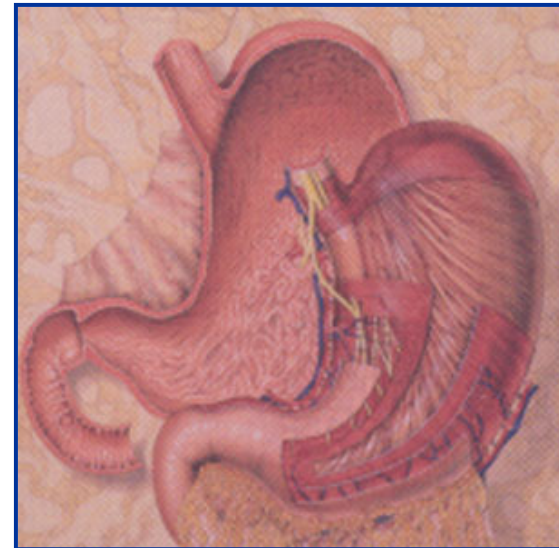
PN Technology – Sequential Delivery



PN 100-103 Plasma Time – Concentration Curves for Naproxen and PPI on Day 1
Proof of Concept study

PN 200-301* – PoC Study Features

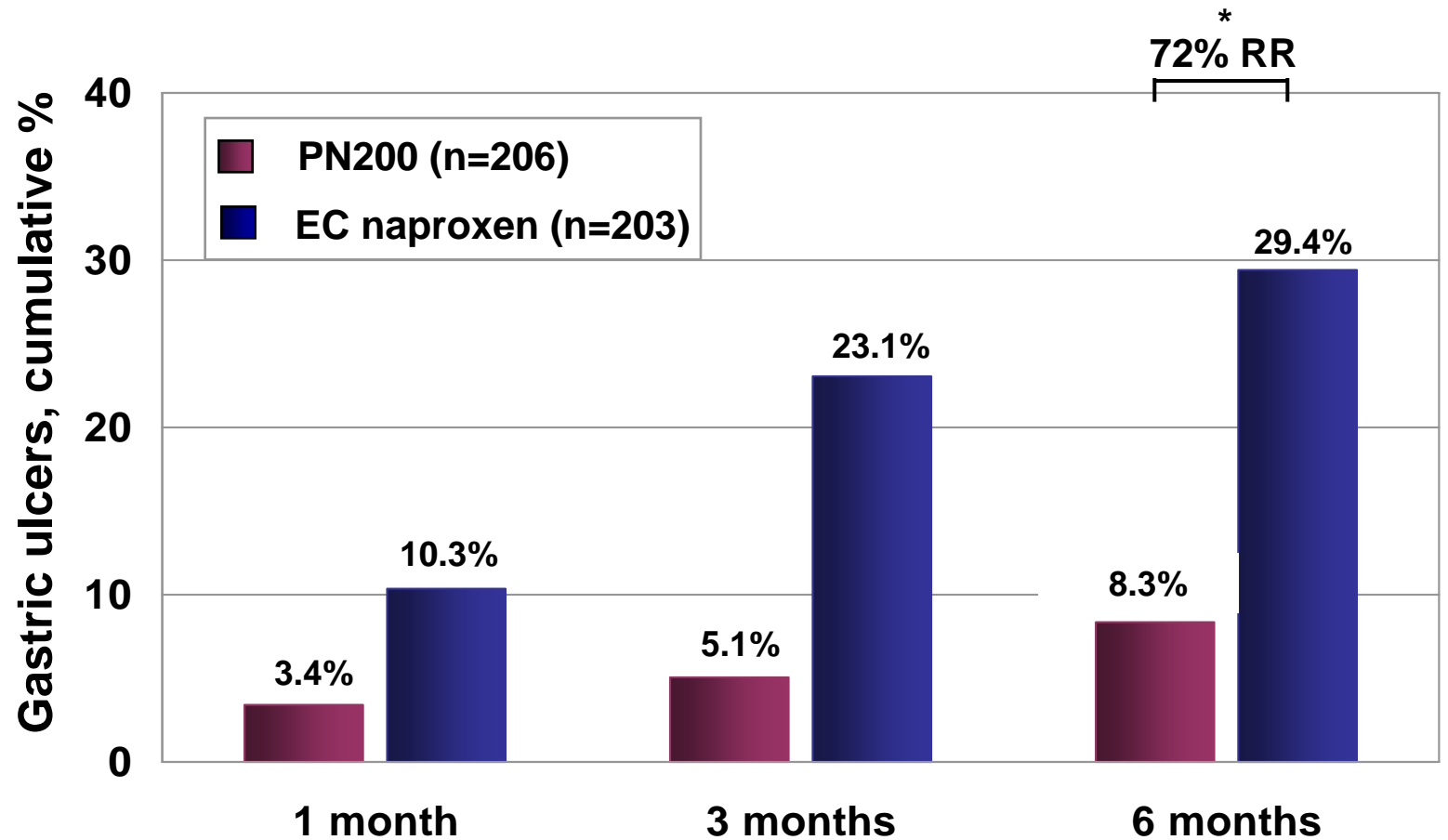
- **Similar design to PN 400 pivotal Phase 3 trials**
- **Primary endpoint**
 - Incidence of gastric ulcers (≥ 3 mm diameter with depth) over 6 months
- **Secondary endpoints**
 - Incidence of DU over 6 months
 - Tolerability
 - Safety



* PN 200-301 – EC naproxen, IR omeprazole

PN 200-301 Primary Endpoint – Survival Analysis of Incidence of Gastric Ulcers - ITT

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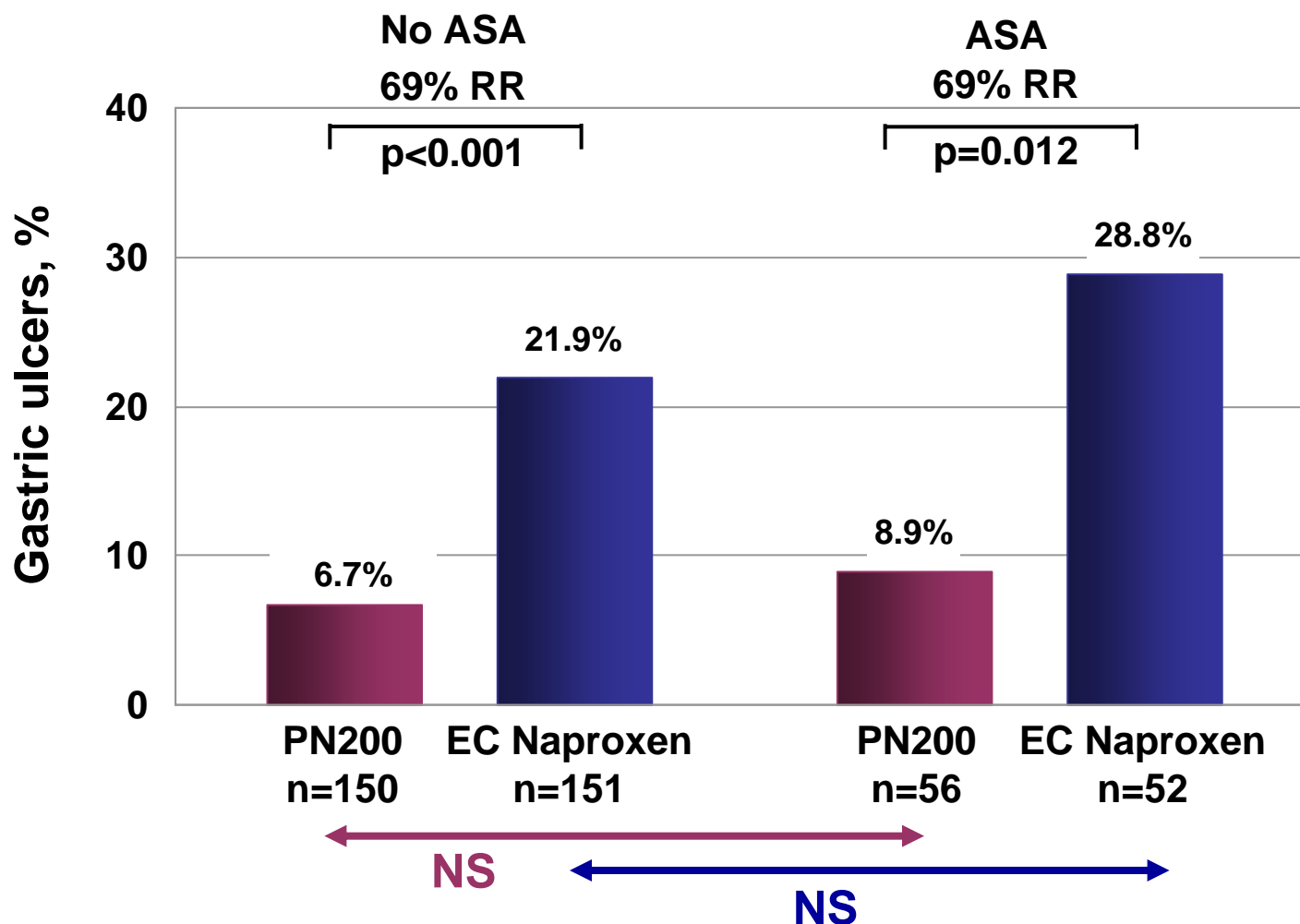


•p<0.001 between groups over 6 months

Data presented at DDW, May 18, 2008

PN 200-301 – Cumulative Observed Incidence of Gastric Ulcers at 6 Months – ASA vs no ASA

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Data presented at DDW, May 18, 2008

PN 400 – Efficient Development Plan

- Arthritis patients (OA, RA, AS) at risk for NSAID associated ulcers (two pivotal studies)
 - PN 400 vs. EC naproxen 500 mg alone (twice daily)
 - Primary endpoint: cumulative incidence of gastric ulcers at 6 months
- Appropriate clinical pharmacology studies completed
- 12-month open label safety study ongoing
- PN 400 Phase 3 pivotal studies achieved primary endpoints
Results highly significant
- NDA targeted mid-2009
- PN 400 vs. Celebrex comparator studies completed

AstraZeneca Deal Structure

- Total upfront and milestone payments received - \$70 Million

Milestones and Royalties

FDA Acceptance of NDA	\$10 Million
Other regulatory milestones	\$45 Million
Sales performance milestones based on achievement of certain sales thresholds	\$260 million
POZEN will receive low double digit royalties based on net U.S. sales and tiered royalties ex-U.S.	

PA – Designed to Meet the Needs and Concerns of Patients and Doctors

- Only NSAID without a CV black box
- Aspirin efficacy and safety profile
- Potentially reduce risk of developing a gastric ulcer, with or without concomitant NSAID use
- Anticipate better GI tolerability than aspirin alone
- Intended to simplify regimen for patients relying on gastroprotective therapy + aspirin
 - Novel dosage form ensures sequential delivery with every dose
 - “Drugs don’t work in patients who don’t take them!”
(C. Everett Koop)

Aspirin Reduces Risks of Cardiovascular Events

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- Compelling evidence from studies involving over 140,000 patients
 - 22% reduction in new serious cardiovascular (CV) events
 - 30% reduction in both vascular deaths and myocardial infarction
- Risks of serious vascular events reduced in patients:
 - 46% with unstable angina
 - 33% with stable angina
 - 23% with peripheral arterial disease
 - 53% undergoing coronary angioplasty
- Aspirin substantially reduces risk of death and further CV events in high CV risk

Source: Aspirin Foundation Website – Article on Secondary Prevention

Gastrointestinal Toxicity of Aspirin

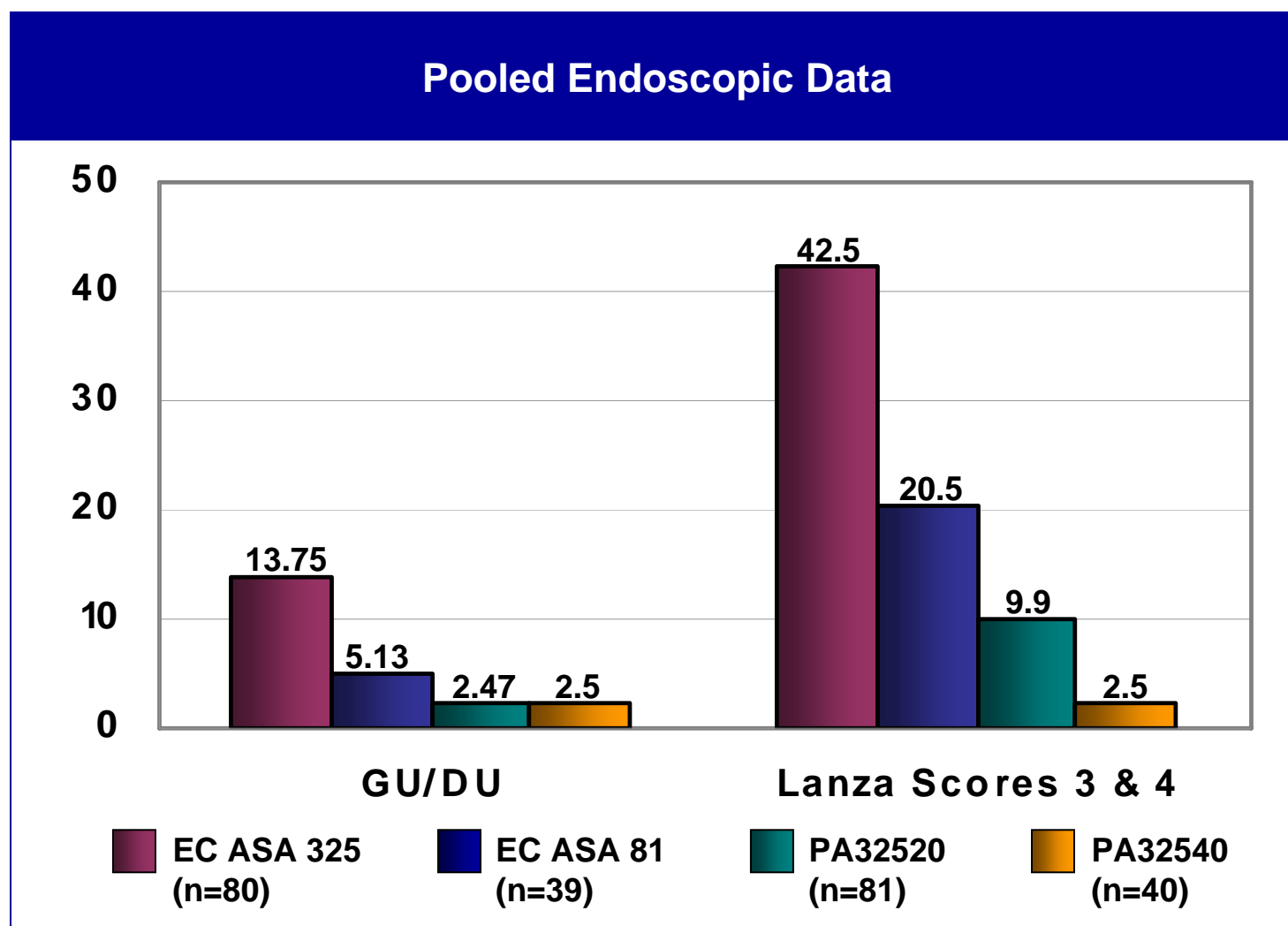
- Gastric ulcers are common toxicity of aspirin, even ≤ 325 (mg)/day
- Risk increases significantly with age, especially >60
- Fatality rate for patients admitted to hospital for GI hemorrhage due to gastric ulcers is approximately 5-10%
- Low dose aspirin believed to be responsible for up to 1/3 of all mortality attributed to NSAID-related GI complications

Source: Alimentary Pharmacy & Therapeutics; Underutilization of Gastroprotective Strategies in Aspirin Users at Increased Risk of Upper GI Complication; Targownik, L.E.; Metge, C.J.; Leung, S.; 2008

3 PA Proof of Concept Studies Completed

- Three proof of concept studies completed
 - PA32520 vs. 325 mg EC aspirin
 - 28 day treatment, 40 patients per arm
 - Endoscopy – baseline, 14, 28 days
 - PA32520 vs. 81 mg EC aspirin
 - 28 day treatment, 40 patients per arm
 - Endoscopy – baseline, 14, 28 days
 - PA32540 vs. 325 mg EC aspirin
 - 28 day treatment, 40 patients per arm
 - Endoscopy – baseline, 14, 28 days

PA – Pooled Endoscopic Data



Important Events for POZEN

- **1Q 09** – Resolution of primary endpoint for PN 400 & PA ✓
- **1Q 09** – Completion of PN 400 vs Celebrex studies ✓
- **1H 09** – ORD 2020 POC Results
- **1H 09** – OA 65020 POC Results
- **Mid-09** – Data analysis and filing of PN 400 NDA
- **Mid-09** – Initiate PA 32540 Phase 3 pivotal studies

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