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FOR IMMEDIATE RELEASE

Metabolex Raises \$44 Million in Additional Private Financing

Edward E. Penhoet, Ph.D., Chiron Co-Founder, Elected Chairman of the Board

HAYWARD, CA (November 30, 2004): Metabolex, Inc., a privately held pharmaceutical firm that discovers and develops drugs to treat diabetes and related metabolic diseases, today announced that it has raised \$44 million in a private equity financing led by Alta Partners. Additional new investors in the round include Venrock Associates, Versant Ventures and Novo A/S. Previous Metabolex investors participating in this closing included Bay City Capital, KBC Bank & Insurance Group, and Birchmere Ventures, along with VantagePoint Venture Partners. This financing is the third close of the company's financing announced in August 2003, bringing the total amount raised in this round to \$75 million.

In news related to the financing, Edward Penhoet, Ph.D., co-founder of Chiron Corporation and director at Alta Partners, was elected chairman of the Metabolex board of directors. Dr. Penhoet is also dean emeritus of the School of Public Health at the University of California, Berkeley and is president of the Gordon and Betty Moore Foundation.

"Clinical results to date suggest that MBX-102 is a very promising compound for the treatment of type 2 diabetes," said Dr. Penhoet. "The Metabolex management team has done an excellent job in advancing this compound towards registration-directed trials, as well as building a pipeline of additional compounds behind it."

Also joining the Metabolex board are Alix Marduel, M.D., managing director at Alta Partners; Bradley Bolzon, managing director at Versant Ventures; Tony Evnin, managing director at Venrock Associates; and Stephan Dolezalek, partner at VantagePoint Ventures. Departing the board are former chairman Barr Dolan, general partner at Charter Ventures; and Jan Drayer, M.D., pharmaceutical consultant to the Biotechnology Turnaround Fund BV.

"We are very pleased to gain these prominent new investors and look forward to working with our new board members," said Harold Van Wart, Ph.D., Metabolex president and chief executive officer. "I would like to thank the departing board members for their contributions to the company. I would particularly like to thank Barr Dolan for his help and guidance over the past two years as we put this very large financing together."

“This new investment and the continued support of our current investors underscore the achievements of our clinical development of MBX-102, the progress of our earlier stage compounds and the approach to the development of next-generation therapeutics for diabetes and related diseases.” Dr. Van Wart noted that proceeds from the financing would be used in part to undertake a second Phase II clinical trial, to prepare for Phase III trials, including manufacturing and formulation work, and to initiate a Phase I clinical trial with a second Metabolex compound.

About Metabolex

Metabolex, Inc. is a privately held pharmaceutical company dedicated to the discovery and development of drugs to treat diabetes and related metabolic disorders. The company’s lead compound, MBX-102, is a novel insulin sensitizer in Phase II clinical development. Metabolex has also built a portfolio of other potential diabetes therapeutics, which includes a product candidate in preclinical development and various programs optimizing lead drug candidates. Additionally, Metabolex has two target discovery programs that have produced one of the world’s largest databases of diabetes-expressed genes. One of these programs, in insulin secretion, is partnered with Pfizer. The other, in insulin resistance, is partnered with Yamanouchi Pharmaceuticals Co. Ltd. For more information about Metabolex and its programs, please visit the company’s website at www.metabolex.com.

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