

At a Glance

- **Small molecule drug discovery and development**
- **Focused in:**
 - Cardiovascular/Metabolic Diseases
 - Pain/Inflammation
 - Oncology
- **Strong product pipeline**
- **Parallel R&D approach**
- **Unmatched uHTS technology**
- **Incorporated August 2001**
- **120 employees**

Kalypsys Executive Management Team

- **John McKearn, PhD**
President, CEO
- **Paul Grint, MD**
Chief Medical Officer
- **Richard Lai Fatt, PhD**
Vice President, Corporate Development
- **Rich Heyman, PhD**
Senior Vice President, Drug Discovery
- **Court R. Turner**
Vice President, Strategic Alliances and Senior Legal Counsel


COMPANY OVERVIEW

Kalypsys, a private, San Diego based, clinical stage pharmaceutical company, seamlessly integrates capabilities in drug discovery, medicinal chemistry and translational medicine with proprietary automated technologies to efficiently discover and develop high quality, small molecule drugs. We're utilizing our talent, systems approach and technology to develop breakthrough therapies for some of the world's most widespread diseases including Cardiovascular/Metabolic Diseases, Pain/Inflammation and Oncology. In addition to our own pipeline, we partner with top-tier pharmaceutical companies to rapidly advance their next generation medicines.

PIPELINE

Kalypsys is focused on three therapeutic areas that target some of the world's most widespread diseases: Cardiovascular/Metabolic Diseases, Pain/Inflammation and Oncology. We currently have three clinical candidates, filed our first IND in 2Q06 (KD3010), and anticipate subsequent IND filings in 4Q06 (KD7040) and 3Q07 (KD5170). Each of our programs is supported by aggressive patent filings to ensure freedom to operate with Kalypsys compounds.

Compound Name/ Mechanism	Lead Discovery	Preclinical Candidate	IND Candidate	Phase I Clinical	Phase II Clinical	Phase III Clinical
CARDIOVASCULAR/METABOLIC						
KD3010 - PPAR δ Selective Agonist	█	█	█	█		
PPAR δ Selective Agonist	█	█				
PPAR δ / γ Dual Agonist	█	█				
GPCR	█					
PAIN/INFLAMMATION						
KD7040 - iNOS Topical Inhibitor	█	█	█			
P38 Selective Inhibitor	█	█				
iNOS Oral Inhibitor	█	█				
ONCOLOGY						
KD5170 - HDAC Inhibitor	█	█	█			
B-RAF Multi Kinase Inhibitor	█	█				
B-RAF Selective Inhibitor	█					


R&D APPROACH

Pharmaceutical companies face the productivity challenge. Research and development timelines continue to lengthen and drug candidate attrition rates remain high. The Kalypsys proprietary integrated drug discovery infrastructure is unique and directly addresses the need for improved efficiency and productivity.

The Kalypsys technology platform is unparalleled in its ability to rapidly identify and select the best leads with superior drug-like profiles for medicinal chemistry and preclinical development. Our commitment to translational medicine facilitates early understanding of a drug candidate's properties prior to moving into full clinical development, with beneficial impact on quality and attrition. Seamless discovery and development allows Kalypsys to substantially reduce time and cost.

Board of Directors

- **August M. Watanabe, MD**
Chairman
- **John Diekman, PhD**
5AM Ventures
- **Shehan Dissanayake, PhD**
Tavistock Life Sciences
- **Isy Goldwasser**
Symyx, Inc.
- **Kenneth Langone**
Invemed Catalyst Fund
- **Vijay Lathi**
Sprout Group
- **John McKearn, PhD**
Kalypsys Inc.
- **Philip Needleman, PhD**

Investors

- 5AM Ventures
- Aravis Ventures
- CMEA Ventures
- Innovis Investments
- Invemed Associates
- KT Venture Group
- Novartis BioVenture Fund
- Sprout Group
- Tavistock Life Sciences

Kalypsys has raised \$72 million to date from recognized and respected healthcare investors. The company's strong financial position enables it to invest in the accelerated development of its product pipeline.

Contact Kalypsys

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TECHNOLOGY

Ground-breaking technology

The centerpiece of the Kalypsys suite of technologies is a proprietary state-of-the-art, fully automated robotic ultra-high throughput screening and profiling system. This technology enables scientists to interrogate targets in 1536 well-based biochemical and disease-relevant cellular assays. The system can access on-line storage of over 2 million compounds and generate up to 1.5 million data points per day. The technology also supports drug property profiling, including assessment of ADME and safety characteristics.

Kalypsys is actively seeking strategic alliances to complement the company's research focus.



PARTNERING OPPORTUNITIES

Kalypsys has two major partnering interests. (1) Our drug discovery productivity has resulted in a rich portfolio of late preclinical/early clinical development programs. Kalypsys is actively seeking partnerships to maximize the value of the programs and to advance compounds into clinical development through commercialization. (2) Kalypsys is seeking to establish a limited number of multi-target, multi-year drug discovery alliances in which the parties work collaboratively to advance therapeutic area programs from target selection to clinical candidates and beyond.

RECENT CORPORATE EVENTS

- Kalypsys entered multi-target, four-year small molecule drug discovery collaboration with Alcon
- Kalypsys announces strategic collaboration with Panasonic for development of next-generation drug discovery systems

FUTURE CORPORATE MILESTONES

- Establish additional major strategic alliances
- File IND for KD7040 in 2006
- Complete Phase 1a trial for KD3010 in 2006