

Developing treatment options for patients with rare gastrointestinal and endocrine disorders and unmet medical needs...

nps

pharmaceuticals

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NASDAQ: NPSP

 **BIOTECH**
2010 DE NJ PA
IMAGINE.COLLABORATE.INNOVATE

Introduction

- Joined NPS Pharmaceuticals in 2006 to lead a strategic transformation after a regulatory setback for the company's lead product
- Twenty-five year veteran of the healthcare industry
- Previously a venture partner at Care Capital, LLC
- Senior executive commercial and medical positions at Sanofi-aventis, Hoechst Marion Roussel, and Rhone-Poulenc

NPS Pharmaceuticals (NASDAQ: NPSP) transformed itself for success by identifying where it could *be different, exceedingly well*

After a regulatory setback for its lead product candidate, NPS set forth on an aggressive strategic transformation and...

- Positioned NPS as a late stage clinical development company
- Discontinued investment in discovery research
- Chose to be in the rare disorder space in two therapeutic areas: gastrointestinal and endocrine
- Focused on orphan indications with few or no treatment options and limited competition
- Partnered, discontinued or out-licensed non-core assets
- Implemented an outsourcing-based business model
 - Identified and retained differentiating core competencies
 - Opted to rely on operational expertise of contractors on an as-needed basis

Today NPS' ambition is to become a development powerhouse that brings biopharmaceuticals to patients with unmet medical needs in gastrointestinal and endocrine disorders

- Two Phase 3 registration programs for specialty orphan indications
 - **GATTEX**[®] (teduglutide) for short bowel syndrome (SBS)
 - **NPSP558** (parathyroid hormone 1-84) for hypoparathyroidism
- Flexible outsourcing business model optimizes resources; limits financial exposure
- Valuable revenue-generating royalty-based portfolio

AMGEN



Sensipar[®]
(teriparatide HCl) Tablets
30mg, 60mg, 90mg

KYOWA KIRIN



REGPARA[®]

Partially monetized

NYCOMED



PREOTACT
gabapentin injection

ORTHO-McNEIL
PHARMACEUTICAL, INC.



NUCYNTA[®]
tapentadol

Unencumbered

The NPS business model balances risks, rewards, and resources

Why rare disorders?

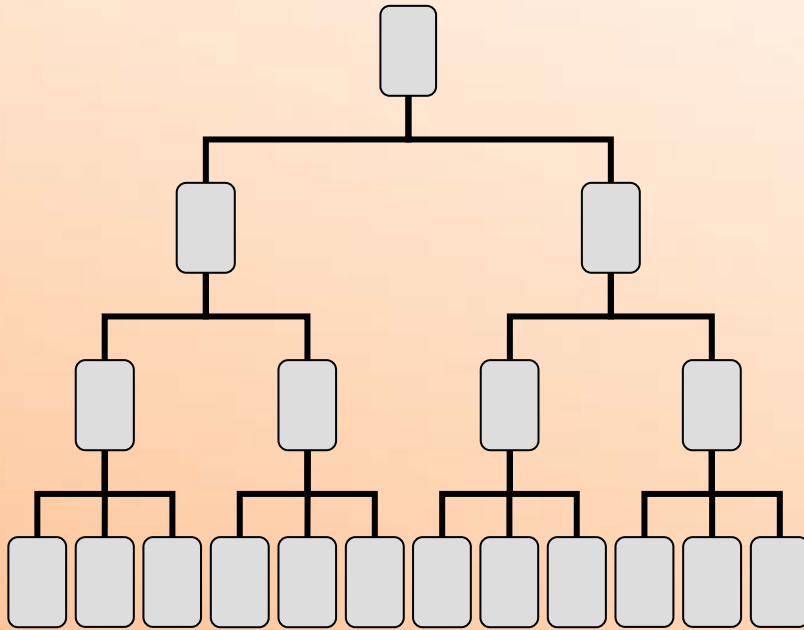
- Few, if any, therapeutic options
- Limited competition
- Treatment by physician specialists
- Well-defined medical markets
- NPS could successfully launch both compounds independently

Why outsourcing?

- Flexible organizational structure
- Minimizes overhead
- Maximizes efficiencies
- Access to global expertise as-needed
- Drives innovation throughout the organization

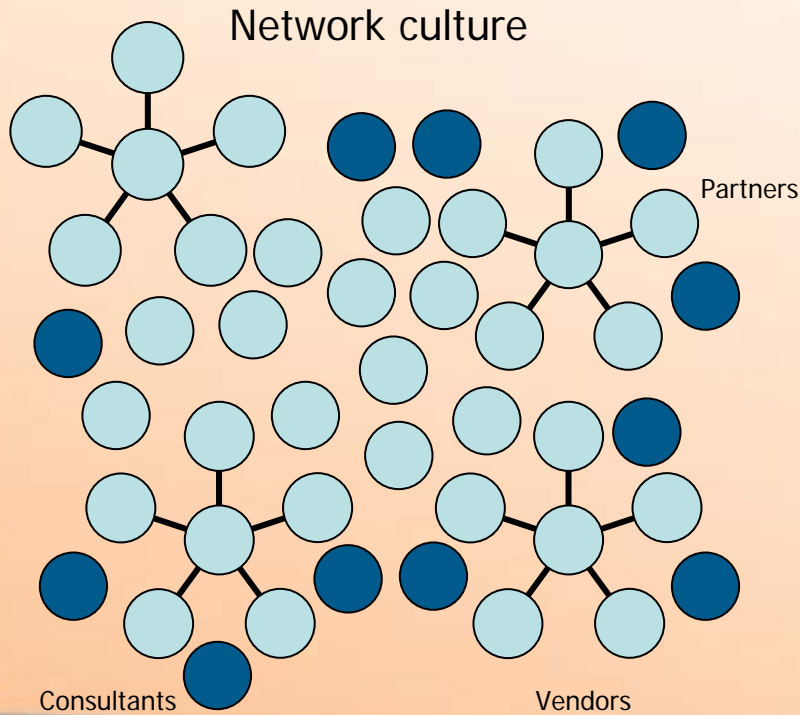
NPS transitioned from a traditional hierarchy culture to a network culture to drive collaboration and innovation

Traditional hierarchy



Action is driven from the top down;
moving up is the goal

NPS transitioned from a traditional hierarchy culture to a network culture to drive collaboration and innovation



Action is driven from anywhere;
meaningful results are the goal!

The NPS mantra for true success is to *be different,
exceedingly well...*