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## **Tularik Announces 2002 First Quarter Financial Results**

**South San Francisco, Calif. -- April 18, 2002 --** Tularik Inc. (Nasdaq: TLRK) today reported results for the first quarter ended March 31, 2002. Tularik incurred a quarterly net loss of \$20.6 million, or \$0.41 per share, compared to a net loss of \$9.2 million, or \$0.19 per share, for the same period in 2001. At March 31, 2002, Tularik had \$217.3 million in cash, cash equivalents and marketable securities, including \$21.1 million from Tularik's majority-owned spin-off, Cumbre Inc.

### First Quarter Highlights:

- During the quarter, Tularik disclosed plans to pursue phase 3 studies with T67 for the treatment of hepatocellular carcinoma, or primary liver cancer. T67, discovered and developed at Tularik, is a novel anti-cancer drug candidate that binds irreversibly to tubulin. T67 has shown activity in phase 1 and phase 2 trials for the treatment of hepatocellular carcinoma, a refractory malignancy for which there are no approved systemic chemotherapies. Data from the phase 2 hepatocellular carcinoma trials with T67 will be available at the American Society of Clinical Oncology (ASCO) meeting in May.
- Tularik's second anti-cancer drug candidate, T607, is an analog of T67. The phase 2 dosing regimen has been selected and the Company expects to begin phase 2 studies during the second quarter. Malignancies to be studied include hepatocellular carcinoma, non-Hodgkin's lymphoma, gastric cancer and ovarian cancer. Data from phase 1 trials with T607 will be available at the ASCO meeting in May.
- Tularik's third anti-cancer drug candidate, T64, is an anti-metabolite. T64 is completing a phase 2 trial in 1<sup>st</sup> line non small-cell lung cancer (NSCLC). T64 demonstrated activity against NSCLC and melanoma in phase 2 trials. The Company has recently initiated a phase 2 trial with T64 in 2<sup>nd</sup> line NSCLC and is in discussions with a number of potential partners who are interested in licensing this drug candidate.
- T611 is Tularik's oral drug candidate to prevent cytomegalovirus (CMV) disease in transplant patients. T611 is progressing through a phase 2 proof-of-concept trial in AIDS patients with CMV disease. The Company plans to initiate two phase 2 kidney

transplant trials during the second quarter, and commence a phase 2 study in bone marrow transplant patients during the second half of the year.

- Tularik announced on January 9, 2002 that it had signed a collaboration with Medarex, Inc. (Nasdaq: MEDX) to develop and commercialize human therapeutic antibodies based on three novel oncogenes discovered by Tularik. As part of the deal, Medarex purchased \$5 million of Tularik stock at approximately \$50 per share. The two companies will split commercialization rights equally.
- Tularik's Oncogene Discovery Program yielded two additional oncogenes since the fourth quarter of 2001, bringing the total number of oncogenes discovered by the Company to 22. Eight of these genes encode cell surface proteins or secreted proteins that are good targets for antibody therapeutics and 12 of these genes encode attractive small molecule targets.

### **Financial Results**

Revenue from collaborative research and development for the first quarter of 2002 was \$6.2 million, compared to 2001 first quarter revenue of \$7.0 million. The decline in revenue is a result of various research collaborations ending in 2001. The decline was partially offset by higher revenue from our collaboration with the pharmaceutical division of Japan Tobacco in the area of metabolic diseases and from our collaboration with Medarex to develop humanized therapeutic antibodies against cancer targets identified by Tularik.

Total research and development expenses for the first quarter of 2002 increased by 35%, to \$25.2 million from \$18.7 million for the same period in 2001, due to headcount growth, increased depreciation expenses as well as salary, supply, manufacturing and development costs.

Total general and administrative expenses for the first quarter of 2002 decreased by 7% to \$2.7 million from \$2.9 million for the same period in 2001, primarily due to lower patent legal and deferred compensation expenses, partially offset by increased salary expenses.

### **About Tularik**

Tularik is engaged in the discovery and development of a broad range of novel and superior orally available medicines that act through the regulation of gene expression. Tularik's scientific platform spans seven disease-based programs focused on three areas: cancer, immunology and metabolic disease. For more information, visit Tularik's Internet website at [www.tularik.com](http://www.tularik.com).

*This press release contains "forward-looking" statements. For this purpose, any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "believes," "anticipates," "plans," "expects," "will," "intends" and similar expressions are intended to identify forward-looking statements. There are a number of important factors that could cause the results of Tularik to differ materially from those indicated by these forward-looking statements, including, among others, risks detailed from time to time in Tularik's SEC reports, including the report on Form 10-K for the year ended December 31, 2001.*

**TULARIK INC.**

**SELECTED FINANCIAL INFORMATION**  
**Condensed Consolidated Statements of Operations**  
(In thousands, except share and per share amounts)

	Three months ended March 31,	
	2002 (unaudited)	2001 (unaudited)
Revenue:		
Collaborative research and development	\$ 6,176	\$ 7,041
Operating expenses:		
Research and development	25,244	18,667
General and administrative	2,714	2,852
	<u>27,958</u>	<u>21,519</u>
Loss from operations	(21,782)	(14,478)
Interest and other income	1,619	5,697
Interest expense	<u>(392)</u>	<u>(391)</u>
Net loss	<u>\$ (20,555)</u>	<u>\$ (9,172)</u>
Basic and diluted net loss per share	<u>\$ (0.41)</u>	<u>\$ (0.19)</u>
Weighted average shares used in computing basic and diluted net loss per share	<u>50,008,537</u>	<u>48,338,654</u>

**Balance Sheet Highlights**  
(In thousands)

	March 31, 2002 (unaudited)	December 31, 2001 (Note)
Cash, cash equivalents and marketable securities	\$ 217,288	\$ 241,926
Total assets	\$ 271,041	\$ 293,282
Stockholders' equity	\$ 191,184	\$ 207,971

(Note): Derived from audited consolidated financial statements at that date.