



## **BIOCRYST REPORTS SECOND QUARTER 1999 FINANCIAL RESULTS**

**Birmingham, Alabama -- July 21, 1999** -- BioCryst Pharmaceuticals, Inc. (Nasdaq NM: BCRX) today announced financial results for the second quarter ended June 30, 1999. The Company reported revenues for the second quarter of \$2,502,000, compared to \$289,000 in the second quarter of 1998. The net loss for the quarter ended June 30, 1999 was \$251,000, or \$0.02 per share, compared to a net loss of \$2,981,000, or \$0.21 per share, for the same period last year.

Revenues for the six months ended June 30, 1999 were \$3,041,000, compared to \$671,000 in the six months ended June 30, 1998. The net loss for the six months ended June 30, 1999 was \$2,651,000, or \$0.18 per share, compared to a net loss of \$5,987,000, or \$0.43 per share, for the same period last year. As of June 30, 1999, the Company had cash, cash equivalents and investments of \$24.3 million.

Revenues increased in the second quarter of 1999 over the comparable period in 1998, primarily due to the milestone payment received during the second quarter of 1999 from Ortho-McNeil Pharmaceutical, Inc. The decline in total expenses in the second quarter of 1999 compared to the second quarter of 1998 was generally due to the decline in clinical trial expenses and a reduction in outside contract research, partially offset by an increase in general and administrative expenses. These items tend to fluctuate from quarter to quarter depending on the status of the Company's research programs and collaborative efforts.

During the quarter, BioCryst announced it received a \$2 million milestone payment from Ortho-McNeil as a part of its agreement with Ortho-McNeil and the R.W. Johnson Pharmaceutical Research Institute in connection with the initiation of Phase II clinical testing in the United States of an oral influenza neuraminidase inhibitor designed to treat and prevent viral influenza.

In addition, BioCryst and Sunol Molecular Corp. signed a joint venture agreement in April to expedite the discovery of new drug candidates designed to inhibit Tissue Factor/Factor VIIa for BioCryst's cardiovascular program. Under the terms of this agreement, Sunol will perform services for BioCryst, including supplying BioCryst with protein targets for drug design and performing research on behalf of BioCryst.

Subsequent to the close of the quarter, BioCryst recovered the rights to develop, manufacture and commercialize its purine nucleoside phosphorylase inhibitors in Japan. As a consequence of Japan Tobacco's acquisition of Torii Pharmaceutical Co., Ltd., the June 1996 exclusive license agreement between BioCryst and Torii was officially dissolved. To date, Torii has paid BioCryst an aggregate of \$3 million for license fees and an equity investment, plus a \$1 million milestone payment.

Founded in 1986, BioCryst Pharmaceuticals, Inc. designs and develops novel small-molecule pharmaceuticals using structure-based drug design, an approach to drug discovery that integrates advanced biology, biophysics and medicinal chemistry. The Company is targeting T-cell, viral, and cardiovascular diseases and disorders, which include cutaneous T-cell lymphoma, HIV, influenza and cardiopulmonary bypass surgery.

This press release contains projections or other forward-looking statements regarding future events or the future financial performance of the Company. These statements are only predictions and the actual events or results may differ materially. Some of the factors that could affect the forward-looking statements contained herein include, without limitation, that there can be no assurances that either the Company's or its collaborative partners' research or product development efforts as to any particular compound will be successfully completed, that the agreements with the Company's collaborative partners will not be terminated according to their terms, that research and testing will result in milestone or royalty payments under the agreements with collaborative partners, and there can be no assurance as to timing by which products will be cleared for marketing, that the compounds currently under development will be safe or efficacious, or that required regulatory clearances can be obtained from the U.S. Food and Drug Administration. Please refer to the documents BioCryst files from time to time with the Securities and Exchange Commission, specifically BioCryst's most recent Form 10-K and Form 10-Q. These documents contain and identify important factors that could cause the actual results to differ materially from those contained in the projections or forward-looking statements.