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Furiex Confirms Takeda's Resubmissions of Alogliptin and the Fixed-Dose Combination Alogliptin and Pioglitazone NDAs to the U.S. FDA

MORRISVILLE, N.C. (July 27, 2012) - Furiex Pharmaceuticals, Inc. (NASDAQ: FURX) today confirmed that Takeda Pharmaceutical Company Limited announced that its wholly-owned subsidiary, Takeda Global Research & Development Center, Inc. has resubmitted New Drug Applications (NDAs) to the U.S. Food and Drug Administration (FDA) for alogliptin and fixed-dose combination therapy alogliptin and pioglitazone for the treatment of type 2 diabetes in adults. Takeda anticipates the applications will be reviewed within the next six months. These NDAs were resubmitted in response to a complete response letter Takeda received from the FDA on April 25, 2012.

These 2012 resubmissions include additional data from three phase III clinical trials involving more than 3,275 patients conducted at 1,384 centers worldwide. When combined with previously submitted phase III clinical data, which included more than 8,000 patients conducted in more than 1,000 centers worldwide, nearly 10,000 patients have been treated with alogliptin in the clinical development programs to date.

Under Furiex's agreement with Takeda, Furiex is eligible to receive a \$25 million milestone payment for the approval of the first of these two NDAs, as well as potential royalties and sales-based milestones. Furiex currently receives royalty payments from Takeda for the sale of these alogliptin products in Japan, trade names NESINA® and LIOVEL®.

"We are pleased Takeda has taken this important step of resubmitting the alogliptin NDA. These resubmissions are significant advancement towards regulatory approval of the alogliptin monotherapy," said Fred Eshelman, Pharm.D., chairman of Furiex.

Added June Almenoff, M.D., Ph.D., president and chief medical officer of Furiex, "From the onset we have believed in the potential of alogliptin, if approved, to contribute to improving the health of diabetes patients, and these NDA resubmissions are important steps in expanding these treatment options to a wider patient population."

About Type 2 Diabetes

Type 2 diabetes is the most common form of diabetes and has reached epidemic proportions globally. The global health care expenditures to treat and prevent diabetes and its complications were estimated at \$376 billion in 2010. By 2030, this number is projected to exceed \$490 billion. In addition to diet and exercise, patients often need to take multiple medications to help manage blood glucose. Because of the chronic nature of this disease, combination therapy is often required to maintain diabetic control over many years of therapy.

About Takeda's Alogliptin and Alogliptin and Pioglitazone

Alogliptin is a DPP-4 inhibitor being investigated in the U.S., as an adjunct to diet and exercise, for the treatment of type 2 diabetes. DPP-4 inhibitors address insulin deficiency by slowing the inactivation of incretin hormones GLP-1 (glucagon-like peptide-1) and GIP (glucose-dependent insulinotropic peptide). As a result, an increased amount of active incretins enables the pancreas to secrete insulin in a glucose-dependent manner, thereby assisting in the management of blood glucose levels. A New Drug Application for alogliptin was approved in April 2010 by the Japanese Ministry of Health, Labour and Welfare for the treatment of type 2 diabetes, and Takeda currently sells the therapy under the brand name NESINA in this market.

Alogliptin and pioglitazone is a fixed dose combination therapy indicated for the treatment of type 2 diabetes, which combines alogliptin and pioglitazone in a single tablet. Pioglitazone is a thiazolidinedione that directly targets insulin resistance, a condition in which the body does not efficiently use the insulin it produces to control blood glucose levels. It is currently approved for use in adults for the treatment of type 2 diabetes as an adjunct to diet and exercise. A New Drug Application for the alogliptin and pioglitazone fixed-dose combination was approved in July 2011 by the Japanese Ministry of Health, Labour and Welfare for the treatment of type 2 diabetes, and Takeda currently sells the therapy under the brand name LIOVEL in this market.

The most common adverse events (≥5% and greater than placebo) reported in the alogliptin phase III program include headache, urinary tract infection, nasopharyngitis, and upper respiratory tract infection.

About Furiex

Furiex Pharmaceuticals is a drug development collaboration company that uses innovative clinical development design to

accelerate and increase value of drug development programs by advancing them through the drug discovery and development process in a cost-efficient manner. Our drug development programs are designed and driven by a core team with extensive drug development experience. The company collaborates with pharmaceutical and biotechnology companies and has a strong, diversified product portfolio and pipeline with multiple therapeutic candidates, including one Phase III-ready asset, two compounds in Phase III development, one of which is with a partner and two products on the market. The company's mission is to develop innovative medicines faster and at a lower cost, thereby improving profitability and accelerating time to market while providing life-improving therapies for patients. For more information, visit www.furiex.com.

Except for historical information, all of the statements, expectations and assumptions contained in this news release are forward-looking statements that involve a number of risks and uncertainties. Although Furiex attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. In addition, other important factors which could cause actual results to differ materially include the following: the risk of delays in review and of non-approval of alogliptin by the U.S. Food and Drug Administration; changes in the safety profile of alogliptin as it continues to be tested in clinical trials and during post-marketing use by patients; potential U.S. Food and Drug Administration changes to its regulatory guidance; inability of our existing collaborators to effectively market approved products for which we receive royalty and sales milestone payments; progress of product candidates in clinical trials and regulatory approvals as it relates to receiving future milestone payments; continuing losses and our potential need for additional financing; and the other risk factors set forth from time to time in the SEC filings for Furiex, copies of which can be found on our website.

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