



Pharmasset Nominates PSI-938 as a New Nucleotide Analog Inhibitor of Hepatitis C for Preclinical Development

--- IND or foreign regulatory equivalent submission anticipated in first half 2010

PRINCETON, N.J., July 7, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- Pharmasset, Inc. (Nasdaq: VRUS) announced today the nomination of PSI-352938 ("PSI-938") as a lead development candidate from two series of purine analogs for the treatment of chronic hepatitis C virus (HCV) infection. PSI-938 is a proprietary nucleotide analog polymerase inhibitor of HCV that is being advanced into studies required for submission of an Investigational New Drug (IND) application with the FDA or equivalent foreign regulatory application.

"PSI-938 is particularly interesting to us since it differs from our pyrimidine analogs, R7128 and PSI-7851, because it has a complementary resistance profile and is metabolized through a different phosphorylation pathway," stated Michael Otto, PhD, Pharmasset's Chief Scientific Officer. "These differences may prove to be particularly important as we explore combinations of nucleos(t)ides in clinical development in the future."

Purine nucleos(t)ide analogs have many of the benefits of pyrimidine nucleos(t)ide analogs, like R7128 and PSI-7851, in that they have demonstrated in vitro activity across multiple genotypes, a higher barrier to resistance than other classes of HCV small molecules in development, and the potential to be combined with other direct acting antivirals targeting HCV. In addition, these purine analogs are also active against the S282T resistant variant selected in vitro by the pyrimidine analogs, and are metabolized to the active triphosphate form through a different phosphorylation pathway than the pyrimidines. Given these characteristics, purine and pyrimidine analogs have the potential to be combined as part of a future treatment regimen.

About Pharmasset

Pharmasset is a clinical-stage pharmaceutical company committed to discovering, developing, and commercializing novel drugs to treat viral infections. Pharmasset's primary focus is on the development of oral therapeutics for the treatment of hepatitis C virus (HCV) and, secondarily, on the development of Racivir(R) for the treatment of human immunodeficiency virus (HIV). Our research and development efforts focus on nucleos(t)ide analogs, a class of compounds which act to inhibit the enzymes required for viral replication. We currently have three clinical-stage product candidates. R7128, a nucleoside analog for chronic HCV infections, is in a Phase 2b clinical trial in combination with Pegasys(R) plus Copegus(R) and is also in INFORM studies, the first series of studies designed to assess the potential of combinations of small molecules without Pegasys(R) and Copegus(R) to treat chronic HCV. These clinical studies are being conducted through a strategic collaboration with Roche. Our other clinical stage candidates are PSI-7851, an unpartnered, next generation HCV nucleotide analog which recently began Phase 1 clinical studies and Racivir, for the treatment of HIV, which has completed a Phase 2 clinical trial.

Pegasys(R) and Copegus(R) are registered trademarks of Roche.

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Forward-Looking Statements

Pharmasset "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding our business that are not historical facts are "forward-looking statements" that involve risks and uncertainties, including without limitation, the risk that adverse events could cause the cessation or delay of any of the ongoing or planned clinical trials and/or our development of our product candidates, the risk that the results of previously conducted studies involving our product candidates will not be repeated or observed in ongoing or future studies involving our product candidates, the risk that our collaboration with Roche will not continue or will not be successful and the risk that any one or more of our product candidates will not be successfully developed and commercialized. For a discussion of these risks and uncertainties, any of which could cause our actual results to differ from those contained in the forward-looking statements, see the section of our Annual Report on Form 10-K for the fiscal year ended September 30, 2008 and our Quarterly Report on

Form 10-Q for the period ended March 31, 2009 filed with the Securities and Exchange Commission entitled "Risk Factors" and discussions of potential risks and uncertainties in our subsequent filings with the Securities and Exchange Commission.

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