

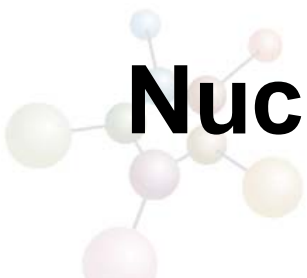


www.pharmasset.com
NASDAQ: VRUS



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 and other 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 Form 10-K for the fiscal year ended September 30, 2009 and our prior Quarterly Reports on Form 10-Q 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.



Nucleoside/tide Pipeline Focused on HCV

**Product
& Territories**

Pre-clinical

Phase 1

Phase 2

Phase 3

RG7128

*US HIV co-promotion,
Latin America, Korea*



PSI-7977*

Worldwide



PSI-938

Worldwide



PSI-661**

Worldwide



Racivir (HIV) has completed a phase 2 trial

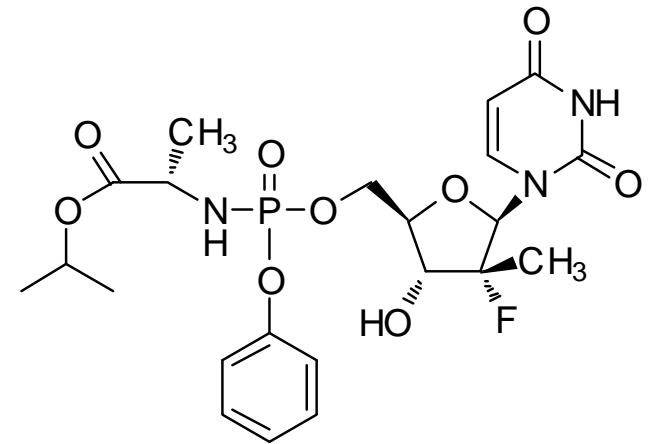
* PSI-7977 is a single isomer of PSI-7851

** PSI-661 is a single isomer of PSI-879

PSI-7977 is a Potent and Specific Nucleotide Inhibitor of HCV

- **PSI-7977 discovered in-house and unpartnered**
- **USPTO issued patent on nucleoside portion**
- **Potential advantages over first generation compounds**
- **28 Day dosing in HCV GT1 infected individuals:**
 - *200mg QD provides RVR of 94% (17/18)*
- **Safe and generally well tolerated in clinical studies to date**

PSI-7977




***Preparing for Phase 2b
Initiate 4Q10***



PSI-7851* Generally Safe and Well Tolerated over 3 Days

- No maximum tolerated dose identified
- No premature drug discontinuations
- A total of 28 treatment-emergent AEs were reported
 - 4 AEs considered possibly or probably related
 - Most commonly reported AE was headache
 - Majority of AEs were mild/moderate
- No trends in laboratory abnormalities were apparent
- No clinically significant changes on vital signs or ECGs
- PK profile in HCV+ similar to SAD PK data in healthy subjects

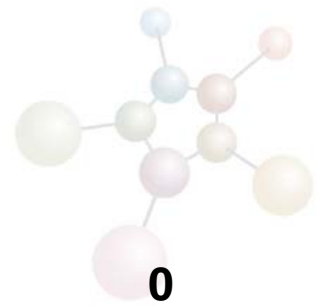
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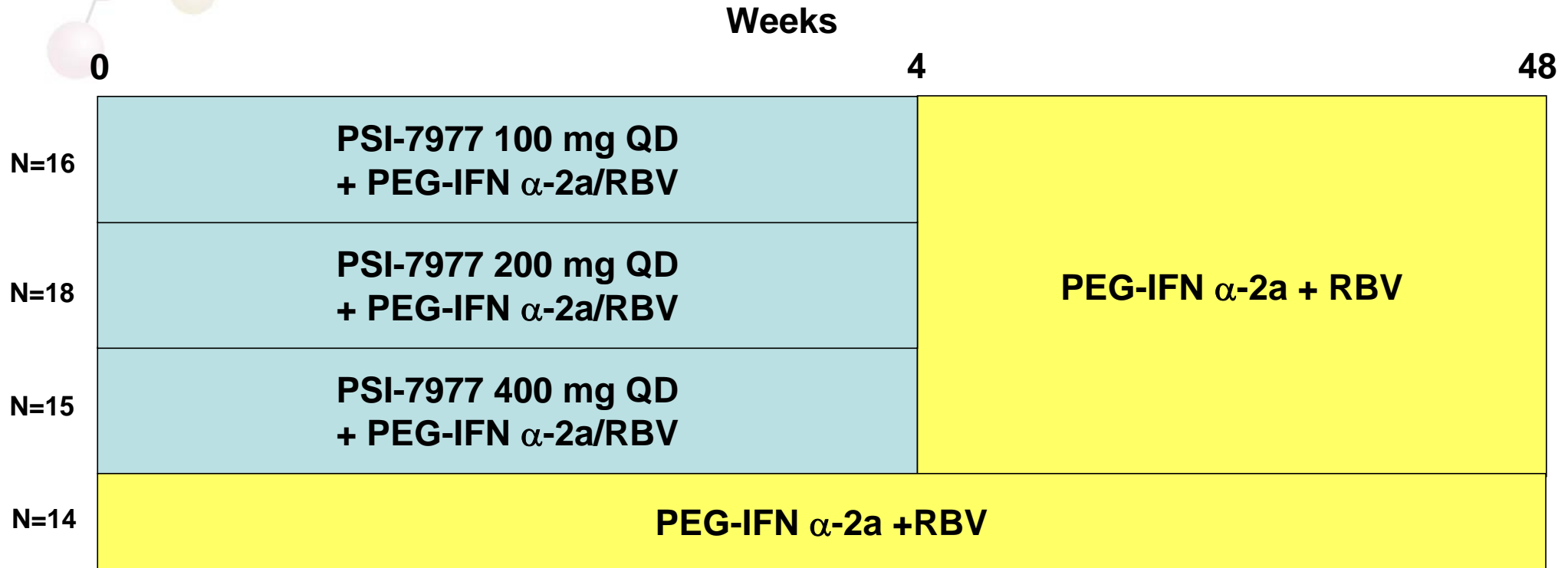
Significant Antiviral Activity Observed With 3 Days of PSI-7851* Monotherapy

PSI-7851 Dose	# Subjects	Mean HCV RNA Reduction after 3 Days (\log_{10} IU/mL)	Subjects with $>1 \log_{10}$ HCV RNA Reduction During Treatment
50mg QD	8	-0.49	3
100mg QD	8	-0.61	2
200mg QD	8	-1.01	6
400mg QD	8	-1.95	7
Placebo	8	-0.04	0

* PSI-7977 is a single isomer of PSI-7851



PSI-7977 : Phase 2a Design



- N=63; GT1 Treatment naive
- Primary efficacy endpoint : RVR
- Stratifying by IL28B SNP (C/C vs C/T or T/T)
 - No patients were excluded

PSI-7977 Provides Exceptional RVR When Dosed with SoC

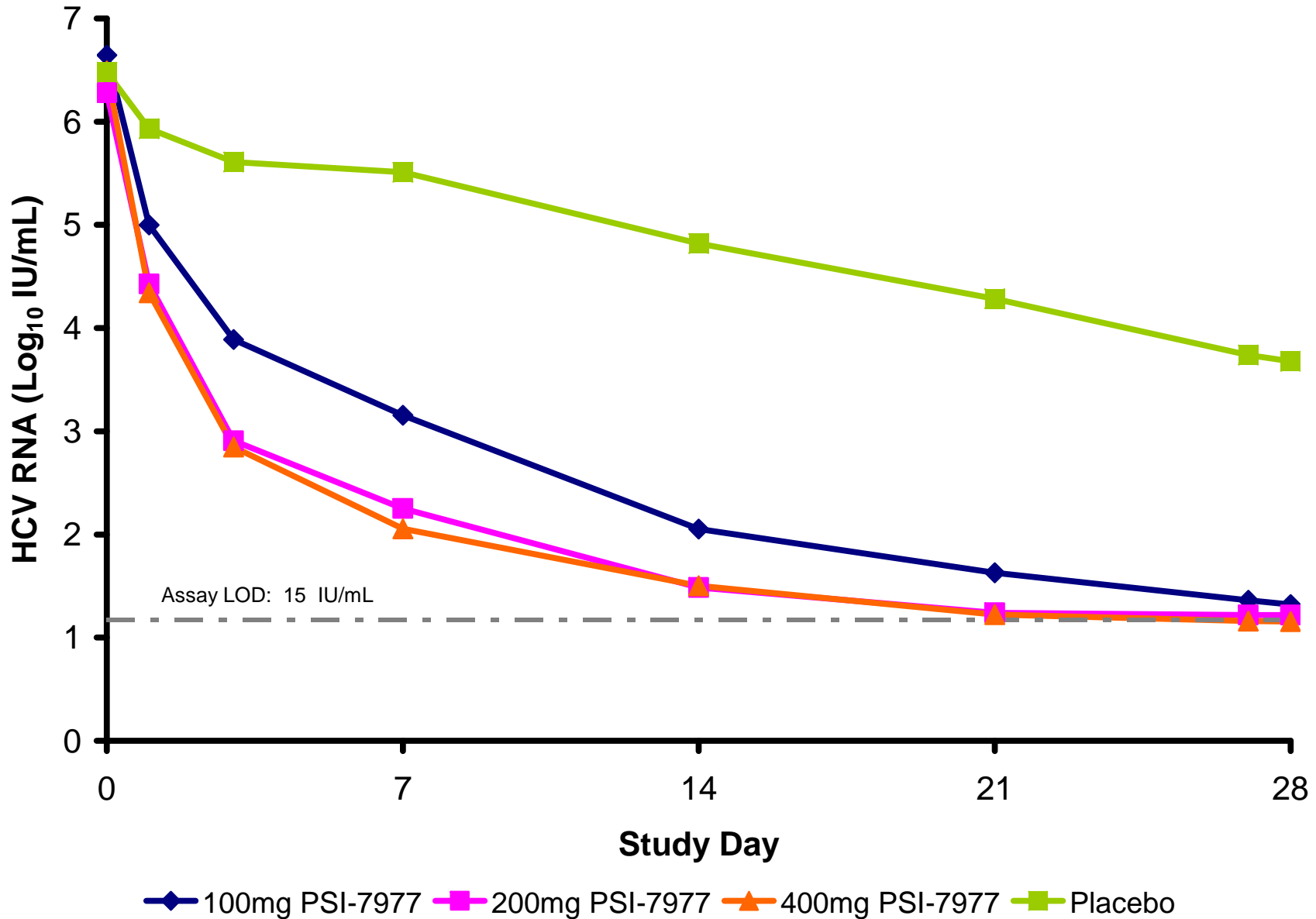


PSI-7977 Dose	# Subjects	Mean HCV RNA Change from Baseline	HCV RNA <LLOD¹ (<15 IU/mL) N (%)
100mg QD + SOC*	16	-5.3	14/16 (88%)
200mg QD + SOC	18	-5.1	17/18 (94%)
400mg QD + SOC	15	-5.3	14/15 (93%)
Placebo + SOC	14	-2.8	3/14 (21%)

¹ - LLOD means lower limit of detection by Roche Taqman Assay

•SOC = Pegasys and Copegus

PSI-7977 with SOC Provides Robust Antiviral Response





PSI-7977 : Preliminary Phase 2a Safety

- **No study drug discontinuations**
- **No SAEs**
- **All AEs are mild to moderate and unrelated to study drug**
 - majority were mild
- **Most common AEs reported: fatigue, nausea, arthralgia**
- **No dose-related lab abnormalities**

***Comparable to SoC plus placebo
over 28 days***



PSI-7977 Target Profile Offers Advantages Relative to RG7128

Target	PSI-7977	RG7128
Dose (mg)	200	1000
Frequency	QD	BID
# pills/day	1	4
3-Day VL Drop (log ₁₀ IU/mL)	-1.01 (200mg QD)	-1.07 (1500mg BID) ¹
Use in HIV/HCV	Yes	Potential for antagonism with 3TC and FTC
%RVR ⁵	94% (200mg QD) GT-1 ⁴	88% (1000mg BID) GT-1 ² 90% (1500mg BID) GT2/3 ³

1. Estimated from RG7128 MAD Study in Treatment-Experienced HCV GT-1 Patients (Reddy *et al*, LB9 AASLD 2007)
2. RG7128 RVR rate at 1000mg BID comparable to 1500mg BID in the MAD Combo Study (Lalezari *et al*, LB16 EASL 2008)
3. Rodriguez-Torres EASL 2009
4. Pharmasset press release (5/4/10)
5. RVR =Rapid Virologic Response or HCV RNA levels below the limit of detection (<15 IU/mL)

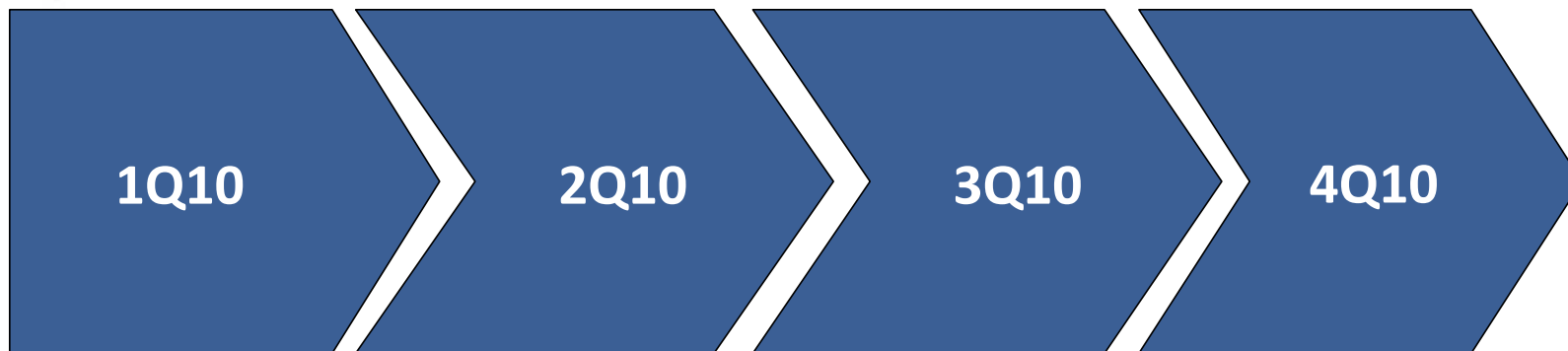


Nucleoside/tide Inhibitors Demonstrate Key Advantages Over Other Classes

- High *in vivo* potency
 - 94% RVR with PSI-7977 in Genotype-1 Rx naïve patients
 - 88% RVR with RG7128 in Genotype-1 Rx naïve patients
- Pan genotype activity expected
 - Demonstrated *in vitro* and *in vivo*
 - 95% RVR with RG7128 in Genotype 2, 3 non-responder patients
- High barrier to resistance
 - No S282T variant at baseline in treatment naïve patients
 - S282T variant *in vitro* has low fitness
 - No viral breakthrough observed in clinical trials
- Potential to be used in combination regimens
 - Low likelihood of drug-drug interactions
 - No dosing modifications for hepatic impairment
 - Resistance profile complementary to other drug classes

Nucleoside/tides have the Potential to be the Backbone of SoC of Future HCV Therapy

Anticipated HCV Newsflow (2010)



Phase 2b Complete Enrollment ✓

RG7128

Initiate 24 Wk Phase 2 trial ✓

Initiate new Phase 2 trials (incl GT2/3 pts)

PSI-7977

Initiate Phase 2a ✓

Phase 2a Data ✓

Initiate Phase 2b

PSI-938

Initiate Phase 1 ✓

SAD/ MAD data

Initiate Phase 2a

PSI-661

File IND



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