



Contacts: Tularik Inc.
Traci McCarty (investors/media)
650-825-7182

Tularik Earns Milestone Payment from Eli Lilly and Company

Oral Factor Xa inhibitor enters Phase 2 study for the treatment of thrombotic diseases

South San Francisco, Calif. – December 4, 2003 – Tularik Inc. (Nasdaq: TLRK) has earned an undisclosed milestone payment from its corporate partner, Eli Lilly and Company (NYSE: LLY), which has begun Phase 2 clinical trials of an orally available Factor Xa inhibitor for the prevention and treatment of thrombotic diseases.

“We are pleased that the results from the Phase 1 study support moving this molecule to the next stage of clinical development,” said David V. Goeddel, Ph.D., CEO of Tularik. “The beginning of this study not only triggers a milestone payment to Tularik but adds another Phase 2 drug candidate to our maturing clinical pipeline.”

The multi-year Lilly collaboration was established to design and optimize inhibitors of Factor Xa using Tularik’s computer-aided molecular design (CAMD) technology, as well as to investigate other potential anti-thrombotic targets. Tularik received a milestone payment in November 2001 when this Factor Xa inhibitor progressed to an advanced stage of preclinical development and in November 2002 when it progressed into Phase 1 testing. In addition to the current milestone payment, Tularik is entitled to additional payments as this compound progresses through clinical trials to registration. Royalties are payable on sales of products emerging from the collaboration.

Heparin, an injectable drug for the treatment of thrombotic diseases, inhibits Factor Xa by an indirect mechanism. Direct acting Factor Xa inhibitors offer the potential advantage of simple oral administration with the aim of preventing or limiting clot formation. Blood clots cause serious and often fatal conditions, including heart attacks, strokes and deep vein thrombosis. Over 10 million people worldwide are eligible to receive oral anticoagulants for the prevention and treatment of thrombotic diseases. Datamonitor forecasts the global market for anticoagulants could reach \$9.6 billion by 2008.

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 is focused on three therapeutic areas: cancer, immunology and metabolic disease. The Company currently has four drug candidates in clinical trials. In the cancer area, Tularik is currently conducting a pivotal study of T67 for the treatment of hepatocellular carcinoma (HCC) and Phase 2 trials with T607 for the treatment of HCC, ovarian cancer, gastric cancer and esophageal cancer. T487, for the treatment of psoriasis, and T131, for the treatment of type 2 diabetes, are moving into Phase 2 trials. For more information, visit Tularik's Internet website at 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-Q for the quarter ended September 30, 2003 and the report on Form 10-K for the year ended December 31, 2002. Tularik does not undertake any obligation to update forward-looking statements.