Press Release

ACADIA Pharmaceuticals and Biovail Form Collaboration to Develop and Commercialize Pimavanserin in North America

Conference Call Scheduled for Today, May 4, 2009, at 8:30 a.m. Eastern Time

SAN DIEGO--(BUSINESS WIRE)--May. 4, 2009-- ACADIA Pharmaceuticals Inc. (Nasdaq:ACAD) today announced that it has established a collaboration with Biovail Laboratories International SRL, a subsidiary of Biovail Corporation, to co-develop and commercialize pimavanserin, ACADIA's proprietary and selective 5-HT_{2A} inverse agonist, in the United States and Canada. ACADIA retains rights to pimavanserin in the rest of the world. Pimavanserin is a new chemical entity (NCE) currently in Phase III development as a treatment for Parkinson's disease psychosis.

"This agreement provides Biovail with a late-stage NCE product with strong intellectual property protection that is directly on target with our specialty central nervous system focus," said Bill Wells, Biovail's Chief Executive Officer. "Pimavanserin addresses a large unmet medical need, and has the potential to make a significant difference in the lives of the millions of men and women living with Parkinson's disease. We are delighted to be partnering with ACADIA to bring this innovative treatment to market."

The collaboration provides for the co-development and commercialization of pimavanserin for multiple neurological and psychiatric indications, including Parkinson's disease psychosis (PDP) and Alzheimer's disease psychosis (ADP). ACADIA will continue to manage the ongoing Phase III trials for PDP. Biovail will lead other development, manufacturing, and commercialization efforts for pimavanserin, including activities directed at ADP and other potential indications. Biovail is granted the right to develop, manufacture, and commercialize pimavanserin in the United States and Canada, while ACADIA retains rights to pimavanserin in the rest of the world.

Under the terms of the collaboration, ACADIA is entitled to receive aggregate payments, excluding royalties, of up to $395 million. These include an upfront cash payment of $30 million, up to $160 million in potential milestone payments associated with the successful completion of clinical trials, regulatory submissions and approvals of pimavanserin for PDP and ADP, up to $45 million in potential milestones should the parties pursue a third indication, and up to $160 million in potential milestones as certain sales thresholds are met. ACADIA also will be entitled to receive a 15 percent royalty on annual net sales of pimavanserin up to $100 million and a 20 percent royalty on annual net sales over $100 million. In addition to product royalties, ACADIA has the option to co-promote pimavanserin in the United States. Biovail will be responsible for all future costs associated with the development, manufacturing, and commercialization of pimavanserin in all indications with the exception of specified ongoing PDP studies, which will continue to be funded by ACADIA.

"Our alliance with Biovail not only helps us to advance pimavanserin as a potential first-in-class therapy for Parkinson's disease psychosis, but also enables us to broaden the pimavanserin development program to Alzheimer's disease psychosis," said Uli Hacksell, Ph.D., Chief Executive Officer of ACADIA. "Biovail's strong commitment to establishing a leading North American CNS specialty franchise makes them an ideal partner for ACADIA. Together with Biovail, we have the opportunity to improve the lives of patients suffering from neurological and psychiatric disorders that lack effective therapy options."

Conference Call and Webcast Information

ACADIA will host a conference call and webcast today, May 4, 2009, at 8:30 a.m. Eastern Time to discuss this collaboration. The conference call can be accessed by dialing 866-277-1181 for participants in the U.S. or Canada and 617-597-5358 for international callers (reference passcode 13099931). A telephone replay of the conference call may be accessed through May 18, 2009 by dialing 888-286-8010 for callers in the U.S. or Canada and 617-801-6888 for international callers (reference passcode 92339018). The conference call also will be webcast live on ACADIA's website, www.acadia-pharm.com, under the investors section and will be archived there until May 18, 2009.

About Pimavanserin

Pimavanserin is a new chemical entity discovered by ACADIA and currently being evaluated in two Phase III pivotal trials as a treatment for PDP. Pimavanserin blocks the activity of the 5-HT_{2A} receptor, a drug target that plays an important role in the treatment of various neuropsychiatric disorders.

About Parkinson's Disease Psychosis (PDP)

According to the National Parkinson Foundation, over 1.5 million people in the United States suffer from Parkinson's disease. Up to 40 percent of patients with Parkinson's disease may develop psychotic symptoms, commonly consisting of visual hallucinations and delusions. Currently there is no therapy in the United States approved to treat PDP. The development of psychosis in patients with Parkinson's disease often disrupts their ability to perform many of the activities of daily living that keeps them independent and active. As a result, PDP is associated with increased caregiver burden, nursing home placement, and increased mortality.

About Alzheimer's Disease Psychosis (ADP)

According to the Alzheimer's Association, approximately 5.3 million people in the United States have Alzheimer's disease. While the criteria for diagnosing Alzheimer's disease are mostly focused on cognitive deficits, it is the behavioral and neuropsychiatric symptoms that are often troublesome for caregivers and lead to poor quality of life for patients. Between 25 and 50 percent of patients with Alzheimer's disease may develop ADP, which is characterized by disturbing hallucinations and delusions. There currently is no therapy in the United States approved for the treatment of ADP. The presence of psychotic symptoms in patients with Alzheimer's disease is associated with more rapid cognitive and functional decline and increased institutionalization.

About ACADIA Pharmaceuticals

ACADIA is a biopharmaceutical company utilizing innovative technology to fuel drug discovery and clinical development of novel treatments for central nervous system disorders. ACADIA is developing a portfolio consisting of five product candidates, including pimavanserin in Phase III for Parkinson's disease psychosis, a product candidate in Phase II for chronic pain and a product candidate in Phase I for glaucoma, both in collaboration with Allergan, and two programs in IND-track development. All of the product candidates in ACADIA's pipeline emanate from discoveries made using its proprietary drug discovery platform. ACADIA maintains a website at www.acadia-pharm.com to which ACADIA regularly posts copies of its press releases as well as additional information and through which interested parties can subscribe to receive email alerts.

About Biovail Corporation

Biovail Corporation is a specialty pharmaceutical company engaged in the formulation, clinical testing, registration, manufacture, and commercialization of pharmaceutical products. The Company is focused on the development and commercialization of medicines that address unmet medical needs in niche specialty central nervous system markets. For more information about Biovail, visit the Company's web site at www.biovail.com.

ACADIA Forward-Looking Statements

Statements in this press release that are not strictly historical in nature are forward-looking statements. These statements include but are not limited to statements related to the progress and timing of ACADIA's drug discovery and development programs, including clinical trials and the results therefrom, and the benefits to be derived from ACADIA's product candidates, in each case including pimavanserin, the parties' responsibilities under the collaboration, potential milestone payments and royalties payable pursuant to the collaboration, the potential impact of the collaboration on ACADIA's development programs, and the development and clinical plans for pimavanserin. These statements are only predictions based on current information and expectations and involve a number of risks and uncertainties. Actual events or results may differ materially from those projected in any of such statements due to various factors, including the risks and uncertainties inherent in drug discovery, development, commercialization and collaborations with others, and the fact that past results of clinical trials may not be indicative of further trial results. For a discussion of these and other factors, please refer to ACADIA's annual report on Form 10-K for the year ended December 31, 2008 as well as ACADIA's subsequent filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All forward-looking statements are qualified in their entirety by this cautionary statement and ACADIA undertakes no obligation to revise or update this press release to reflect events or circumstances after the date hereof.

Source: ACADIA Pharmaceuticals Inc.

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