

PHENOMIX FILES REGISTRATION STATEMENT FOR PROPOSED INITIAL PUBLIC OFFERING

San Diego, CA, January 25, 2008 — Phenomix Corporation announced today that the company has filed a registration statement with the Securities and Exchange Commission relating to a proposed initial public offering of its common stock. All shares of the common stock to be sold in the offering will be offered by Phenomix.

Morgan Stanley & Co. Incorporated and Credit Suisse (USA) LLC will serve as joint book-running managers for the offering, for which Oppenheimer & Co. and Pacific Growth Equities, LLC are acting as co-managers.

The offering will be made only by means of a prospectus. When available, copies of the preliminary prospectus relating to this offering may be obtained by contacting: Morgan Stanley & Co. Incorporated, 180 Varick Street, New York, New York 10014, Attention: Prospectus Department or by telephoning 1-866-718-1649, or or by email at prospectus@morganstanley.com; or Credit Suisse Securities (USA) LLC, Prospectus Department, One Madison Avenue, New York, New York 10010-3629 (Telephone number 1-800-221-1037).

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time that the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Phenomix Corporation

Phenomix is a biopharmaceutical company focused on the discovery, development and commercialization of novel small-molecule product candidates directed toward clinically validated targets in significant therapeutic markets. The company's lead product candidate, PHX1149, is a dipeptidyl-peptidase-4, or DPP-4, inhibitor in development as an oral, once-daily treatment for Type 2 diabetes. The company's second product candidate, PHX1176, is a protease inhibitor currently in preclinical development for the treatment of hepatitis C virus, or HCV, infection.