

About CPEX Pharmaceuticals

CPEX Pharmaceuticals, Inc. (NASDAQ: CPEX) is an emerging specialty pharmaceutical company in the business of research and development of pharmaceutical products utilizing its validated drug delivery platform technology.

CPEX has U.S. and international patents and other proprietary rights to technology that facilitates the absorption of drugs. The Company develops and co-develops products that incorporate its drug delivery technology.

Platform Technology



CPEX's business is based on its patented permeation enhancement technology, which utilizes its key excipient CPE-215®. This technology provides enhanced trans-membrane absorption and is effective in patches, gels, ointments, lotions, creams and emulsions.

Investment Highlights

- Innovative, validated drug delivery platform technology (three INDs)
- Increasing Testim royalty stream
- Strategic alliance with Allergan for Ser-120, a product candidate for the treatment of nocturia

Products

Testim®

CPEX's permeation technology is validated with a marketed product, Testim®, a topical testosterone gel. Testim launched in the U.S. in 2003 and currently has more than 22% domestic market share.



Nasulin™

An intranasal insulin product candidate which may offer therapeutic and commercial advantages including:

- A stable liquid emulsion that can be delivered nasally using a convenient, low-cost and commercially available small spray bottle
- Demonstrates an ultra rapid time/action profile that closely mimics that of insulin naturally secreted by the pancreas
- May provide better glycemic control, may reduce hypoglycemic events, and may result in less weight gain

Corporate Growth Strategy

- Seek to sell or out-license Nasulin™, our most advanced product candidate
- Expand and develop our internal pipeline
- Out-license CPE-215 permeation enhancement technology to potential partners who have products that can benefit from our technology
- Develop alliances for clinical research, product manufacturing and marketing

Selected Financial Information

(in thousands)

	<i>For the three months ended 3/31,</i>		<i>For the years ending 12/31,</i>		
	2010	2009	2009	2008	2007
Revenues	\$5,339	\$4,011	\$18,658	\$15,574	\$11,127
Operating expenses	6,306	4,536	21,857	18,796	16,614
Loss from operations	(967)	(525)	(3,199)	(3,222)	(5,487)
Net loss	(940)	(468)	(3,040)	(2,915)	(4,928)

Recent News

- May 26, 2010 CPEX Pharmaceuticals Shareholders Elect Robert Forrester to Board of Directors
- May 6, 2010 CPEX Pharmaceuticals Board of Directors Unanimously Recommends Shareholders Reject Tender Offer Announced by Richard Rofé
- May 5, 2010 CPEX Pharmaceuticals Reports First-Quarter 2010 Financial Results
- April 30, 2010 CPEX Pharmaceuticals Appoints Robert Forrester to Board of Directors
- April 23, 2010 CPEX Pharmaceuticals Advises Shareholders to Take No Action at This Time in Response to Arcadia Unsolicited Tender Offer
- April 12, 2010 CPEX Pharmaceuticals Issues Open Letter to Shareholders
- April 1, 2010 CPEX Pharmaceuticals' Partner Announces Development and Commercialization Agreement with Allergan for Nocturia Product Candidate

Executive Management Team

- John A. Sedor President and Chief Executive Officer
- Lance Berman, M.D. Senior Vice President and Chief Medical Officer
- Robert P. Hebert Vice President and Chief Financial Officer
- Nils Bergenhem Vice President and Chief Scientific Officer

Stock Information

The company is listed on the NASDAQ Capital Market under the ticker "CPEX"

Investor Contact

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Safe Harbor Statement

This press release contains forward-looking statements, including, without limitation, statements regarding the prospects for CPEX. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from future results expressed or implied by such statements. Factors that may cause such differences include, but are not limited to, risks associated with the following: clinical trials may not demonstrate the efficacy and safety of CPEX products, regulatory approvals may be delayed or not obtained, competition from other manufacturers of proprietary pharmaceuticals, CPEX's products may not achieve market acceptance or favorable reimbursement rates from health insurers, intellectual property litigation, and other uncertainties detailed under "Risk Factors" in CPEX's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K filed on March 29, 2010. CPEX cautions investors not to place undue reliance on the forward-looking statements contained in this release. These statements speak only as of the date of this document, and CPEX undertakes no obligation to update or revise the statements, except as may be required by law.