

NEWS

For Immediate Release

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Tranzyme Pharma Announces Issuance of European Patent Protecting Company's Novel Macrocyclic Chemistry

RESEARCH TRIANGLE PARK, N.C. and SHERBROOKE, Québec (December 13, 2006) - Tranzyme Pharma, a leading biopharmaceutical company developing novel mechanism-based therapeutics for the treatment of gastrointestinal (GI) and metabolic disorders, announced today the issuance of a European patent (EP 1 218 403) entitled "Combinatorial Synthesis of Libraries of Macrocyclic Compounds Useful in Drug Discovery." The patent protects key aspects of the Company's core drug discovery technology, Macrocyclic Template Chemistry (MATCH™). MATCH™ is based on the synthesis of specific types of low-molecular weight, drug-like compounds called macrocycles. This European patent, together with the notice of allowance for the corresponding U.S. patent received earlier this year, provides substantial protection for the Company's novel chemistry technology. Tranzyme currently has approximately 40 patent applications covering MATCH™ as well as its unique drug candidates for GI and metabolic diseases.

Tranzyme has leveraged MATCH™ to develop first-in-class drug candidates that have shown to be well tolerated in man and have demonstrated oral bioavailability, *in vivo* efficacy, and high potency and selectivity against multiple types of pharmaceutically important targets. Tranzyme has developed the first synthetic library of these macrocyclic compounds which contains 25,000 unique structures. The MATCH™ library exhibits excellent chemical and conformational diversity to provide broad target applicability in modulating G-protein coupled receptors, protein kinases, protein-protein interactions and ion channels.

"MATCH™ enables Tranzyme to design its macrocyclic compounds to exhibit highly specific recognition of a pharmacological target, which leads to greatly reduced safety issues during development," said Helmut Thomas, Ph.D., DABT, Senior Vice President of Research & Preclinical Development for Tranzyme Pharma. "We are able to achieve excellent fit for a biological target by combining recognition elements for multiple pharmacophores in a compact structure."

"We are very excited with the significant progress that we have made in demonstrating the ability of our chemistry to produce a pipeline of high-quality drug candidates," added Vipin K. Garg, Ph.D., President & CEO of Tranzyme Pharma. "Our strategy is to further leverage this technology in joint drug discovery and development alliances across multiple therapeutic areas."

Tranzyme Pharma is a clinical-stage company developing small molecule therapeutics for the treatment of gastrointestinal (GI) and metabolic diseases. The Company's candidate drugs originate from its own discovery pipeline of proprietary compounds with high potency and selectivity for validated and druggable targets. Tranzyme is developing first-in-class, mechanism-based therapeutics for post-operative ileus (POI), gastroparesis, obesity, diabetes and functional GI disorders. The Company recently initiated a Phase IIa trial of its lead product, TZP-101, and anticipates having a second product in the clinic in 2007. For more information, please visit: www.tranzyme.com.

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