ACADIA Pharmaceuticals Enters Agreement with Biovail to Conclude Collaboration and Regain North American Rights to Pimavanserin

October 28, 2010

ACADIA Now Holds Worldwide Rights; Receives $8.75 Million Payment to Continue Ongoing Phase III Trials in Parkinson's Disease Psychosis

ACADIA Conference Call Scheduled for Today, October 28, at 9:00 A.M. Eastern Time

SAN DIEGO, Oct 28, 2010 (BUSINESS WIRE) -- ACADIA Pharmaceuticals Inc. (Nasdaq: ACAD) today announced that it has entered into an agreement with Biovail Laboratories International SRL ("BLS"), a wholly owned subsidiary of Valeant Pharmaceuticals International, Inc. (NYSE and TSX: VRX) ("Valeant"), pursuant to which ACADIA and BLS have agreed to conclude their previously established collaboration to develop and commercialize pimavanserin in the United States and Canada. ACADIA has regained all rights to pimavanserin and will receive a one-time cash payment of $8.75 million from BLS to transition the program back to ACADIA and cover costs associated with ongoing clinical trials. ACADIA will continue to pursue the development of pimavanserin, which is in Phase III clinical trials as a treatment for Parkinson's disease psychosis (PDP), and will have no future payment obligations to BLS.

"While we have enjoyed a great collaboration with Biovail, both parties recognize that pimavanserin and the broad development strategy at the core of our collaboration were not consistent with the strategic focus of the new Valeant following the recently completed merger," said Uli Hacksell, Ph.D., Chief Executive Officer of ACADIA. "With worldwide rights to pimavanserin and a focus on our ongoing Phase III program, we believe ACADIA is positioned on an attractive path forward for this product candidate."

ACADIA will continue to conduct the ongoing Phase III clinical trials with pimavanserin for PDP. In order to focus its resources on this advanced program, ACADIA will not continue with planned clinical trials for pimavanserin in Alzheimer's disease psychosis or schizophrenia at this time. Following receipt of the one-time payment from BLS, ACADIA will have extended its cash runway and anticipates that its existing cash resources will be sufficient to fund its operations to mid-2012.

About Pimavanserin and Parkinson's Disease Psychosis

Pimavanserin is a patented new chemical entity discovered by ACADIA that selectively blocks serotonin 5-HT_{2A} receptors. Pimavanserin is in Phase III development as a treatment for 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 and is associated with increased caregiver burden, nursing home placement, and increased mortality.

Conference Call and Webcast Information

ACADIA will host a conference call and webcast today, October 28, 2010,at 9:00 a.m. Eastern Time to discuss the agreement to conclude the collaboration with Biovail and regain North American rights to pimavanserin. The conference call can be accessed by dialing 866-730-5762 for participants in the U.S. or Canada and 857-350-1586 for international callers (reference passcode 34684722). A telephone replay of the conference call may be accessed through November 11, 2010 by dialing 888-286-8010 for callers in the U.S. or Canada and 617-801-6888 for international callers (reference passcode 61697406). The conference call also will be webcast live on ACADIA's website, http://www.acadia-pharm.com, under the investors section and will be archived there until November 11.

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 has a portfolio of four product candidates including pimavanserin, which is in Phase III clinical development as a treatment for Parkinson's disease psychosis. ACADIA also has a product candidate in Phase II for chronic pain and a product candidate in Phase I for glaucoma, both in collaboration with Allergan, as well as a product candidate in IND-track development for schizophrenia in collaboration with Meiji Seika Kaisha. All of the product candidates in ACADIA's pipeline emanate from discoveries made using its proprietary drug discovery platform. ACADIA maintains a website at http://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 e-mail alerts.

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, the potential of and the benefits to be derived from product candidates, in each case including pimavanserin, plans to continue its development and the potential for pimavanserin as a treatment for PDP, and the period during which ACADIA's cash resources will be sufficient to fund its operations. 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 and commercialization and collaborations with others, and the fact that past results of clinical trials may not be indicative of future trial results, as well as risks relating to our funding requirements and our ability to manage costs. 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, 2009 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, except as required by law.

SOURCE: ACADIA Pharmaceuticals Inc.

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