



News Release

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Merck & Co., Inc. to Acquire NovaCardia, Inc., to Boost Clinical Pipeline of Cardiovascular Drug Candidates

Acquisition Gives Merck Access to KW-3902, an Investigational Phase 3 Compound for Acute Congestive Heart Failure

WHITEHOUSE STATION, N.J. and SAN DIEGO, July 25, 2007 – Merck & Co., Inc., one of the world's leading research-based pharmaceutical companies, and NovaCardia, Inc., a privately held clinical-stage pharmaceutical company focused on cardiovascular diseases, today announced that they have entered into a definitive agreement under which Merck will acquire NovaCardia.

Under the agreement, Merck will acquire all of the outstanding equity of NovaCardia for \$350 million plus the amount of cash on hand at the time of closing, all of which will be paid in Merck stock based on the average closing stock price on the five days prior to closing of the acquisition.

"This acquisition continues to deliver on our strategy of targeted acquisitions in areas of unmet medical need in the therapeutic areas of strategic importance for Merck such as cardiovascular diseases," said Richard Kender, vice president of business development and corporate licensing at Merck.

NovaCardia's lead product candidate KW-3902, an adenosine A₁ receptor antagonist, is being studied in Phase 3 clinical trials in patients with acute congestive heart failure (CHF). KW-3902 is believed to block adenosine-mediated constriction of blood flow to the kidneys and inhibit reabsorption of salt and water by the kidney, thereby increasing urine volume and maintaining renal function in patients with CHF. To date, no other vasodilator has demonstrated the selective renal vasodilation attribute of KW-3902 that helps preserve renal function. As renal function deteriorates in patients with CHF, higher doses of diuretics are required in order to

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reduce fluid overload. Multiple studies have demonstrated that renal dysfunction is a strong independent predictor of worse short- and long-term outcomes in patients with CHF.

"We are excited to see our lead product become part of the superb scientific environment of Merck," said Randall E. Woods, president and chief executive officer at NovaCardia. "NovaCardia demonstrated the potential of KW-3902 in clinical trials, and we believe that Merck can expedite the development of this novel agent."

"Merck is very excited to have the opportunity to bring forward potential new treatments for patients with heart failure," said Richard C. Pasternak, M.D., vice president of clinical research at Merck Research Laboratories. "Our acquisition of NovaCardia enhances Merck's considerable internal research efforts committed to the development of new medicines to treat major cardiovascular diseases that are underserved by existing therapies."

NovaCardia recently presented preliminary results from a pilot Phase 3 trial of KW-3902 at a late-breaking session of the European Society of Cardiology's Heart Failure Congress 2007 that indicated a strong trend toward efficacy for the 30 milligram dose. Patients treated with KW-3902 experienced a higher rate of improvement in dyspnea, or shortness of breath, which is a common symptom of CHF, compared to the placebo group, and KW-3902 also enhanced diuresis and mitigated deterioration of renal function that is often experienced by patients undergoing standard treatment. Two pivotal Phase 3 trials, PROTECT 1 and PROTECT 2, are currently enrolling participants in the United States, Canada, Europe, Israel and Russia. NovaCardia in-licensed KW-3902 from Kyowa Hakko Kogyo Co., Ltd., in 2003.

"NovaCardia's management team has done an exceptional job advancing KW-3902 into Phase 3 clinical trials, demonstrating the compound's potential and building NovaCardia into a successful company," said Eckard Weber, M.D., founder and chairman of NovaCardia and partner at Domain Associates.

In addition to Domain Associates, NovaCardia's investors include Forward Ventures, Montreux Equity Partners, Versant Ventures, Skyline Ventures and InterWest Partners. NovaCardia will spin-out a new corporate entity to support clinical development of the company's second compound, K201 (JTV-519) for atrial fibrillation.

"This acquisition gives Merck the possibility to expand its cardiovascular product pipeline into congestive heart failure, an area of important unmet medical need and significant burden to the healthcare system," said Guy Eiferman, general manager of the atherosclerosis and cardiovascular franchise at Merck.

The acquisition is subject to clearance under the Hart-Scott-Rodino Antitrust Improvements Act and other customary conditions. The two companies expect to close the acquisition within 45 days.

Merck's 2007 full-year financial guidance, provided on July 23, 2007, did not include the anticipated overall financial impact of any charges associated with the NovaCardia acquisition. Merck will provide an update to the full-year 2007 financial guidance following the closing of the acquisition.

About Congestive Heart Failure

CHF is a widespread and debilitating disease most often caused by a weakening or stiffening of the heart muscle, which leads to a progressive loss in the heart's ability to pump blood effectively throughout the body. There are nearly 5 million people in the United States with CHF, according to the American Heart Association (AHA). With the aging population and more patients surviving the early stages of cardiovascular diseases, the prevalence of CHF is increasing. Approximately 550,000 new cases of CHF are reported in the United States each year, according to the AHA.

About NovaCardia

NovaCardia, Inc. is a clinical-stage pharmaceutical company focused on developing drugs to treat major cardiovascular diseases that are underserved by existing therapies.

About Merck

Merck & Co., Inc. is a global research-driven pharmaceutical company dedicated to putting patients first. Established in 1891, Merck currently discovers, develops, manufactures and markets vaccines and medicines to address unmet medical needs. The Company devotes extensive efforts to increase access to medicines through far-reaching programs that not only donate Merck medicines but help deliver them to the people who need them. Merck also publishes unbiased health information as a not-for-profit service. For more information, visit <http://www.merck.com>.

Forward-Looking Statement

This press release contains "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and involve risks and uncertainties, which may cause results to differ materially from those set forth in the statements. The forward-looking statements may include

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statements regarding product development, product potential or financial performance. No forward-looking statement can be guaranteed, and actual results may differ materially from those projected. Merck undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. Forward-looking statements in this press release should be evaluated together with the many uncertainties that affect Merck's business, particularly those mentioned in the risk factors and cautionary statements in Item 1A of Merck's Form 10-K for the year ended Dec. 31, 2006, and in its periodic reports on Form 10-Q and Form 8-K, which the Company incorporates by reference.

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