

ATHEROGENICS ANNOUNCES COLLABORATION WITH FUJISAWA TO DEVELOP AGI-1096 FOR TRANSPLANT REJECTION

AtheroGenics Partners with Market Leader in Transplantation Therapeutics

Atlanta, GA. - January 12, 2004 - AtheroGenics, Inc. (Nasdaq: AGIX), a pharmaceutical company focused on the treatment of chronic inflammatory diseases, today announced a collaboration with Fujisawa Pharmaceutical Co., Ltd., a worldwide leader in transplantation therapies, to develop AtheroGenics' novel compound, AGI-1096, as an oral treatment for the prevention of organ transplant rejection.

The collaboration will leverage AtheroGenics' expertise in discovering innovative treatments for chronic inflammation with Fujisawa's world-class experience in transplant rejection therapies. Under the agreement, AtheroGenics and Fujisawa will collaborate to conduct preclinical and early stage clinical development trials, with Fujisawa funding all development costs during the term of the agreement. Fujisawa will also receive an option to negotiate for late stage development and commercial rights to the compound.

"This collaboration accomplishes our goal of creating a partnership with a world-class pharmaceutical company to develop this novel drug therapy for treating organ transplant rejection," commented Russell M. Medford, M.D., Ph.D., President and Chief Executive Officer of AtheroGenics. "Fujisawa's leadership position in developing and marketing therapies for the management of transplant rejection makes it an ideal partner for AtheroGenics as we move AGI-1096 forward in clinical trials."

"Our collaboration with AtheroGenics underscores Fujisawa's continued commitment to identify novel therapies in the area of transplant rejection," said William E. Fitzsimmons, Pharm.D., M.S., Senior Global Project Leader, Transplantation at Fujisawa. "We are very pleased to be working with AtheroGenics to determine the potential of AGI-1096 and its possible use in patients after organ transplantation."

AGI-1096 is a selective anti-inflammatory agent that is being developed to address the accelerated inflammation in chronic organ transplant rejection. The Company completed a Phase I clinical trial, which demonstrated that AGI-1096 was safe and well-tolerated over the escalating single oral doses studied. Subjects reached targeted blood levels of AGI-1096 that were equivalent to those seen in successful pre-clinical models of organ transplant rejection.

Long-term organ rejection occurs either because the organ recipient's immune system, during the course of months or years, comes to recognize the transplant as "foreign", or because the blood supply to the transplant becomes blocked due to an accelerated closure of the blood vessels leading to the transplanted organ. Chronic rejection is a major cause of organ failure after transplantation. Industry sources report there are over 150,000 organ transplant recipients in the U.S. who are at risk of chronic transplant rejection.

About AtheroGenics

AtheroGenics is focused on the discovery, development and commercialization of novel drugs for the treatment of chronic inflammatory diseases, including heart disease (atherosclerosis), rheumatoid arthritis and asthma. The Company has four drug development programs in the clinic. AtheroGenics' lead compound, AGI-1067, is being evaluated in the pivotal Phase III clinical trial called ARISE (Aggressive Reduction of Inflammation Stops Events) as an oral therapy for the treatment of atherosclerosis. AGIX-4207, the Company's second clinical compound derived from its proprietary v-protectant(tm) technology platform, is a novel, oral agent being tested in a Phase II clinical program called OSCAR (Oral Suppression of Cellular Inflammation Attenuates Rheumatoid Arthritis) as an oral therapy for the treatment of rheumatoid arthritis. AGIX-4207 I.V.

is an intravenous rheumatoid arthritis treatment that has completed a Phase I clinical study. AGI-1096 is a novel, oral agent that is being developed for the prevention of organ transplant rejection in collaboration with Fujisawa. For more information about AtheroGenics, please visit <http://www.atherogenics.com>

About Fujisawa Founded in 1894, Fujisawa Pharmaceutical Co., Ltd. looks back on a history of over 100 years that have seen the Company develop into one of the leading pharmaceutical manufacturers in Japan. The Company forms the core of the Fujisawa Group, which as a result of global business expansion now has offices, plants and research facilities in Japan, North America, Europe and Asia with more than 8,000 employees worldwide. As a research-driven pharmaceutical company, Fujisawa's research and development activities are the key to its success in the highly competitive global market. Under the banner of "speed, focus and persistence," Fujisawa is deeply committed to innovative research to satisfy unmet medical needs. Its research activities currently target the discovery of compounds to be recognized as "best in the class, first in the class" in five therapeutic areas of focus - immunology/inflammation, cerebral diseases, metabolic diseases, infectious diseases and urology. Fujisawa is also keen on strengthening its strategic collaboration with outside institutions or emerging research ventures that possess novel technology or ideas for drug discovery.

This press release may contain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain factors, risks and uncertainties that may cause actual results, events and performances to differ materially from those referred to in such statements. These risks include statements which address operating performance, events or developments that we expect or anticipate will occur in the future, such as projections about our future results of operations or our financial condition, research, development and commercialization of our product candidates, anticipated trends in our business, and other risks that could cause actual results to differ materially. These risks are discussed in AtheroGenics' Securities and Exchange Commission filings, including but not limited to the risks discussed in AtheroGenics' Form 10-K for fiscal 2002 and our Quarterly Report on Form 10-Q for the third quarter of 2003.

Mark Colonnese
Chief Financial Officer
678-336-2511
investor@atherogenics.com

Investor Relations
Lilian Stern
Stern Investor Relations
212-362-1200
lilian@sternir.com

Media Relations
Katie Brazel
Fleishman Hillard
404-739-0150
brazelk@fleishman.com

<http://www.atherogenics.com>