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Vertex Sells INCIVO® Product Royalty Rights for \$152 Million

-Vertex to receive \$152 million cash payment from Janssen in 2013; will no longer receive royalties on INCIVO sales beginning in 2014-

-Company increases 2013 year-end guidance for cash, cash equivalents and marketable securities to in excess of \$1.4 billion-

CAMBRIDGE, Mass.--(BUSINESS WIRE)-- [Vertex Pharmaceuticals Incorporated](#) (NASDAQ: VRTX) today announced that it has sold its product royalty rights relating to INCIVO® (telaprevir) to Janssen Pharmaceutica N.V. Under the agreement, Janssen will make a \$152 million cash payment to Vertex in the fourth quarter of 2013 and will cease paying royalties to Vertex on INCIVO sales beginning in 2014.

"The monetization of INCIVO royalties provides cash to enhance our corporate financial position and continues to position us to support our investment in cystic fibrosis and to advance other key opportunities in our pipeline," said Ian Smith, Executive Vice President and Chief Financial Officer of Vertex.

As a result of the amendment to the companies' 2006 collaboration agreement to develop and commercialize INCIVO in Europe and other regions, Janssen will have sole authority to execute INCIVO marketing and promotion activities in these regions. Ongoing studies will be completed as planned, and the amended agreement accounts for this more streamlined collaboration.

Vertex also today increased its 2013 year-end guidance for cash, cash equivalents and marketable securities to in excess of \$1.4 billion.

About Vertex

Vertex is a global biotechnology company that aims to discover, develop and commercialize innovative medicines so people with serious diseases can lead better lives. Vertex scientists and our collaborators are working on new medicines to cure or significantly advance the treatment of cystic fibrosis, hepatitis C, rheumatoid arthritis and other life-threatening diseases. In addition to our clinical development programs, Vertex has more than a dozen ongoing preclinical programs aimed at other serious and life-threatening diseases.

Founded in 1989 in Cambridge, Mass., Vertex today has research and development sites and commercial offices in the United States, Europe, Canada and Australia. For four years in a row, Science magazine has named Vertex one of its Top Employers in the life sciences. For additional information and the latest updates from the company, please visit www.vrtx.com.

Indication and Important Safety Information for INCIVEK (telaprevir)

INCIVEK® (telaprevir) is a prescription medicine used with the medicines peginterferon alfa and ribavirin to treat chronic (lasting a long time) hepatitis C genotype 1 infection in adults with stable liver problems, who have not been treated before or who have failed previous treatment. It is not known if INCIVEK is safe and effective in children under 18 years of age.

Important Safety Information

INCIVEK® (telaprevir) should always be used in combination with peginterferon alfa and ribavirin. INCIVEK combination treatment may cause serious side effects including skin rash and serious skin reactions, anemia (low red blood cell count) that can be severe, and birth defects or death of an unborn baby.

Skin rashes are common with INCIVEK combination treatment. Sometimes these skin rashes and other skin reactions can become serious, require treatment in a hospital, and may lead to death. Patients should call their healthcare provider right away if they develop any skin changes or itching during treatment with INCIVEK. Their healthcare provider will decide if they need treatment or if they need to stop INCIVEK or any of their other medicines. Patients should not stop taking INCIVEK combination treatment without talking with their healthcare provider first.

Patients' healthcare providers will do blood tests regularly to check for anemia. If anemia is severe, the healthcare providers may tell them to stop taking INCIVEK.

INCIVEK combined with peginterferon alfa and ribavirin may cause birth defects or death of an unborn baby. Therefore, a patient should not take INCIVEK combination treatment if she is pregnant or may become pregnant, or if he is a man with a sexual partner who is pregnant. Females who can become pregnant and females whose male partner takes these medicines must have a negative pregnancy test before starting treatment, every month during treatment, and for 6 months after treatment ends. Patients must use two forms of effective birth control during treatment and for 6 months after all treatment has ended. These two forms of birth control should not contain hormones, as these may not work during treatment with INCIVEK.

INCIVEK and other medicines can affect each other and can also cause side effects that can be serious or life-threatening. There are certain medicines patients cannot take with INCIVEK combination treatment. Patients should tell their healthcare providers about all the medicines they take, including prescription and over-the-counter medicines, vitamins and herbal supplements.

The most common side effects of INCIVEK combination treatment include itching, nausea, diarrhea, vomiting, anal or rectal problems (including hemorrhoids, discomfort, burning or itching around or near the anus), taste changes and tiredness. There are other possible side effects of INCIVEK, and side effects associated with peginterferon alfa and ribavirin also apply to INCIVEK combination treatment. Patients should tell their healthcare provider about any side effect that bothers them or doesn't go away.

Please see full Prescribing Information including Boxed Warning, and the Medication Guide for INCIVEK available at www.INCIVEK.com.

Vertex Special Note Regarding Forward-Looking Statements

This press release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including, without limitation, Mr. Smith's statements in the second paragraph of the press release and statements regarding the company's expectations regarding its 2013 year-end cash position. While Vertex believes the forward-looking statements contained in this press release are accurate, those statements are subject to risks and uncertainties that could cause actual outcomes to vary materially from the outcomes referenced in the forward-looking statements. These risks and uncertainties include, among other things, that the company's expectations regarding its year-end 2013 cash position may be incorrect and the other risks listed under Risk Factors in Vertex's annual report and quarterly reports filed with the Securities and Exchange Commission and available through the company's website at www.vrtx.com. Vertex disclaims any obligation to update the information contained in this press release as new information becomes available.

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Vertex Contacts:

Media:

Zach Barber, 617-341-6992

mediainfo@vrtx.com

or

Investors:

Michael Partridge, 617-341-6108

or

Kelly Lewis, 617-961-7530

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