



July 10, 2009

## **Vertex Pharmaceuticals Announces Intention to Sell Its Rights to European Milestone Payments for Telaprevir**

***- Vertex holds rights to earn up to \$250 million in milestones associated with filing, approval and launch of telaprevir in Europe -***

CAMBRIDGE, Mass., Jul 10, 2009 (BUSINESS WIRE) -- [Vertex Pharmaceuticals Incorporated](#) (Nasdaq: VRTX) today announced its intention to sell the rights to certain milestone payments tied to the future regulatory filing, approval and market launch of its hepatitis C virus (HCV) protease inhibitor drug candidate, telaprevir, in Europe. As part of a collaboration signed in June 2006 to develop and commercialize telaprevir for the treatment of HCV, Janssen Pharmaceutica N.V., a Johnson & Johnson company, agreed to pay Vertex a total of \$250 million in aggregate milestone payments for successful development and launch of telaprevir in the European Union.

The milestones anticipated for telaprevir in Europe include \$100 million related to regulatory filing and approval and \$150 million related to launch of telaprevir.

Vertex anticipates, based on projected development and commercial timelines for telaprevir, and assuming successful development, that it will earn these milestones prior to April 2012. If the intended sale of the future milestone payments announced today is successful, Vertex would receive a one-time cash payment that reflects a substantial percentage of these future milestones payable by Janssen.

Telaprevir is being evaluated in three Phase 3 studies that have enrolled more than 2,200 patients in the United States and Europe. The telaprevir dosing portion of all of these studies has been completed, and sustained viral response (SVR) data from all three Phase 3 studies are expected to be available in mid-2010, supporting planned New Drug Application (NDA) and Marketing Authorization Application (MAA) filings in the United States and Europe, respectively, in the second half of 2010. Vertex retains commercial rights to telaprevir in North America.

Morgan Stanley is acting as a structural advisor to Vertex in connection with this transaction.

### **About Vertex**

Vertex Pharmaceuticals Incorporated is a global biotechnology company committed to the discovery and development of breakthrough small molecule drugs for serious diseases. The Company's strategy is to commercialize its products both independently and in collaboration with major pharmaceutical companies. Vertex's product pipeline is focused on viral diseases, cystic fibrosis, inflammation, autoimmune diseases, cancer, and pain. Vertex co-discovered the HIV protease inhibitor, Lexiva, with GlaxoSmithKline.

Lexiva is a registered trademark of the GlaxoSmithKline group of companies.

### **Special Note Regarding Forward-looking Statements**

This press release contains forward-looking statements, including statements of our expectations regarding the intended sale of the telaprevir milestone payments and the anticipated timing of receipt of these milestone payments assuming the successful development and commercial launch of telaprevir. While Vertex believes those forward-looking statements are accurate, the statements are subject to risks and uncertainties that could cause actual outcomes to vary materially from the outcomes described. Those risks and uncertainties include, among other things, the risk that telaprevir development could be significantly delayed due to regulatory approval issues that are currently unanticipated, that telaprevir might not be approved as a result of unfavorable Phase 3 clinical trial results, that market conditions will not support the sale of the telaprevir milestone payments at a price acceptable to Vertex, and other factors set forth 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](http://www.vrtx.com). Vertex disclaims any obligation to update the information contained in this press release.

Vertex's press releases are available at [www.vrtx.com](http://www.vrtx.com)

(VRTX-GEN)

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