

Mitsubishi Tanabe Pharma and Vertex Pharmaceuticals Amend Agreement to Develop and Commercialize Telaprevir, An Oral Inhibitor of Hepatitis C Virus Protease, in Asia

Mitsubishi Tanabe Pharma Corporation (Head Office: Osaka, Japan, President: Michihiro Tsuchiya, hereinafter referred to as Mitsubishi Tanabe) and Vertex Pharmaceuticals Incorporated (Head office: Cambridge, Massachusetts, President: Matthew W. Emmens, hereinafter referred to as Vertex) announce today that they have amended their agreement executed in 2004 under which Mitsubishi Tanabe were granted an exclusive license in eleven Asian countries areas including Japan, China, South Korea and Taiwan for developing and commercializing telaprevir, an oral inhibitor of Hepatitis C virus protease.

Under the terms of the amended agreement, Vertex shall grant Mitsubishi Tanabe a right to use the clinical data on the combination therapy between telaprevir, pegylated interferon (peg-IFN) and rivabirin, and grant a manufacturing right and transfer to Mitsubishi Tanabe technology regarding drug substance of telaprevir. In return for a combination therapy license in its territory and the transfer of manufacturing rights, Mitsubishi Tanabe shall pay Vertex the amount of USD \$105 million upon signing. In addition, the parties have reached other commercial agreements in the amendment, including potential bonus milestone payments in lieu of royalties, that if realized.

The impact on the Mitsubishi Tanabe's consolidated financial results due to this amendment is anticipated to be nothing, because this expense has already involved in the forecast for FY2009.

Telaprevir, is the most advanced new treatment of hepatitis C in the world. It can be administered orally, and is the selective inhibitor of HCV NS3-4A protease, thereby resulting in sustained clearance of HCV RNA. In June 2004, Vertex has licensed telaprevir to Mitsubishi Tanabe that are implementing development in Japan. In November 2008, Phase 3 trials were commenced.

For patient with viral genotype 1 virus, the standard treatment of combination therapy administration of two drugs, peg-IFN and rebavirin, is not sufficiently effective. Vertex and Mitsubishi Tanabe are collecting data to demonstrate that concomitant demonstration of three drugs, through the addition of telaprevir, results in shorter treatment period and superior effectiveness. Telaprevir is also drawing attention from liver specialists, and is expected to be positioned as the "gold standard" in hepatitis C treatment.

Mitsubishi Tanabe will steadily perform the clinical trials in Japan, and make effort to launch telaprevir which will be used by many hepatitis C patients in the fastest way possible.