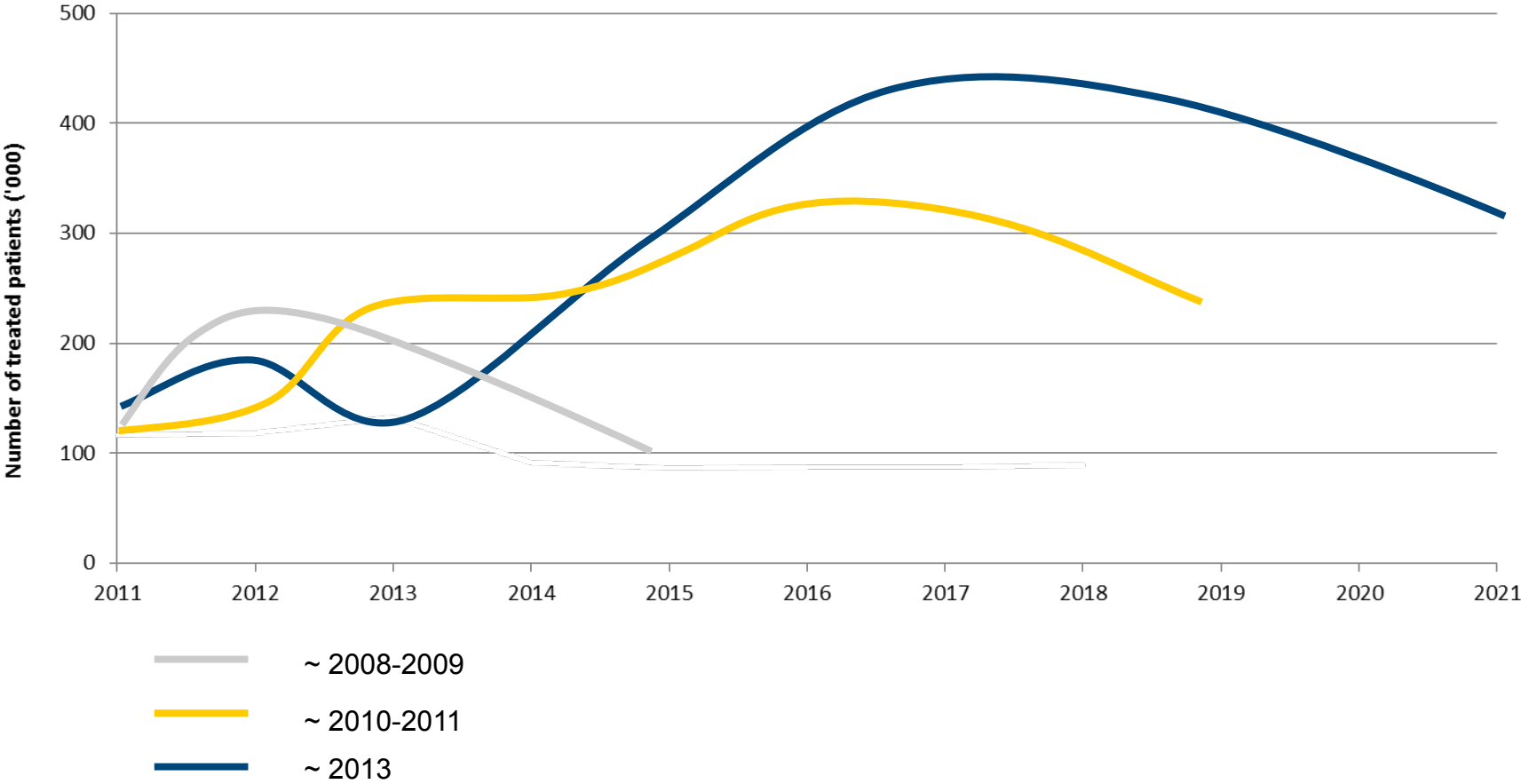




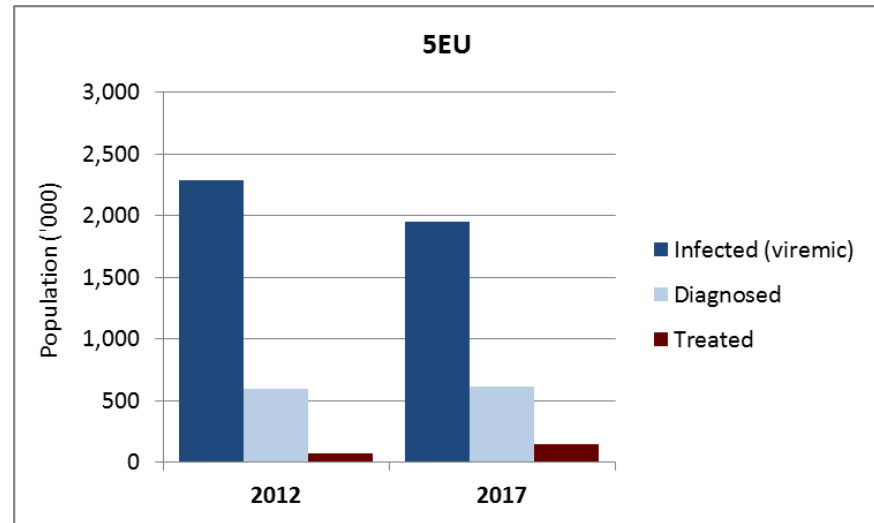
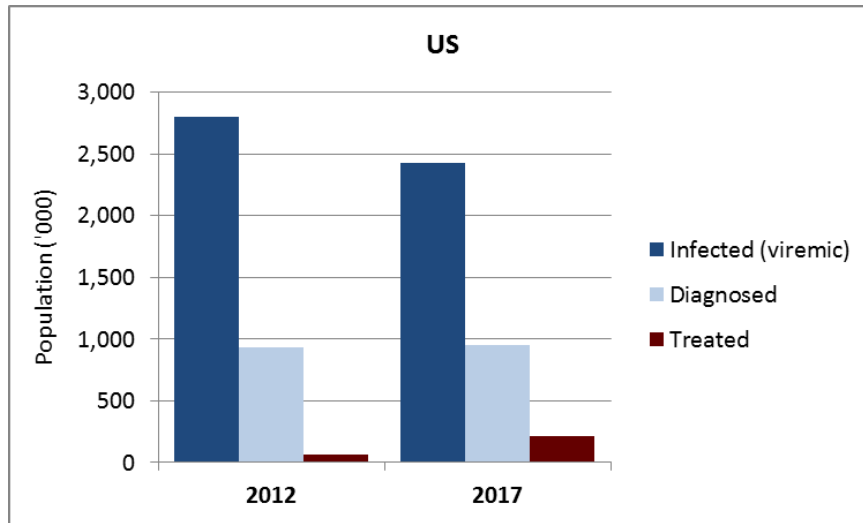
HCV market outlook and Japan
Rein Piir, EVP Corporate Affairs & IR

Views of the hepatitis C market have changed with real world experience and knowledge of next generation DAAs



Source: various industry and equity research reports

Hepatitis C dynamics can provide long-term market growth through increases in treatment and diagnosis rates



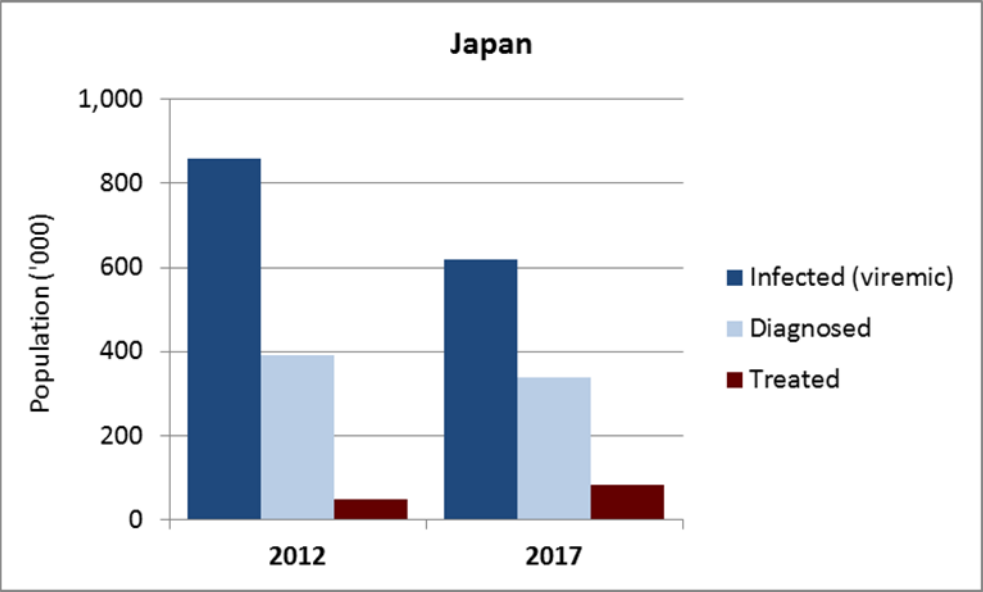
Source: Decision Resources (July, 2013)

Genotype	US (%)	5EU (%)
1a	54	15
1b	20	55
2	16	9
3	7	14
4	1	6
5&6	2	1

Source: Datamonitor (2011)

Hepatitis C market in Japan has similar dynamics to US and EU but also some important differences

Hepatitis C Patient Population in Japan



Source: Decision Resources (July, 2013)

Genotype distribution in Japan

Genotype	JP (%)
1a	3
1b	66
2	30
3	1
4	0
5&6	0

Source: Datamonitor (2011)

Patient pool in Japan is larger than many realise

Consensus data from other various sources on the Hepatitis C patient populations

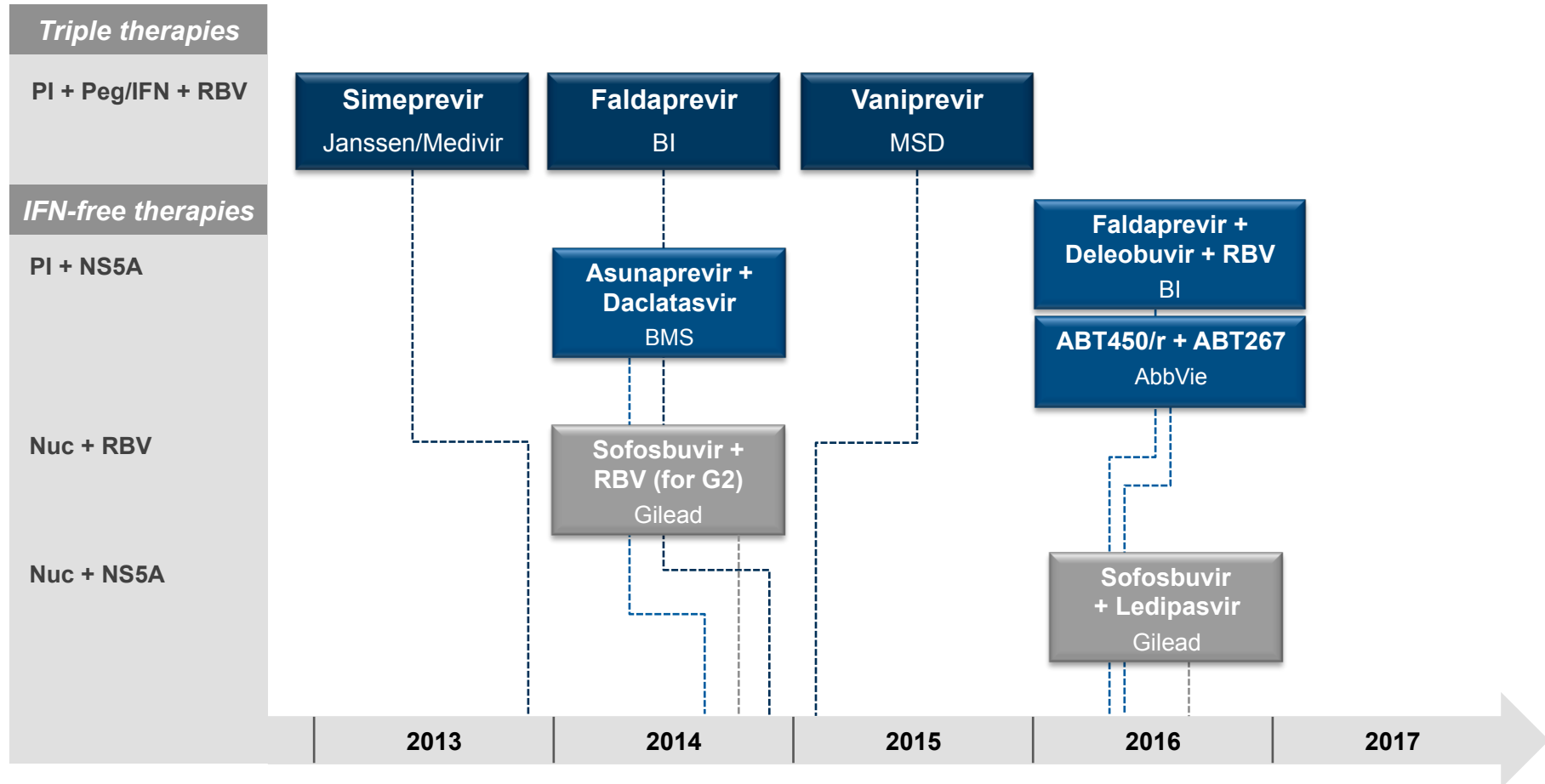
Population data	(#)
<ul style="list-style-type: none"> ▪ Chronically infected patients 	~ 1.5 – 2 M
<ul style="list-style-type: none"> ▪ Diagnosed patient pool 	~ 500 – 600 k
<ul style="list-style-type: none"> ▪ Number of treated patients annually <ul style="list-style-type: none"> ○ Naïve ○ Experienced 	~ 25 k ~ 30-35 k

Pricing

Known pricing data from Japan	
<ul style="list-style-type: none"> ▪ Telaprevir price lower than US and EU 	Approx. \$13,000
<ul style="list-style-type: none"> ▪ Potential for price premium <ul style="list-style-type: none"> ○ Max 30% premium possible for the same mechanism ○ Higher levels can only be negotiated for new mechanisms 	

Source: various industry and equity research reports

Simeprevir has a head start on the competition in Japan



Summary of Japanese HCV market dynamics

- Large prevalence (1.5-2 M) of HCV infection, >500 K diagnosed, with ~50-60 K patients treated annually
- The majority of patients infected with genotype 1b virus
 - Simeprevir triple therapy provides an important new treatment option
 - Ideal future treatment option likely to be a 2 DAA combo containing an HCV PI, NS5A or nucleotide
- Competition at less advanced stage than in US/EU
- Pricing of TPV (~13 K USD) plus IFN/RBV substantially lower than EU/US; higher prices can be negotiated for improved regimens or new mechanisms, i.e. IFN-free combos

Simeprevir is well positioned to be a leading HCV therapy in the Japanese market



Summary of the CMD

Maris Hartmanis, CEO

We are committed to delivering sustainable shareholder value

Structure	Focus	Profitability
<ul style="list-style-type: none">• Maintain financial discipline• Efficiently deploy resources• Maximize leverage• Identify new opportunities	<ul style="list-style-type: none">• Key pipeline programs• Retain strategic products, partner others• Commercial targets• Geography	<ul style="list-style-type: none">• Own products portfolio• Simeprevir revenue• Opportunistic product additions• Responsible R&D investment

We are excited to continue our momentum by achieving key R&D, commercial, and financial milestones



Thank you for attending