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Vertex Announces Recipients of Special Grants Initiative to Support People with Hepatitis C

- Hep-C Circle of Care grants will fund new and existing programs with the potential to enhance patient care -

CAMBRIDGE, Mass.--(BUSINESS WIRE)-- Vertex Pharmaceuticals Incorporated (Nasdaq: VRTX) today announced that it has awarded 16 grants totaling approximately \$1.5 million to a variety of academic, patient and community groups as part of the Vertex *Hep-C Circle of Care* program, a pilot competitive grants program designed to foster innovative approaches to patient care and support people living with chronic hepatitis C. This program is in addition to the ongoing Vertex grants program.

In the United States, nearly 4 million people have chronic hepatitis C and an estimated 75 percent of them are unaware of their infection¹. This high burden of disease has significant medical, social and economic consequences. Despite improvements in the treatment of chronic hepatitis C infection, people continue to face a number of critical barriers to achieving optimal care such as access to appropriate health care, keeping track of medication doses, issues associated with mental illness or substance abuse and the need for ongoing counseling and emotional support during treatment. Through the *Hep-C Circle of Care* initiative, Vertex seeks to fund innovative, sustainable and transferable programs that have the potential to improve care for people with chronic hepatitis C by providing care coordination, emotional or other needed support.

Sixteen grant recipients were selected out of 110 applicants from a wide variety of academic institutions, professional medical societies, community-based organizations and patient advocacy groups. Two categories of grants were awarded (up to \$50K and up to \$250K) to applicants who best demonstrated a creative approach to patient-centered care with a measurable impact on the future of hepatitis C management. These programs have a special focus on people with hepatitis C who are most in need of services and support including those living in rural areas, African Americans, those with a history of IV drug use and those facing serious mental illness.

"As a company, our commitment to people with hepatitis C extends far beyond our efforts to develop new medicines. To stem the tide of this epidemic, we need to work with the community to remove barriers and connect people with appropriate and fully-supported care," said Camilla Graham, M.D., Vice President of Global Medical Affairs for Vertex. "We hope these grants will fund programs to identify, evaluate and share new patient-centered approaches that will help people with hepatitis C get the best care possible."

Programs were selected by a multidisciplinary group of experts, which included three reviewers external to Vertex who represent the hepatitis C community: Andrew J. Muir, M.D., M.H.S., director of GI/hepatology research at Duke Clinical Research Institute, Duke University; Tracy Swan, Hepatitis/HIV Project Director for the Treatment Action Group; and Lucinda K. Porter, R.N., Hepatitis C Support Project (HCSP) board member, community educator and writer, along with Vertex staff.

Examples of selected 2011 *Hep-C Circle of Care* programs:

San Francisco General Hospital Foundation/Positive Health Program at SFGH (San Francisco, CA) will foster a primary care-based model to increase hepatitis C education, evaluation and treatment in diverse settings serving marginalized and vulnerable people in San Francisco.

The Frederick County Hepatitis Clinic, Inc. (Frederick, MD) will implement a call-back program to engage patients with advanced genotype 1 hepatitis C, conduct patient education programs and update materials and databases.

O.A.S.I.S. Clinic (Organization to Achieve Solutions in Substance-Abuse) (Oakland, CA) will develop a hepatitis C toolkit for drug treatment programs to improve the care and treatment of persons at highest risk for hepatitis C.

VOCAL-NY (Brooklyn, NY) will implement a systems change project to improve hepatitis C care coordination and collaboration in New York's opioid treatment programs to rapidly scale up access to hepatitis C care.

Malama Pono Health Services (Lihue, HI) will identify challenges and successes in linking people living with hepatitis C to medical care in a rural, geographically contained environment through peer support and case management.

University of the Sciences in Philadelphia (HepTREC) (Philadelphia, PA) will develop tools for use at patient intake

and during treatment decision-making to facilitate care coordination in hepatitis C treatment settings.

Key learnings from the programs funded by the *Hep-C Circle of Care* initiative will be discussed during a gathering in the fall of 2012, during which grant recipients will share findings from their program implementation and discuss the potential to enhance the programs and replicate them in other areas.

This special grant program is independent of other Vertex grants programs, which include substantial support for medical education, patient education and general charitable donations. For more information on these programs, please visit grants.vrtx.com

About Hepatitis C

Hepatitis C is a serious liver disease caused by the hepatitis C virus, which is spread through direct contact with the blood of infected people and ultimately affects the liver.² Chronic hepatitis C can lead to serious and life-threatening liver problems, including liver damage, cirrhosis, liver failure or liver cancer.² Though many people with hepatitis C may not experience symptoms, others may have symptoms such as fatigue, fever, jaundice and abdominal pain.²

Unlike HIV and hepatitis B virus, chronic hepatitis C can be cured.³ However, approximately 60 percent of people do not achieve SVR^{4,5,6} or viral cure⁷, after treatment with 48-weeks of P/R alone. If treatment is not successful and a person does not achieve a viral cure, they remain at an increased risk for progressive liver disease.^{8,9}

More than 170 million people worldwide are chronically infected with hepatitis C.⁷ In the United States, nearly 4 million people have chronic hepatitis C and 75 percent of them are unaware of their infection.¹ Hepatitis C is four times more prevalent in the United States compared to HIV.¹ The majority of people with hepatitis C in the United States were born between 1946 and 1964, accounting for two of every three people with chronic hepatitis C.¹⁰ Hepatitis C is the leading cause of liver transplantations in the United States and is reported to contribute to 4,600 to 12,000 deaths annually.^{11,12} By 2029, total annual medical costs in the United States for people with hepatitis C are expected to more than double, from \$30 billion in 2009 to approximately \$85 billion.¹

About Vertex

Vertex creates new possibilities in medicine. Our team discovers, develops and commercializes innovative therapies 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 hepatitis C, cystic fibrosis, rheumatoid arthritis, epilepsy and other life-threatening diseases.

Founded more than 20 years ago in Cambridge, MA, we now have ongoing worldwide research programs and sites in the U.S., U.K. and Canada. Today, Vertex has more than 1,900 employees around the world, and *Science* magazine named Vertex number one on its 2011 list of Top Employers in the life sciences.

For more information and to view Vertex's press releases, please visit www.vrtx.com.

(VRTX - GEN)

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 statements regarding grants described in this press release funding new and existing programs with the potential to enhance patient care and Vertex's commitment to people with hepatitis C. While the company believes the forward-looking statements contained in this press release are accurate, there are a number of factors that could cause actual events or results to differ materially from those indicated by such forward-looking statements. Those risks and uncertainties include the risks listed under Risk Factors in Vertex's annual report and quarterly reports filed with the Securities and Exchange Commission and available through Vertex's website at www.vrtx.com. Vertex disclaims any obligation to update the information contained in this press release as new information becomes available.

¹ Institute of Medicine of the National Academies. Hepatitis and liver cancer: a national strategy for prevention and control of hepatitis B and C. Colvin HM and Mitchell AE, ed. Available at: <http://www.iom.edu/Reports/2010/Hepatitis-and-Liver-Cancer-A-National-Strategy-for-Prevention-and-Control-of-Hepatitis-B-and-C.aspx>. Updated January 11, 2010. Accessed March 21,

2011.

² Centers for Disease Control and Prevention. Hepatitis C Fact Sheet: CDC Viral Hepatitis. Available at: <http://www.cdc.gov/hepatitis/HCV/PDFs/HepCGeneralFactSheet.pdf>. Accessed March 21, 2011.

³ Pearlman BL and Traub N. Sustained Virologic Response to Antiviral Therapy for Chronic Hepatitis C Virus Infection: A Cure and So Much More. *Clin Infect Dis*. 2011 Apr;52(7):889-900.

⁴ Manns MP, McHutchison JG, Gordon SC, et al. Peginterferon alfa-2b plus ribavirin compared with interferon alfa-2b plus ribavirin for initial treatment of chronic hepatitis C: a randomised trial. *Lancet*. 2001;358:958-965.

⁵ Fried MW, Shiffman ML, Reddy KR, et al. Peginterferon alfa-2a plus ribavirin for chronic hepatitis C virus infection. *N Engl J Med*. 2002;347:975-982.

⁶ McHutchison JG, Lawitz EJ, Shiffman ML, et al; IDEAL Study Team. Peginterferon alfa-2b or alfa-2a with ribavirin for treatment of hepatitis C infection. *N Engl J Med*. 2009;361:580-593.

⁷ Ghany MG, Strader DB, Thomas DL, Seeff, LB. Diagnosis, management and treatment of hepatitis C; An update. *Hepatology*. 2009;49 (4):1-40.

⁸ Morgan TR, Ghany MG, Kim HY, Snow KK, Lindsay K, Lok AS. Outcome of sustained virological responders and non-responders in the Hepatitis C Antiviral Long-Term Treatment Against Cirrhosis (HALT-C) trial. *Hepatology*. 2008;50(Suppl 4):357A (Abstract 115).

⁹ Veldt BJ, Heathcote J, Wedmeyer H. Sustained virologic response and clinical outcomes in patients with chronic hepatitis C and advanced fibrosis. *Annals of Internal Medicine*. 2007; 147: 677-684.

¹⁰ Pyenson B, Fitch K, Iwasaki K. Consequences of hepatitis C virus (HCV): Costs of a baby boomer epidemic of liver disease. Available at: http://www.natap.org/2009/HCV/051809_01.htm. Updated May 2009. Accessed March 21, 2011. *This report was commissioned by Vertex Pharmaceuticals, Inc.*

¹¹ Volk MI, Tocco R, Saini S, Lok, ASF. Public health impact of antiviral therapy for hepatitis C in the United States. *Hepatology*. 2009;50(6):1750-1755.

¹² Davis GL, Alter MJ, El-Serag H, Poynard T, Jennings LW. Aging of hepatitis C virus (HCV)-infected persons in the United States: A multiple cohort model of HCV prevalence and disease progression. *Gastroenterology*. 2010;138:513-521.

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