



THE SCIENCE *of* POSSIBILITY

First-Quarter 2017 Financial Results

April 27, 2017

Agenda

Introduction

Michael Partridge, VP Investor Relations

Business Update

Jeff Leiden, M.D., Ph.D., Chairman, President and CEO

First-Quarter Financial Results and 2017 Financial Guidance

Ian Smith, Executive Vice President, COO and CFO

Q&A

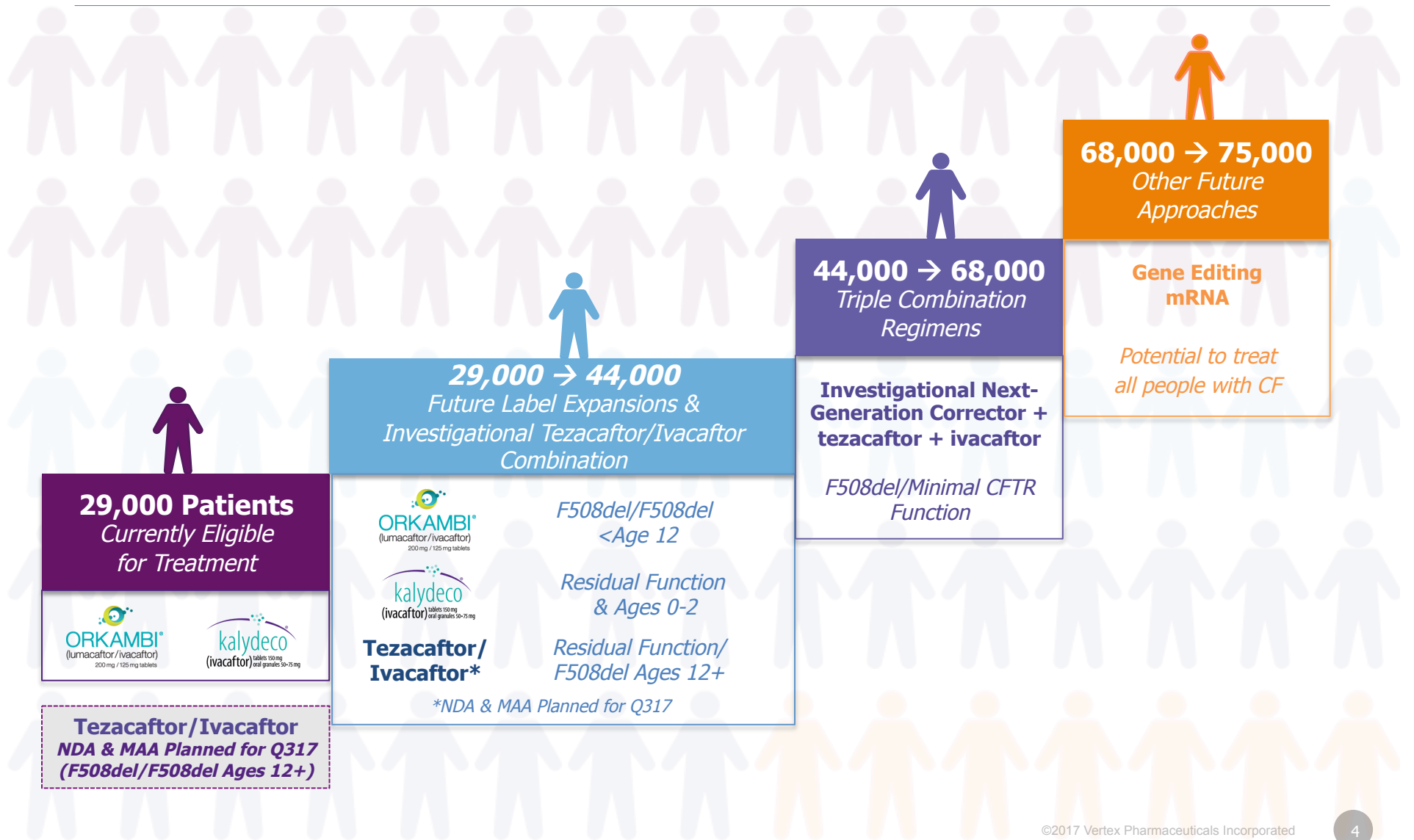
Stuart Arbuckle, Executive Vice President, Chief Commercial Officer

Safe Harbor Statement & Non-GAAP Financial Measures

This presentation contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including, without limitation, (i) information pertaining to KALYDECO and ORKAMBI and the ongoing discovery, development and commercialization of Vertex's product candidates, (ii) the Company's key 2017 milestones and goals and (iii) information regarding the Company's financial guidance for 2017. While the Company believes that these forward-looking statements are accurate, these statements are subject to risks and uncertainties that could cause actual outcomes to differ materially from the Company's current expectations. These risks and uncertainties include, among other things, that the Company's expectations regarding its 2017 revenues and expenses may be incorrect (including because one or more of the Company's assumptions underlying its expectations may not be realized), the risk that data from the Company's development programs may not support registration or further development of its compounds due to safety, efficacy or other reasons, and the risks and uncertainties listed in the Company's April 27, 2017 press release and under Risk Factors in the Company's 10-K and other filings with the SEC.

In this presentation, Vertex's financial results and financial guidance are provided in accordance with accounting principles generally accepted in the United States (GAAP) and using certain non-GAAP financial measures. In particular, non-GAAP financial results and guidance exclude stock-based compensation expense, revenues and expenses related to consolidated variable interest entities and other collaboration agreements and other adjustments. These results are provided as a complement to results provided in accordance with GAAP because management believes these non-GAAP financial measures help indicate underlying trends in the company's business, are important in comparing current results with prior period results and provide additional information regarding the company's financial position. Management also uses these non-GAAP financial measures to establish budgets and operational goals that are communicated internally and externally and to manage the company's business and to evaluate its performance. The company adjusts, where appropriate, for both revenues and expenses in order to reflect the company's operations. The company provides guidance regarding product revenues in accordance with GAAP and provides guidance regarding combined research and development and sales, general, and administrative expenses on both a GAAP and a non-GAAP basis. The guidance regarding GAAP research and development expenses and sales, general and administrative expenses does not include estimates regarding expenses associated with any potential business development activities. A reconciliation of the GAAP financial results to non-GAAP financial results is included in the Company's April 27, 2017 press release.

Path to Treating All Patients



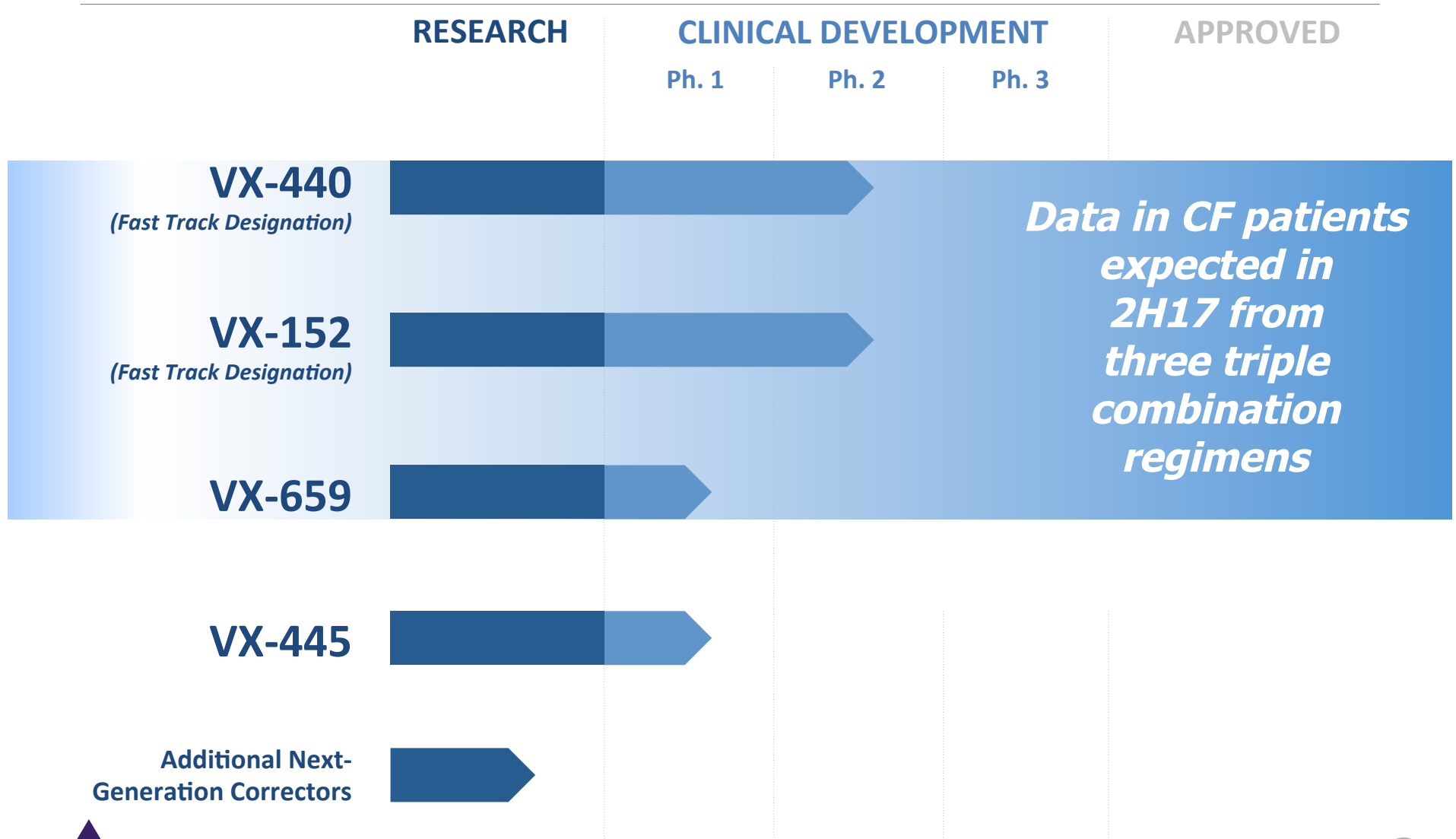
Tezacaftor/Ivacaftor

Phase 3 EVOLVE and EXPAND Studies

	EVOLVE (F508del/F508del)	EXPAND (Residual Function/ F508del)
Statistically significant and clinically meaningful improvements in lung function	✓	✓
Statistically significant improvements in multiple key secondary endpoints	✓	✓
Favorable safety profile	✓	✓

NDA and MAA submissions planned for Q3 2017

Broad Portfolio of Next-Generation Correctors



Key 2017 Milestones and Goals

CYSTIC FIBROSIS

- Phase 3 tezacaftor/ivacaftor data in multiple mutations (1H17)
- Phase 2 proof-of-concept data for VX-440 and VX-152 triple combination regimens in CF patients (2H17)
- Phase 1 data for for VX-659 triple combination in CF patients (2H17)
- Clinical development of a 4th next-generation corrector, VX-445 (Q117)

FINANCIAL

- Total CF revenues of \$1.81 - \$2.03B
- Obtain reimbursement for ORKAMBI in multiple countries outside the U.S.
- Non-GAAP combined R&D and SG&A expenses of \$1.25 - \$1.3B

PIPELINE

- Bolster the CF and non-CF pipeline with internal and external assets
- Advance one or more compounds from research into clinical development

Q1 2017 Financial Results

	Q1 2017	Q4 2016	Q1 2016
ORKAMBI Revenues	\$295M	\$277M	\$223M
KALYDECO Revenues	\$186M	\$177M	\$171M
Total CF Revenues	<u>\$481M</u>	<u>\$454M</u>	<u>\$394M</u>
Non-GAAP Combined R&D and SG&A Expense	<u>\$313M</u>	<u>\$295M</u>	<u>\$306M</u>
GAAP Net Income (Loss)	\$248M	\$33M	\$(42)M
Non-GAAP Net Income	<u>\$101M</u>	<u>\$88M</u>	<u>\$22M</u>
GAAP Net Income (Loss) Per Diluted Share	\$0.99	\$0.13	\$(0.17)
Non-GAAP Net Income Per Diluted Share	\$0.41	\$0.35	\$0.09
Cash, cash equivalents & marketable securities (quarter-end)	\$1.41B	\$1.43B	\$1.03B

An explanation of our Non-GAAP financial measures and reconciliation of our Non-GAAP combined R&D and SG&A expense is included in our April 27, 2017 press release.

2017 Financial Guidance

	2017 Guidance	Guidance Commentary
ORKAMBI Revenues	\$1.1 – \$1.3B	<ul style="list-style-type: none"> Ongoing performance in currently reimbursed markets 2H17 growth driven by reimbursement agreements in Europe <ul style="list-style-type: none"> France would be the largest contributor if reimbursement is secured in 2017
KALYDECO Revenues	\$710- \$730M	<ul style="list-style-type: none"> One-time Q1 adjustments and strong demand for KALYDECO
Total CF Revenues	\$1.81 - \$2.03B	
GAAP Combined R&D and SG&A Expense	\$1.55 - \$1.70B	
Non-GAAP Combined R&D and SG&A Expense	\$1.25 - \$1.30B	<ul style="list-style-type: none"> Expected growth in future quarters in 2017 based on: <ul style="list-style-type: none"> Progression of multiple clinical development programs in CF Ongoing global launches of ORKAMBI

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