

## **Gilead and Achillion Announce Positive Antiviral Activity of NS4A Antagonist in HCV, But Discontinue GS 9132 (ACH-806) Development**

February 8, 2007 12:01 AM ET

HCV Collaboration to Continue With Potential New Development Candidates

FOSTER CITY, Calif. and NEW HAVEN, Conn., Feb. 8 /PRNewswire-FirstCall/ -- Gilead Sciences (Nasdaq: GILD) and Achillion Pharmaceuticals (Nasdaq: ACHN) today announced their decision to discontinue the development of GS 9132, also known as ACH-806, for the treatment of hepatitis C viral (HCV) infection, based upon preliminary data from a Phase 1b/2 trial. Preliminary data from the first cohort of the Phase 1b/2 trial indicated that the compound demonstrated antiviral activity, validating the novel anti-HCV mechanism that involves inhibition of a viral protein called NS4A, which binds to a portion of HCV protease. However, based on small elevations of serum creatinine (a marker of kidney function), which were reversible after completion of dosing, Gilead and Achillion have elected to shift their focus to the evaluation of other NS4A antagonists developed by Achillion to identify a lead candidate for development.

"GS 9132 has demonstrated antiviral activity in patients with genotype 1 HCV infection. Even at the low dose studied, we observed significant reductions in hepatitis C viral load. This validation of the mechanism of action is encouraging as we evaluate next-generation compounds for potential development," said Norbert Bischofberger, Ph.D., Executive Vice President, Research and Development, Gilead Sciences. "We look forward to our continued collaboration with Achillion."

"As part of our collaboration with Gilead, we have worked diligently to generate a number of compounds belonging to a different chemical class that demonstrate the same mechanism of action and similar in vitro potency to GS 9132. One of the most promising of these has been designated by Achillion as ACH-1095, and we are evaluating this and other compounds in preclinical studies to determine if one has the right profile to advance into clinical development," stated Milind Deshpande, Ph.D., Chief Scientific Officer of Achillion. "Our goal is to develop a novel, efficacious and safe therapeutic for HCV, and the data indicate that candidates with this mechanism may be complementary to both protease and polymerase inhibitors, as well as interferon therapies."

The GS 9132 Phase 1b/2 trial was a double-blind, randomized, placebo-controlled dose-escalation study initiated in 2006. The goal of the trial was to evaluate the antiviral activity, safety and pharmacokinetics of GS 9132 in patients with HCV genotype 1 infection. Gilead and Achillion are continuing to analyze the data from this trial. Following completion of analysis, these data will be submitted for possible presentation at an upcoming scientific conference.

In November 2004, Gilead and Achillion established an agreement granting Gilead worldwide rights for the research, development and commercialization of certain Achillion compounds for the treatment of hepatitis C. GS 9132 and ACH-1095 are small molecule inhibitors of HCV replication, which target a viral protein called NS4A. NS4A antagonism is a novel mechanism of action for HCV treatment distinct from that of protease or polymerase inhibitors currently in development. GS 9132 and ACH-1095 were discovered by Achillion, and the company completed the initial work necessary to move GS 9132 into clinical development.

### Conference Call Access Information

Achillion will hold a conference call and simultaneous webcast today, Thursday, February 8, 2007 at 4:45 p.m. Eastern time. To participate in the conference call, please dial (877) 707-9632 in the U.S. or (785) 830-7982 for international callers. A live audio webcast of the call will be accessible at <http://www.achillion.com>, under the Investor Relations section of the website. Please connect to Achillion's website several minutes prior to the start of the broadcast to ensure adequate time for any software download that may be necessary.

A replay of the webcast will be available on <http://www.achillion.com> through March 8, 2007. Alternatively, the replay will be available starting at 8:00 p.m. Eastern time today through 11:59 p.m. eastern time Thursday, February 15, 2007 by dialing (888) 203-1112 or (719) 457-0820. The replay passcode is 4731223.

About Hepatitis C

Hepatitis C is a viral liver disease, caused by infection with the hepatitis C virus. Globally, it is estimated that more than 170 million people have chronic hepatitis C, including about three million in the United States. Chronic hepatitis C is a leading cause of cirrhosis, a common cause of hepatocellular carcinoma, and is the leading cause of liver transplantation in the United States.

#### About Gilead Sciences

Gilead Sciences is a biopharmaceutical company that discovers, develops and commercializes innovative therapeutics in areas of unmet medical need. The company's mission is to advance the care of patients suffering from life-threatening diseases worldwide. Headquartered in Foster City, California, Gilead has operations in North America, Europe and Australia.

#### About Achillion

Achillion is a biopharmaceutical company focused on the discovery, development and commercialization of innovative treatments for infectious diseases. Achillion is currently developing treatments for HIV infection, chronic hepatitis C infection and serious hospital-based bacterial infections.

As an investigational compound, ACH-1095 has not yet been determined safe or efficacious in humans for its ultimate intended use.

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks, uncertainties and other factors, including statements with respect to completion and success of Achillion's preclinical studies and clinical trials of Achillion's drug candidates. Among the factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: unexpected regulatory actions or delays; uncertainties relating to results of clinical trials, including additional data relating to ongoing clinical trials; Achillion's ability to obtain additional funding required to conduct its research, development and commercialization activities and Achillion's dependence on its collaboration with Gilead Sciences. These and other risks are described in the reports filed by Achillion and Gilead with the U.S. Securities and Exchange Commission, including their Quarterly Reports on Form 10-Q for the quarter ended September 30, 2006.

All forward-looking statements reflect Gilead's and Achillion's expectations only as of the date of this release and should not be relied upon as reflecting the parties' views, expectations or beliefs at any date subsequent to the date of this release. Gilead and Achillion anticipate that subsequent events and developments may cause these views, expectations and beliefs to change. However, while Gilead and Achillion may elect to update these forward-looking statements at some point in the future, they specifically disclaim any obligation to do so.

For more information on Gilead Sciences, please visit the company's web site at <http://www.gilead.com> or call the Gilead Public Affairs Department at 1-800-GILEAD-5 or 1-650-574-3000.

For more information on Achillion Pharmaceuticals, please visit the company's web site at <http://www.achillion.com> or call Achillion at 1-203-624-7000. ACHN-G

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02/08/2007

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