



HCV ADVOCATE EASL 2007 NEWS REVIEW

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April 9th, 2007

Firm's Future Hinges on New Hepatitis Drug

<http://www.boston.com>

By Stephen Heuser, Globe Staff

For one of Boston's biggest biotechnology companies, the future hinges on a potential billion-dollar drug and a liver-research conference about to kick off 3,700 miles away in Spain.

At the annual meeting of the European Association for the Study of the Liver , starting this week in Barcelona, perhaps the most hotly anticipated presentation will be Vertex Pharmaceuticals Inc.'s unveiling of new data from human trials of its pill for hepatitis C.

Between 3 million and 4 million Americans are thought to be infected with hepatitis C, a virus that can lead to cancer and liver failure. It spread through the blood supply before broad screening began in the early 1990s. Infected people can harbor the disease without symptoms for over a decade.

Vertex's pill, which mounts a new type of attack on the virus, has achieved dramatic results in early tests on a handful of infected patients. In most, it appeared to eradicate the virus in a matter of weeks. On Saturday evening the company plans to unveil details of a bigger trial on 250 patients, comparing those on standard therapy with others who got therapy plus Vertex's drug.

Dr. Raymond Chung , a liver specialist at Massachusetts General Hospital , said Saturday's results won't tell the whole story, but he called them an important indicator of how well the drug might work. Along with a handful of similar drugs in development, he said, "You're seeing the leading edge of a real shift in treatment."

Currently, patients are prescribed a year's worth of interferon injections plus pills, an \$18,000 course of therapy that causes symptoms like a severe flu, and cures half of those who endure it.

Chung said he was particularly interested in one "shoot-the-moon" strategy that Vertex was employing. In a multipart trial of the drug, one group was taken off treatment after just three months -- far less time than the current standard of a year. On Saturday, Vertex expects to reveal whether the virus bounced back in those short-term patients, or whether they managed to stay virus-free long enough to be considered cured.

Even if Vertex's pill can't eradicate the virus in 12 weeks, Chung said, it could still be important if it boosts longer-term interferon treatment.

In a reflection of how crucial the drug is for the company, Vertex's stock has risen and fallen sharply in the past year with disclosures of even tiny pieces of medical data. It jumped nearly 20 percent one day last fall when some early positive news came out on a trial; it slid in December when the company revealed that 9 percent of clinical-trial patients had to discontinue treatment because of a serious rash and other side effects. Last week, the stock rose 10 percent, simply on anticipation that this weekend's results would be positive.

With 700 local employees and an 18-year history in Cambridge, Vertex is a pillar of the local biotechnology landscape. But its ups and downs suggest how important a single disease, and a single product, can be to even a well-established biotech company.

Vertex has only one product on the market, a minor AIDS drug sold by GlaxoSmithKline PLC. The company loses money every year, paying far more for

research than it books in revenue, but one big success could change that equation. Although its hepatitis C drug is unlikely to reach the market before 2009, analysts estimate it could rack up sales of \$1 billion a year.

Attracted by that potential market, a number of other firms are taking aim at hepatitis C, many in Boston. Enanta Pharmaceuticals Inc. , a private company in Watertown, recently signed a deal with Abbott Laboratories of Illinois to develop drugs similar to the one Vertex is testing.

Idenix Pharmaceuticals Inc., which is majority-owned by Swiss drug giant Novartis AG, is testing a drug with a slightly different mechanism, as is the New Haven company Achillion Pharmaceuticals Inc.

The promise of a fast-acting new treatment for hepatitis C has already paid off for Vertex, which signed an international sales deal with Johnson & Johnson last summer. But it also carries risks. A hepatitis C drug being developed by a European company caused toxic side effects in animals. And after unsuccessful trials, Coley Pharmaceutical Group of Wellesley suspended tests of its experimental hepatitis C drug in January, laying off 33 of its 150 employees.

This week's presentation is only the first in a series of findings expected from Vertex. Still in the wings: a larger trial involving 320 patients, and a third trial with 440 patients who weren't cured by standard therapy.

If the company succeeds, it will also face another question: What to do about the tens of millions of people with hepatitis C in developing nations who can't afford the steep price of therapy.

Vertex said it has a deal with Johnson & Johnson to start an international foundation dedicated to hepatitis C treatment.

"It's something that we've talked about extensively, and having a partner that shared our view of the importance of that was key," said Vertex spokesman Michael Partridge , although he said it was too early to discuss details of the program.

Stephen Heuser can be reached at sheuser@globe.com.

April 10th, 2007

Bullish Views on Vertex ahead of Liver Meeting

<http://www.reuters.com>

By Bill Berkrot - Analysis

NEW YORK (Reuters) - Vertex Pharmaceuticals Inc. (VRTX.O: Quote, Profile, Research) will present data on its closely watched experimental hepatitis C treatment this week and many analysts are saying this is a good time to buy the company's beaten down shares despite the risk that the data could disappoint.

Investors appear to be listening, as Vertex shares have recovered about 14 percent in recent days ahead of the European liver disease meeting in Barcelona at which the data will be unveiled on Saturday.

The shares had shed about a third of their value from late November through March as enthusiasm for the drug, VX-950 or telaprevir, was tempered by safety concerns.

The shares broke back through the \$30 barrier late last week and climbed another 2 percent on Tuesday to \$32.16 after trading at around \$45 back in November.

Sanford Bernstein analyst Geoffrey Porges thinks the data coming out of the meeting will calm investor nerves substantially and is encouraging clients to buy Vertex shares.

"I believe that we'll come away from this meeting believing that VX-950 is still the leading and most likely candidate to transform the treatment of hepatitis C virus," Porges said.

"We'll see a lot of preclinical data about other compounds and other combinations of compounds (at the meeting) but I don't think we'll see anything that is anywhere near where Vertex is in terms of having significant clinical data," added Porges, who has a price target of \$52 on Vertex shares.

Merrill Lynch analyst Hari Sambasivam wrote in a research note last month: "While we cannot rule out further declines, current levels represent an opportunity for patient investors."

VX-950 is being tested in combination with two medicines considered to be the gold standard of treatment -- a long-acting interferon and the antiviral drug ribavirin.

Analysts, investors and liver specialists will pore over the mid-stage clinical trial data with particular interest in the sustained virologic response (SVR) of the drug - - the percentage of patients in whom the virus stayed below detectable levels -- and

the number of patients who dropped out due to adverse side effects.

DROPOUT RATE

Concern over the dropout rate seen in previous data put considerable pressure on the shares and raised tolerability concerns, although much of the dropout seen earlier was due to a rash rather than more serious side effects.

"We view the home run scenario of 75 percent SVR rate for telaprevir for only 12 weeks of therapy as possible but a long shot," Piper Jaffray analyst Rachel McMinn wrote in a research note. "We view an SVR rate in the 40 percent to 50 percent range as more probable."

Cowen and Co. analyst Phil Nadeau said investors are likely looking for at least a 40 percent sustained response. "If you see over 40 to 50 percent, people will be happy; less than 40 and people will be somewhat disappointed," he said.

"If it's very potent, people might be more tolerant on the side effects," Nadeau noted. "If it's thought to be less potent, the side effects become more important."

Much of the focus before the meeting appears to be on three-month follow-up data from a small subset of about 20 patients who had treatment stopped after just 12 weeks in an effort to glean further efficacy and tolerability clues, several analysts said.

However, Bernstein's Porges believes that group to be far too small to draw meaningful conclusions. He instead will be looking at the full complement of 175 patients that had started taking the medicine during the Phase IIb trial.

"When you've got nearly 200 patients treated, and probably you'll see no more than 5 to 10 incidents of side effects including rash, I think that will calm peoples' fears and anxieties a lot," Porges predicted.

Options and equities analysts are expecting near-term volatility, but most are predicting a long-term winner with sales of the drug eventually exceeding \$1 billion a year.

Cowen's Nadeau, who is forecasting global sales for the drug of \$1.5 billion by as early as 2010, agreed that near-term volatility is likely, but he remains bullish on Vertex.

"This drug is a front runner in the hepatitis C space," Nadeau said, "and no matter

what happens over the weekend there's still many other ways this can become a very large, very successful product."

(Additional reporting by Doris Frankel in Chicago)

April 11th, 2007

Schering-Plough Addresses Major Milestones and Challenges in Treatment of Patients With Chronic Hepatitis C

<http://biz.yahoo.com/>

Highlights key data at the 42nd annual meeting of the European Association for the Study of the Liver (EASL)

KENILWORTH, N.J., April 11 /PRNewswire-FirstCall/ -- Schering-Plough Corporation (NYSE: SGP - News) reaffirms its commitment to advancing the science and treatment of chronic hepatitis C virus (HCV) infection with several key data presentations at the European Association for the Study of the Liver (EASL) 42nd annual meeting in Barcelona, Spain, April 11-15. A total of 38 data presentations highlighting Schering-Plough hepatitis medications will be presented at EASL 2007.

Among these are several studies with PEGINTRON® (peginterferon alfa-2b) and REBETOL® (ribavirin) combination therapy, a current standard of care in the treatment of chronic hepatitis C, evaluating how results at important treatment milestones can help physicians make informed treatment decisions.

Schering-Plough also is exploring novel therapeutic approaches, both through targeted internal research programs and strategic collaborations. Chief among these efforts is boceprevir (SCH 503034), Schering-Plough's investigational oral HCV protease inhibitor currently in Phase II clinical development for treating chronic hepatitis C. Individual in vitro studies of boceprevir in combination with investigational oral HCV polymerase inhibitors from Wyeth/ViroPharma and Idenix/Novartis have been completed and will be presented at EASL.

"Schering-Plough is proud of its long-term role in introducing innovative treatments to the field of hepatitis," said Robert J. Spiegel, M.D., chief medical officer and senior vice president, Schering-Plough Research Institute. "Our vision with PEGINTRON, our cornerstone HCV therapy, and ongoing work with boceprevir, our investigational oral HCV protease inhibitor, is to continue to advance the science and deliver additional treatment options for patients with hepatitis C infection."

PEGINTRON

Numerous studies with PEGINTRON will be presented at EASL evaluating patient response to therapy at certain treatment milestones, an approach that is aimed at individualising treatment for patients.

Schering-Plough also is exploring novel therapeutic approaches with PEGINTRON in combination with investigational antiviral agents to optimize treatment for patients with more difficult-to-treat forms of the disease, such as those with HCV genotype 1 and nonresponders to previous therapy.

Boceprevir (SCH 503034)

Schering-Plough is undertaking a large, fully integrated clinical development program for its oral HCV protease inhibitor boceprevir (SCH 503034), with the goal of developing new strategies for improving treatment outcomes for patients with hepatitis C.

As part of this effort, Schering-Plough has collaborated with Wyeth/ViroPharma and Idenix/Novartis to conduct separate in vitro studies of boceprevir in combination with their respective investigational HCV polymerase inhibitors, HCV-796, a non-nucleoside polymerase inhibitor, and NM107 (the active moiety of NM283, valopicitabine), a nucleoside polymerase inhibitor. These in vitro experiments suggest that the combination of boceprevir and either one of these polymerase inhibitors achieves additive antiviral activity and a complementary resistance profile; the combination of two agents increases the barrier for developing resistance to either drug alone.

In addition, Schering-Plough has initiated the HCV SPRINT-1 study (HCV Serine Protease Inhibitor Therapy-1), a large Phase II study that is currently enrolling 400 HCV genotype 1, treatment-naïve patients in sites across the United States, Canada and Europe. The primary objective of the study is to evaluate the safety and efficacy of boceprevir 800 mg TID in combination with PEGINTRON and REBETOL in the treatment-naïve patient population.

Schering-Plough also is conducting a large Phase II study evaluating the safety and efficacy of boceprevir 800 mg TID in combination with PEGINTRON and REBETOL in patients chronically infected with HCV genotype 1 who were nonresponders to previous peginterferon and ribavirin combination therapy. The study involves approximately 350 patients at centers in the United States and Europe. All study participants have completed treatment and are in the follow-up phase. Sustained virological response data from this study will be available later in

2007, and will help guide future clinical development of boceprevir.

Key Data Presentations at EASL

PEGINTRON

- Peginterferon Alfa-2b and Ribavirin for 14 or 24 Weeks in Patients with HCV Genotype 2 or 3 and Rapid Virological Response, The North-C Trial. Dalgard, O. et al. Oral presentation, Sunday, April 15, at 13:15, General Session 4.
- A Pegylated Interferon Alfa-2b Dose Reduction in HCV 1B Patients with Rapid Viral Response Does Not Affect Sustained Virological Response. Napoli, N. et al. Poster presentation, Thursday, April 12.
- Comparison of Early Virologic Response Among Patients with Chronic Hepatitis C Infected with Genotype Non 2/3 Treated with Pegylated Interferon Alfa-2b and Ribavirin in Dependence with Hepatic Fibrosis Stages. Berak, H. et al. Poster presentation, Thursday, April 12.

Boceprevir (SCH 503034)

- Combination of Two Hepatitis C Virus Inhibitors, SCH 503034 (Boceprevir) and NM107 (the active moiety of NM283, valopicitabine), Provides Enhanced Anti-Replicon Activity and Suppresses Emergence of Resistant Replicons. Ralston, R. et al. Late-breaker poster presentation, Thursday, April 12.
- Favorable Cross-Resistance Profile of Two Novel Hepatitis C Virus Inhibitors, SCH 503034 (Boceprevir) and HCV-796, and Enhanced Anti-Replicon Activity Mediated by the Combined Use of Both Compounds. Howe, A.Y. et al. Poster presentation Thursday, April 12.
- SCH 503034 (Boceprevir), an Oral HCV Protease Inhibitor, is Well Tolerated in Patients with Varying Degrees of Hepatic Impairment. Preston, R.A., et al. Poster presentation Thursday, April 12.

About PEGINTRON and REBETOL Combination Therapy

PEGINTRON is approved in the United States for use alone or with ribavirin (800 mg/day) for the treatment of chronic hepatitis C in patients with compensated liver disease who have not been previously treated with interferon alpha and who are at least 18 years of age.

Important Safety Information Regarding U.S. Labeling for PEGINTRON and

REBETOL

WARNING

Alpha interferons, including PEGINTRON, may cause or aggravate fatal or life-threatening neuropsychiatric, autoimmune, ischemic, and infectious disorders. Patients should be monitored closely with periodic clinical and laboratory evaluations. Patients with persistently severe or worsening signs or symptoms of these conditions should be withdrawn from therapy. In many but not all cases these disorders resolve after stopping PEGINTRON therapy.

Ribavirin causes hemolytic anemia. Anemia associated with REBETOL therapy may exacerbate cardiac disease that has led to fatal and nonfatal myocardial infarctions. Patients with a history of significant or unstable cardiac disease should not be treated with REBETOL. It is advised that complete blood counts (CBC) be obtained at baseline and at weeks 2 and 4 of therapy or more frequently if clinically indicated.

REBETOL and combination REBETOL/PEGINTRON therapy must not be used by women, or male partners of women, who are or may become pregnant during therapy and during the 6 months after stopping therapy. REBETOL and combination REBETOL/PEGINTRON therapy should not be initiated until a report of a negative pregnancy test has been obtained immediately prior to initiation of therapy. Women of childbearing potential and men must use effective contraception (at least two reliable forms) during treatment and during the 6-month post-treatment follow-up period. Significant teratogenic and/or embryocidal effects have been demonstrated for ribavirin in all animal species in which adequate studies have been conducted. These effects occurred at doses as low as one twentieth of the recommended human dose of REBETOL. If pregnancy occurs in a patient or partner of a patient during treatment or during the 6 months after treatment stops, physicians are encouraged to report such cases by calling (800) 727-7064.

PEGINTRON

There are no new adverse events specific to PEGINTRON as compared to INTRON® A (Interferon alfa-2b, recombinant) for Injection; however, the incidence of some (e.g., injection site reactions, fever, rigors, nausea) were higher. The most common adverse events associated with PEGINTRON were "flu- like" symptoms, occurring in approximately 50 percent of patients, which may decrease in severity as treatment continues. Application site disorders were common (47 percent), but all were mild (44 percent) or moderate (4 percent) and no patient discontinued, and included injection site inflammation and reaction (i.e., bruise,

itchiness, irritation). Injection site pain was reported in 2 percent of patients receiving PEGINTRON. Alopecia (thinning of the hair) is also often associated with alpha interferons including PEGINTRON.

Psychiatric adverse events, which include insomnia, were common (57 percent) with PEGINTRON but similar to INTRON A (58 percent). Depression was most common at 29 percent. Suicidal behavior including ideation, suicidal attempts, and completed suicides occurred in 1 percent of patients during or shortly after completing treatment with PEGINTRON.

PEGINTRON/REBETOL is contraindicated in patients with autoimmune hepatitis, decompensated liver disease, and in patients with hemoglobinopathies (e.g., thalassemia major, sickle-cell anemia).

The following serious or clinically significant adverse events have been reported at a frequency less than 1 percent with PEGINTRON or interferon alpha: severe decreases in neutrophil or platelet counts, hypothyroidism, hyperglycemia, hypotension, arrhythmia, ulcerative and hemorrhagic colitis, development or exacerbation of autoimmune disorders including thyroiditis, RA, systemic lupus erythematosus, psoriasis, pulmonary disorders (dyspnea, pulmonary infiltrates, pneumonitis and pneumonia, some resulting in patient deaths), urticaria, angioedema, bronchoconstriction, anaphylaxis, retinal hemorrhages, and cotton wool spots.

In the PEGINTRON/REBETOL combination trial the incidence of serious adverse events was 17 percent in the PEGINTRON/REBETOL groups compared to 14 percent in the INTRON A/REBETOL group. The incidence of severe adverse events in the PEGINTRON/REBETOL combination therapy trial was 23 percent in the INTRON A/REBETOL group and 31-34 percent in the PEGINTRON/REBETOL groups. Dose reductions due to adverse reactions occurred in 42 percent of patients receiving PEGINTRON (1.5 mcg/kg)/REBETOL and in 34 percent of those receiving INTRON A/REBETOL.

REBETOL should not be used in patients with creatinine clearance less than 50 mL/min.

Schering-Plough is a global science-based health care company with leading prescription, consumer and animal health products. Through internal research and collaborations with partners, Schering-Plough discovers, develops, manufactures and markets advanced drug therapies to meet important medical needs. Schering-Plough's vision is to earn the trust of the physicians, patients and customers served

by its approximately 33,500 people around the world. The company is based in Kenilworth, N.J., and its Web site is www.schering-plough.com.

SCHERING-PLOUGH DISCLOSURE NOTICE: The information in this press release includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the company's strategy regarding and the potential of PEGINTRON, REBETOL and boceprevir (SCH 503034). Forward-looking statements relate to expectations or forecasts of future events. Schering-Plough does not assume the obligation to update any forward-looking statement. Many factors could cause actual results to differ materially from Schering-Plough's forward-looking statements, including market forces, economic factors, product availability, patent and other intellectual property protection, current and future branded, generic or over-the-counter competition, the regulatory process, and any developments following regulatory approval, among other uncertainties. For further details of these and other risks and uncertainties that may impact forward-looking statements, see Schering-Plough's Securities and Exchange Commission filings, including Part I, Item 1A, "Risk Factors" in the company's 2006 10-K.

Source: Schering-Plough Corporation

April 12th, 2007

New Clinical Study Results Indicate Higher Early Virologic Response with Celgosivir Combination Therapy in HCV Non-Responders

Data to be Presented April 15th at EASL Conference in Barcelona, Spain

VANCOUVER and SAN DIEGO, CA, April 11 /CNW/ - MIGENIX Inc. (TSX: MGI, OTC: MGIFF), a clinical-stage developer of drugs for infectious diseases, has received new top-line results confirming the previously announced clinical results (November 6, 2006) indicating evidence of clinical benefit, safety and tolerability in a Phase II study using the oral alpha-glucosidase inhibitor, celgosivir (MX-3253), in combination with pegylated interferon and ribavirin.

In addition to confirming the overall conclusions of the original study analysis, retesting resulted in a larger percentage of patients achieving an Early Virologic Response(*) ("EVR") rate with celgosivir plus peginterferon alfa-2b and ribavirin (the "triple combination") as compared to treatment with peginterferon alfa-2b and ribavirin alone (the "control treatment") in patients with chronic hepatitis C virus genotype 1 infections who were characterized as non-responders to prior therapy with optimized pegylated interferon plus ribavirin, achieving:

- 42% (5/12) EVR with the celgosivir triple combination arm compared to 10% (1/10) EVR in the control treatment arm. This compares with 33% (4/12) EVR (triple combination) vs 10% (1/10) (control treatment) in the original study results. (*) EVR = 2 log(10) or greater HCV viral load reduction at 12 weeks.
- 1.63 log(10) (triple combination) mean HCV viral load reduction ("VLR") compared to a 0.92 log(10) VLR (control treatment). This compares with a 1.2 log(10) VLR (triple combination) vs a 0.4 log(10) VLR (control treatment) in the original study results.
- a more rapid onset of treatment effect as measured by VLR within the first 2 weeks of therapy in the triple combination as compared to the control treatment.

These new top-line results complete the retesting announced February 6, 2007 as a result of Schering-Plough Corporation ("Schering") having informed MIGENIX that approximately 50% of the original viral load samples from the study, which Schering tested under a Material Transfer and License Option Agreement between the companies, required retesting.

AnnKatrin Petersen, M.D., Vice President, Clinical Development of MIGENIX stated, "the increase in EVR to 42% after retesting (33% previously) for the celgosivir triple combination group in these very difficult to treat patients, along with the clear evidence of rapid reduction in viral load give us increased confidence in the potential of celgosivir to contribute in the treatment of HCV patients."

Jim DeMesa, M.D., President and CEO of MIGENIX added, "This confirmation of our previously announced results allows us to now focus on providing a data package to Schering-Plough over the next few weeks for their limited period of exclusive review under our License Option Agreement. The better EVR results seen upon retesting, especially in these very difficult-to-treat non-responder patients, reinforces our optimism in celgosivir's potential to improve treatment outcomes for these HCV patients with few therapeutic options."

EASL Presentation

The results from this study will be presented on April 15, 2007 at the 42nd Annual Meeting of the European Association for the Study of the Liver (EASL) being held in Barcelona, Spain April 11-15, 2007. The presentation entitled: "Phase II Proof

of Concept Study of Celgosivir in Combination with Peginterferon Alfa-2b and Ribavirin in Chronic Hepatitis C Genotype-1 Non-responder Patients" will be made in the General Session 4 on Sunday, April 15th from 1:00pm-1:15pm in Hall F of the CCIB Conference Center. Dr. Kelly Kaita, the Director of the Viral Hepatitis Investigative Unit (VHIU) at the Health Sciences Centre, University of Manitoba and a lead investigator in the MIGENIX Phase II study will make the presentation on behalf of MIGENIX.

Additional Information About the Clinical Study

The Phase II non-responder combination study was designed to determine, over 12 weeks of treatment, the efficacy, safety, and tolerability of celgosivir in combination with peginterferon alfa-2b, with or without ribavirin, in HCV-positive (genotype 1) patients who were non-responders or partial responders to prior therapy with optimized pegylated interferon and ribavirin.

A total of 57 patients were enrolled into this Phase II study (36 were non-responders and 21 were partial responders). Patients were randomized into three treatment arms: (i) celgosivir (400mg once daily) plus peginterferon alfa-2b plus ribavirin ("triple combination"); (ii) celgosivir (400mg once daily) plus peginterferon alfa-2b ("double combination"); and (iii) celgosivir placebo plus peginterferon alfa-2b plus ribavirin ("control treatment"). Of the 36 non-responders, 30 patients completed the 12-weeks of treatment: 12 in the triple combination arm, 8 in the double combination arm, and 10 in the control treatment arm. Beyond the triple combination and control treatment results reported above the following results were also consistent with the originally reported results: (a) the double combination did not show a meaningful difference in mean viral load reduction and EVR when compared to the control treatment in non-responder patients; and (b) in the partial responder patient population, there were insufficient patients (n=3) in the triple combination arm for any conclusions to be drawn and the double combination showed less effect than the control treatment.

Celgosivir combination therapy was well tolerated and resulted in no significant adverse events. As expected from previous experience, the most frequent side effects related to celgosivir were gastrointestinal in nature and were generally mild. Other frequently observed side effects were fatigue and flu-like symptoms - which are side effects usually associated with pegylated interferon and ribavirin. Only 7 of the 57 patients entering the study dropped out prior to week 12.

Material Transfer and License Option Agreement

Under the terms of the Agreement, Schering supplied PEGETRON(TM) (peginterferon alfa-2b powder for solution plus ribavirin 200 mg capsules) as well as certain technical and laboratory support and other services for MIGENIX's

celgosivir Phase II combination study in chronic HCV patients and a related extension protocol. In addition, the Agreement granted Schering limited periods of exclusivity for data review of clinical trial results and for the negotiation of a license agreement. With the new top-line results, we will be working to provide a data package to Schering over the next few weeks, after which Schering's limited period of exclusivity for data review under the Agreement will commence. No license terms have been negotiated with Schering to date.

About Celgosivir (MX-3253)

Celgosivir is an alpha-glucosidase I inhibitor and is currently the only anti-HCV drug in clinical development that acts on host-directed glycosylation. In preclinical studies, celgosivir has shown excellent in vitro synergy with various interferons in the clinic or in development including Pegasys, PEG-Intron, Infergen, Alferon and IFN-omega (with or without ribavirin) and other drugs in development for the treatment of HCV (e.g. polymerase inhibitors) and therefore has the potential to be included as part of many combination therapeutic approaches to improve efficacy in anti-HCV therapy.

About HCV

HCV, the most common chronic blood-borne infection in the United States, causes inflammation of the liver and may progress to more serious complications such as cirrhosis of the liver, liver cancer and death. Approximately 2.7 million people in the United States are chronically infected with HCV, and the Centers for Disease Control and Prevention (CDC) estimates that by the year 2010, the number of deaths attributed annually to HCV could surpass that due to HIV/AIDS in the US. Worldwide, the World Health Organization estimates that 170 million individuals have chronic HCV infection, with 3 to 4 million new infections each year.

Therapy for HCV currently employs a drug combination approach, which is anticipated to continue in the future. The current standard of care for treatment-naive chronic hepatitis C is pegylated interferon combined with ribavirin, which fails to provide a satisfactory outcome for approximately 50% of patients infected with HCV genotype 1 (the most prevalent genotype in North America). In addition, these drugs can cause significant side effects that limit tolerance to therapy, or a frequent lack of sustained treatment response.

About MIGENIX

MIGENIX is committed to advancing therapy, improving health, and enriching life by developing and commercializing drugs primarily in the area of infectious diseases. The Company's clinical programs include drug candidates for the treatment of chronic hepatitis C infections (Phase II and preclinical), the

prevention of catheter-related infections (Phase III) and the treatment of dermatological diseases (Phase II). MIGENIX is headquartered in Vancouver, British Columbia, Canada with US operations in San Diego, California. Additional information can be found at www.migenix.com.

"Signed"

James M. DeMesa, M.D.
President & CEO

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, and forward looking information within the meaning of applicable securities laws in Canada, (collectively referred to as "forward-looking statements"). Statements, other than statements of historical fact, are forward-looking statements and include, without limitation, statements regarding our strategy, future operations, timing and completion of clinical trials, prospects, plans and objectives of management. The words "anticipates", "believes", "budgets", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "schedule", "should", "will", "would" and similar expressions are often intended to identify forward-looking statements, which include underlying assumptions, although not all forward-looking statements contain these identifying words. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other things contemplated by the forward-looking statements will not occur.

Although our management believes that the expectations represented by such forward-looking statements are reasonable, there is significant risk that the forward-looking statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking statements in this news release include, but are not limited to, statements concerning: our expectations regarding the time required to complete and provide a data package of the celgosivir Phase II study results to Schering; our expectations for the celgosivir Phase II study results being presented on April 15, 2007 at the EASL conference; and celgosivir having the potential to be included as part of many combination therapeutic approaches to improve efficacy in anti-HCV therapy.

With respect to the forward-looking statements contained in this news release, we have made numerous assumptions regarding, among other things, our ability to successfully complete the celgosivir Phase II data package for Schering within our

expected timelines, EASL accepting the new celgosivir Phase II results, the competitiveness of the celgosivir study results to date and future results supporting its potential in the treatment of HCV.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and other factors including: uncertainties related to early stage of technology and product development; uncertainties as to the requirement that a drug be found to be safe and effective after extensive clinical trials and the possibility that the results of such trials, if completed, will not establish the safety or efficacy of our products; dependence on corporate collaborations; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; the possibility that opportunities will arise that require more cash than presently anticipated and other uncertainties related to predictions of future cash requirements; and other risks and uncertainties which may not be described herein. Certain of these factors and other factors are described in detail in the Company's Final Prospectus dated November 29, 2006, Annual Information Form and Annual Report on Form 20-F for the year ended April 30, 2006 and other filings with the Canadian securities regulatory authorities and the U.S. Securities & Exchange Commission.

Forward-looking statements are based on our current expectations and MIGENIX assumes no obligations to update such information to reflect later events or developments.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For further information: Art Ayres, MIGENIX Inc., Tel: (604) 221-9666 Ext. 233, aayres@migenix.com ; Dian Griesel

Vertex Pharmaceuticals Announces New Data for Investigational HCV Protease Inhibitor Telaprevir to be Presented at 42nd Annual Meeting of the European Association for the Study of the Liver (EASL)

<http://www.pharmalive.com>

BARCELONA, Spain--(BUSINESS WIRE)--Apr 11, 2007 - New data supporting the clinical development of telaprevir (VX-950), one of the most advanced investigational oral protease inhibitors for the treatment of hepatitis C virus (HCV) infection, will be presented at the 42nd Annual Meeting of the European

Association for the Study of the Liver (EASL) in Barcelona this week. In total, nine abstracts related to telaprevir have been accepted for presentation at the EASL conference, including an abstract that describes telaprevir activity against genotypes 2, 3 and 4 in vitro. A late-breaker oral presentation will take place on Saturday, April 14 at 5:45 p.m. Central European Summer Time (11:45 a.m. Eastern Daylight Time). Vertex Pharmaceuticals Incorporated (Nasdaq: VRTX) is developing telaprevir in collaboration with Tibotec.

"Hepatitis C is a major global health problem with a significant unmet medical need. Despite treatment advancements in the last 10 years, there is an urgent need for new therapeutic options that can offer patients shorter course therapy and better efficacy," said John Alam, M.D., Executive Vice President, Medicines Development, and Chief Medical Officer of Vertex. "The data to be presented at EASL demonstrate the recent progress made in our clinical evaluation and understanding of telaprevir as a novel treatment for hepatitis C, underscoring our commitment to evaluate telaprevir's potential in important sub-populations, such as those with genotype non-1 hepatitis C."

Telaprevir is one of the most advanced specifically targeted antiviral therapies for HCV (STAT-C). STAT-Cs represent a new approach to hepatitis C treatment by directly targeting the enzymes the virus uses to replicate.

Oral Presentation: Telaprevir Demonstrates Potency Against Genotype 2, 3 and 4 in vitro

Chao Lin, Ph.D., of Vertex, will present an abstract titled, "Telaprevir (VX-950) is a Potent Inhibitor of HCV-NS3 Proteases Derived from Genotype Non-1 HCV-Infected Patients" at 6:15 p.m. CEST (12:15 p.m. EDT) on Thursday, April 12.

"While genotype 1 accounts for the majority of hepatitis C cases, the proportion of those living with genotypes 2, 3 and 4 is significant," continued Dr. Alam. "In this in vitro study, telaprevir demonstrated similar potency against the NS3-4A protease derived from those patients with genotype 2, 3 and 4 to the in vitro results demonstrated with telaprevir in genotype 1. These results support our plans to begin to study telaprevir in genotypes 2, 3 and 4 in 2007."

Late-Breaker Presentation

A late-breaker presentation titled, "Results of an Interim Analysis of a Phase 2 Study of Telaprevir (VX-950) with Peginterferon alfa-2a and Ribavirin in Previously Untreated Subjects with Hepatitis C," will be presented by John McHutchison, M.D., Principal Investigator for the PROVE 1 study and Director of

Gastroenterology and Hepatology Research at Duke Clinical Research Institute, on Saturday, April 14 at 5:45 p.m. CEST (11:45 a.m. EDT).

In accordance with EASL embargo policy, these data remain under embargo until conclusion of the late-breaker session on Saturday, April 14 at 6:00 p.m. CEST (12:00 p.m. EDT).

Additional Telaprevir Presentations

Additional data presented at EASL will include viral kinetic data that continue to support further evaluation of telaprevir-based therapy to clear the hepatitis C virus with shorter treatment duration, and in vivo and in vitro viral replication and viral sequencing dynamic modeling studies that suggest telaprevir-resistant variants have reduced replication capacity compared to wild-type HCV. Poster presentations will begin on Thursday, April 12.

-- "Novel Mode of Viral Decline During Telaprevir (VX-950) and Peg-IFN Combination Treatment Predicted by a New Combined Intracellular and Cellular Hepatitis C Viral Dynamics Model," will be presented by A.U. Neumann of Bar-Ilan University, Israel.

-- "Telaprevir (VX-950)-Resistant Variants Exhibit Reduced Replication Capacity Compared to Wild-Type HCV in Vivo and In Vitro," will be presented by Chao Lin of Vertex.

-- "Ultrasound Evaluation of Perihepatic Lymph Nodes During Antiviral Therapy with the Protease Inhibitor Telaprevir (VX-950) in Patients with Chronic Hepatitis C Infection," will be presented by Mireen Friedrich-Rust and Nicole Forestier, Saarland University Hospital, Germany.

-- "Neopterin and ALT as Markers of Inflammation in Chronic Hepatitis C Patients During Administration of the HCV NS3-4A Protease Inhibitor Telaprevir (VX-950) in Combination with PegInterferon Alpha 2A," will be presented by Huub Gelderblom, University of Amsterdam.

-- An oral presentation titled, "Molecular Basis for VX-950 Resistance," will be presented by Stefan Zeuzem, Saarland University Hospital, Germany, at 5:15 p.m. CEST (11:15 a.m. EDT) on Friday, April 13.

Two presentations discussing in vitro data of telaprevir in combination with other oral direct antiviral therapies will also take place during EASL.

Full abstracts are available on the EASL website: www.easl.ch/liver-meeting .

Webcast of Investor Presentation

Vertex intends to provide a live webcast of its investor presentation from Barcelona beginning at 7:30 p.m. CEST (1:30 p.m. EDT) on Saturday, April 14. The presentation may be accessed from the 'Events Calendar' on the homepage of Vertex's website at www.vrtx.com. A replay of the webcast will also be available on the Company's website until April 27, 2007. To ensure a timely connection, it is recommended that users register at least 15 minutes prior to the scheduled webcast.

About Telaprevir (VX-950)

Telaprevir (VX-950) is an investigational oral inhibitor of HCV protease, an enzyme essential for viral replication, and is one of the most advanced investigational agents in development that specifically targets HCV. Vertex is conducting a global Phase 2b clinical development program for telaprevir consisting of three large clinical trials that are expected to enroll approximately 1,000 patients with HCV at clinical centers in the U.S., Canada and E.U. In February 2007, Vertex announced the initiation of PROVE 3, designed to enroll 440 genotype-1 HCV patients who have previously received interferon based therapy in the U.S., Canada and E.U. Vertex completed enrollment of 250 patients in the U.S.-based PROVE 1 trial in September 2006. The 320-patient, European-based PROVE 2 trial completed enrollment in January 2007. In these clinical trials, telaprevir is being dosed as 750 mg every 8 hours in combination with peginterferon alfa-2a (Pegasys(R)), both with and without ribavirin (Copegus(R)).

Vertex retains commercial rights to telaprevir in North America. Vertex and Tibotec are collaborating to develop and commercialize telaprevir in Europe, South America, Australia, the Middle East, and other countries. Vertex is collaborating with Mitsubishi Pharma to develop and commercialize telaprevir in Japan and certain Far East countries.

About Hepatitis C

Hepatitis C is a liver disease caused by infection with hepatitis C virus (HCV), which is also found in the blood of people with the disease. HCV, a serious public health concern affecting 170 million people worldwide, is spread through direct contact with the blood of an infected person. Though many people with hepatitis C may not experience symptoms, others may have symptoms late in the course of the disease such as jaundice, abdominal pain, fatigue and fever. Hepatitis C significantly increases a person's risk of developing chronic liver disease, cirrhosis, liver cancer and early death.

About Vertex

Vertex Pharmaceuticals Incorporated is a global biotechnology company committed to the discovery and development of breakthrough small molecule drugs for serious diseases. The Company's strategy is to commercialize its products both independently and in collaboration with major pharmaceutical companies. Vertex's product pipeline is focused on viral diseases, inflammation, autoimmune diseases, cancer, pain and bacterial infection. Vertex co-discovered the HIV protease inhibitor, Lexiva, with GlaxoSmithKline.

Vertex's press releases are available at www.vrtx.com.

About Tibotec

Tibotec Pharmaceuticals Ltd., based in Cork, Ireland, is a pharmaceutical research and development company. Tibotec is dedicated to the discovery and development of innovative HIV/AIDS drugs and anti-infectives for diseases of high unmet medical need. The Company's main research and development facilities are in Mechelen, Belgium with offices in Yardley, PA.

For further information on Tibotec, please visit: www.tibotec.com

Safe Harbor Statement

This press release may contain forward-looking statements, including statements that (i) non-clinical, in vitro studies evaluating telaprevir against NS3 4A proteases in patients with genotype 2, 3 and 4 support Vertex's planned clinical evaluation of TVR in other genotypes; (ii) viral kinetic data will continue to support further evaluation of telaprevir combination therapy to clear the virus with shorter treatment duration; (iii) in vivo and in vitro viral replication and viral sequencing dynamic modelling studies suggest that telaprevir-resistant variants have reduced replication capacity compared to wild-type HCV; and (iv) Vertex expects the combined PROVE program to increase to more than 1,000 the number of patients in telaprevir clinical trials. While management makes its best efforts to be accurate in making forward-looking statements, such statements are subject to risks and uncertainties that could cause the actual results of studies to vary materially. Those risks and uncertainties include, among other things, the risk that observed outcomes in in vitro analyses or in clinical investigations of small numbers of patients will not be reflected in clinical trials involving larger numbers of patients, that unexpected and adverse outcomes in other ongoing clinical and nonclinical studies, and other risks listed under Risk Factors in Vertex's Form 10-K filed with the Securities and Exchange Commission on March 1, 2007. Vertex disclaims any obligation to update the information contained in this press release as new data

become available.

Contact

Vertex Contacts:

Lynne H. Brum, 617-444-6614

VP, Strategic Communications

or

Michael Partridge, 617-444-6108

Director, Corporate Communications

or

Lora Pike, 617-444-6755

Manager, Investor Relations

or

Patricia Farrell, 617-444-6533

Director, Public Relations

or

Zachry Barber, 617-444-6470

Senior Media Relations Specialist

or

Tibotec Contact:

Karen Manson, +32 15 461 019

Mobile +32 479 894 799

VP, Communications and Public Affairs

Intarcia Therapeutics Announces Final Results from a Phase 2 Study of Injectable Omega Interferon plus Ribavirin for the Treatment of Hepatitis C Genotype-1

<http://www.prnewswire.com>

Potent Synergy, Activity and Patient Tolerance Support Development of Omega DUROS(R) Continuous Delivery Therapy

BARCELONA, Spain, April 12 /PRNewswire/ -- Intarcia Therapeutics, Inc., a privately held biopharmaceutical company, today announced final results from a Phase 2 study of omega interferon with or without ribavirin in treatment-naive patients with genotype 1 chronic hepatitis C. The results demonstrate that omega interferon in combination with ribavirin is well tolerated and show robust antiviral activity that is comparable to published data on the use of alpha interferon plus ribavirin in similar patient populations. The 72-week sustained viral response (SVR) data are being presented today at the 42nd annual meeting of the European

Association for the Study of the Liver (EASL) in Barcelona, Spain by John McHutchison, MD, Associate Director, Duke Clinical Research Institute and Professor of Medicine, Duke University Medical Center, Durham, North Carolina.

This Phase 2 study of daily subcutaneous omega interferon injections provides Intarcia with safety and clinical response data to support continued development of omega interferon delivered by continuous release from the DUROS(R) device.

"The safety and SVR rates achieved in this phase 2 study suggest that omega interferon plus ribavirin may achieve similar effects to alpha interferon and ribavirin in patients with HCV genotype-1," said Dr. McHutchison. "We look forward to results of the planned study of Omega DUROS therapy in which we will evaluate optimization of dose and pharmacokinetics through the delivery of omega interferon with the implantable DUROS device."

The Phase 2 trial compared the safety and antiviral response of omega interferon alone with omega interferon in combination with ribavirin in 102 interferon-naive patients in an open-label, multi-center, active-controlled study design. All study patients had genotype-1, the most treatment-resistant type of HCV, and the majority of patients (74%) had high baseline viral load (> 800,000 IU/ml), a well-established negative predictive factor for SVR. Patients received daily injections of omega interferon (25 mcg) for up to 48 weeks. The endpoints for this clinical trial were early viral response (EVR), defined as a 2-log reduction in HCV RNA after 12 weeks of treatment, and SVR, defined as undetectable HCV RNA 24 weeks after the end of 48 weeks of treatment. Response rates are presented in the table below:

HCV RNA Results (LOQ= 50 IU/ml)	Omega IFN + RBV N=67	Omega IFN Alone N=35
Early Viral Response (EVR) p= 0.014	84%	60%
Sustained Viral Response(SVR) p= 0.001	36%	6%

With this study, Intarcia also took a step toward testing its hypothesis that maintaining continuous drug levels through daily administration of omega interferon may minimize side effects when compared to current interferon therapies. This study to date has shown that omega interferon is well tolerated with only two discontinuations due to adverse events. Results of this Phase 2 study

suggest a favorable overall safety profile with no substantial safety issues being identified. Normalization of serum ALT, a marker of reduced liver inflammation, occurred in 100% of patients achieving SVR and no patients receiving omega interferon with ribavirin experienced relapse during 24 weeks of follow-up after completing 48 weeks of treatment.

Alice Leung, President and Chief Executive Officer of Intarcia stated, "We are developing omega interferon to improve the treatment of HCV by offering a more convenient, potentially safer and more efficacious therapy. Based on the data so far, we believe that a continuous release formulation of omega interferon has the potential to become an important therapy for HCV patients."

About Omega DUROS Therapy

Omega DUROS therapy is being developed to improve the treatment of HCV by offering a more convenient and potentially safer and more effective treatment. Omega DUROS therapy is designed to deliver a continuous and consistent dose of omega interferon for three months via the implantable DUROS device, a drug delivery technology developed by ALZA Corporation, and licensed to Intarcia for use in certain broad fields. Another product incorporating the DUROS technology has already approved by the FDA for the palliative treatment of prostate cancer. Intarcia is also leveraging the DUROS technology in evaluating other drug development opportunities. The most advanced of these is focused on the delivery of GLP-1 and a GLP-1 analog with the DUROS device for the treatment of type 2 diabetes.

About Intarcia

Intarcia Therapeutics, Inc. is a biopharmaceutical company developing therapeutics for patients with chronic diseases in which there are significant unmet medical needs. Intarcia's drug development expertise and competitive edge are complemented by its ability to stabilize macromolecules and to deliver them in a constant and consistent manner via the proprietary DUROS drug delivery platform. The initial programs that Intarcia is pursuing are in hepatitis C and type 2 diabetes.

About Hepatitis C

Hepatitis C is a major global public health problem. According to the World Health Organization, more than 170 million people worldwide are chronically infected with HCV, and three to four million new HCV infections occur annually. The U.S. Centers for Disease Control and Prevention has estimated that in the United States approximately 3.4 million people are chronically infected with HCV and approximately 25,000 new patients are infected each year. It is estimated that 10,000 to 12,000 patients die annually in the United States from complications

resulting from HCV infection. The current standard of care for treating chronic hepatitis C is combination therapy consisting of pegylated alpha interferon and ribavirin.

About Diabetes

Diabetes affects more than 20 million in the United States and an estimated 194 million adults worldwide. Approximately 90-95 percent of those affected have type 2 diabetes. Diabetes is the fifth leading cause of death by disease in the United States. According to the U.S. Centers for Disease Control and Prevention's National Health and Nutrition Examination Survey, approximately 60 percent of people with diabetes do not achieve target A1c levels with their current treatment regimen.

DUROS is a registered trademark of ALZA Corporation (Mountain View, CA) licensed to Intarcia Therapeutics, Inc. Intarcia and its logo are trademarks of Intarcia Therapeutics, Inc. (Emeryville, CA).

SOURCE Intarcia Therapeutics, Inc.

<http://www.intarcia.com/>

Analysis: Total Hepatitis C Cure Possible

<http://www.sciencedaily.com/>

By ED SUSMAN

BARCELONA, Spain, April 12 (UPI) -- Researchers meeting in Spain said Thursday that hepatitis C patients who achieve a complete response to treatment can be considered completely cured of the disease that can result in cirrhosis, liver failure and death.

"I tell my patients who achieve a sustained virologic response to go home and get on with their lives," said Mark Swain, professor of medicine at the University of Calgary in Canada, who presented results of an international trial at the opening session of the 42nd European Association for the Study of the Liver in Barcelona, Spain. "I tell them that there is less than a 0.5 percent chance that the disease will ever return."

In fact, of 997 patients who were able to achieve the complete response, only 8 came down with the disease again, Swain said.

"This is a very important message. We can cure people with this disease," Xavier Forns, senior specialist in liver diseases at the Hospital Clinic in Barcelona and a

member of the program committee for the conference, told United Press International.

"We made this paper 'Abstract 1' because we thought this was a significant finding that is important to our patients and to the clinicians."

Swain identified the 997 patients from 9 clinical trials that tested drugs either in monotherapy or in combination therapy. All these patients had a sustained virologic response when treated with pegylated interferon alfa-2a (PEGASYS) as monotherapy or in combination with ribavirin (COPEGUS). The criteria for a sustained virologic response means that after taking drugs for either six months or 24 months, tests could not detect virus in the bloodstream. If six months after stopping the drugs there was still no detectable virus, the patient was said to have achieved a sustained virologic response.

Swain said that such patients should also be told that can be considered cured.

The study included three trials in which patients were treated with monotherapy and six trials in which the combination treatment was employed. Swain said the combination therapy is now considered standard of care and as many as 66 percent of patients infected with hepatitis C who faithfully take their antiviral medication -- usually for 48 weeks -- are able to achieve the sustained virologic response.

"Although the benefits of viral eradication have been well established, the overall durability of a sustained virologic response is less well known," Swain explained.

Of the patients who did achieve a sustained virologic response, 163 patients who only had hepatitis C infections were treated with peginterferon alfa-2a monotherapy; 741 patients were treated with peginterferon alfa-2a monotherapy plus ribavirin combination therapy; 93 patients co-infected with human immunodeficiency virus (HIV) and hepatitis C were treated with either monotherapy or combination therapy.

"We found that a sustained virologic response is a sustained virologic response whether it occurs in an immunosuppressed patient due to disease such as HIV, or who has undergone transplantation and requires immunosuppressive drugs," Swain said. There was no falloff in response. Of the eight people who relapsed or were re-infected, just one patient in the combined hepatitis C-HIV group was listed as a relapse. He also noted that only one of the eight cases involved a patient who had taken a full course of treatment.

Swain said that, due to the way the studies were conducted, it will be impossible to determine if the patients indeed relapsed or were re-infected. In only one case did a patient's records contain viable virus for a DNA comparison to be made. In that case, the patient appeared to become re-infected with a different strain of hepatitis C. "We are never going to know the answer to whether these are relapses or re-infections," he said.

Forns told UPI that hepatitis can be contracted through injected drug use, sexual contact and hospital-acquired infections. He said that patients need to be aware, however, that a cure does not mean that re-infection can't occur if they continue to have risky activities.

Idenix Midstage Study Results Mixed

<http://biz.yahoo.com>

Idenix Reports Midstage Studies on Hepatitis C Candidate Showing Mixed Results

CAMBRIDGE, Mass. (AP) -- Drug developer Idenix Pharmaceuticals Inc. said Thursday two studies of a treatment for Hepatitis C yielded mixed results, with the drug failing to show efficacy in one trial but demonstrating "encouraging" results in another, ongoing study.

Idenix was conducting two midstage Phase IIb clinical trials for the company's valopicitabine and Pegasys combination. The first trial involved 173 patients who had not previously been treated with the combination of valopicitabine and Pegasys, or pegylated interferon alfa-2a. Fifty-three percent of patients responded to the treatment at the end of the 48-week course. The study is still ongoing and Idenix will measure the response rate at 6 months after ending treatment to determine effectiveness.

The current standard of care in the field, which involves combining pegylated interferon alfa and ribavirin, yields a response rate of between 42 percent and 46 percent.

The second trial, involving 178 patients who previously received treatment, failed to meet its goal, with no patients responding to the treatment. The comparison for that trial involved the drug ribavirin, which the company has added in another study to the drug combination.

Idenix called the data "encouraging," and said further studies are warranted to determine the relevance of all findings.

"We remain optimistic about the antiviral activity of the combination of valopicitabine and pegylated interferon (Pegasys) observed in various patient populations, and believe that multi-drug combinations will play an important role in the treatment of Hepatitis C genotype-1 infected patients," said Douglas L. Meyers, chief medical officer. "We are now working to define valopicitabine's role in therapy, not only in combination with the current standard of care, but also with other investigational compounds in development."

Shares of Idenix fell 39 cents, or 4.8 percent, to \$7.76 on the Nasdaq Stock Market in midday trading. The stock has traded between \$7.18 and \$12.22 over the last 52 weeks.

April 13th, 2007

Viropharma: Hepatitis-C Treatment More Effective in Combination

<http://www.marketwatch.com>

ViroPharma Inc said new data showed one of its oral compounds designed to treat chronic hepatitis C had additional antiviral effects across multiple virus strains when combined with another therapy.

The Exton, Pa., pharmaceutical company said Friday that the results of the 14-day Phase Ib trial indicated that the HCV-796 compound was more effective in combination with pegylated interferon alfa-2b than when either of the drugs was administered alone.

The combination therapy is generally well tolerated and no dose-limiting toxicities were observed, the company said.

A Phase II trial of HCV-796, which is being jointly developed with the Wyeth Pharmaceuticals unit of Wyeth

-Contact: 201-938-5400

Treatment Optimisation with PEGASYS plus COPEGUS Offers Patients with Hepatitis C an Excellent Chance for a Cure

<http://www.presseportal.de>

High Response Rates Confirmed in 'Real-Life' Study and Clinical Trials

BASEL, Switzerland, April 13 /PRNewswire/ --

Patients with hepatitis C who respond quickly to treatment have an excellent chance of being cured of the disease, according to data presented today at the 42nd Annual Meeting of the European Association for the Study of the Liver (EASL). Patients with genotype 1 hepatitis C (HCV) who clear the virus within a month of starting treatment with PEGASYS (peginterferon alfa-2a (40KD)) plus COPEGUS (ribavirin) have up to a 91% chance of achieving a sustained virological response (SVR), considered a cure by researchers.

"Now we can tell earlier than ever - at just week 4 of treatment - whether a patient has a good chance to be cured." said Professor Patrick Marcellin, Hôpital Beaujon, Clichy, France. "Knowing their virus levels in the first and third months of treatment helps patients take ownership of beating the disease and helps motivate them to stay on treatment. This information should be made available for everyone starting therapy."

Early Response to Treatment Means Patients Have an Excellent Chance for a Cure

An analysis of six different clinical trials highlights the value of checking how well patients with genotype 1 HCV have responded to treatment at weeks 4 and 12 of therapy(1). The results of the analysis showed that of those patients treated with PEGASYS 180 mcg weekly plus COPEGUS 1,000-1,200 mg daily:

- Up to one in five cleared the virus by week 4 of therapy (called rapid viral response)
- 83-91% of patients with a rapid viral response went on to be cured of their hepatitis C
- About 40% of patients who did not achieve a rapid viral response managed to clear the virus by week 12 of therapy (called complete early virological response); 65-67% of these patients were cured

Excellent Chance for a Cure for Rapid Viral Responders Confirmed in 'Real-Life' Study

A large real-life study involving 4,377 patients conducted by the Association of German Independent Gastroenterologists confirms that these results can be replicated in clinical practice(2):

- One quarter of patients with 'difficult-to-cure' genotype 1 or 4 HCV who had their viral levels tested at week 4 of treatment achieved a rapid viral response

- While the study is not yet complete, over 70% of those who have finished their 6-month post-treatment follow-up period were cured
- "These are really important results," said Dr Elmar Zehnter, Gastroenterologist and Hepatologist, Dortmund, Germany, and researcher in the study. "This study confirms that the high cure rates reported for rapid viral responders in clinical trials translate into clinical practice and are relevant to the patients we see every day. At the moment, testing viral levels at 4 weeks of treatment is not standard practice. Based on these results, however, testing viral levels at 4 weeks of therapy should become a routine test."

About Hepatitis C

Hepatitis C, the most common chronic blood-borne infection, is transmitted primarily through blood or blood products. Hepatitis C chronically infects 180 million people worldwide, which makes it more than four times more prevalent than HIV(3,4). Alarmingly, many people infected with hepatitis C don't even know they carry the virus. For example, it is estimated that 80-90% of people with hepatitis C in the UK are unaware that they are infected(5). Hepatitis C is a leading cause of cirrhosis, liver cancer and liver failure, despite the fact that many patients can be cured with treatments that are available today.

About PEGASYS

PEGASYS, the market leader worldwide in hepatitis C therapy, provides significant benefit over conventional interferon therapy in HCV patients of all genotypes. The benefits of PEGASYS are derived from its large 40 kilodalton (KD) branched-chain polyethylene glycol (PEG) construction, which allows for sustained drug levels over the course of a full week. PEGASYS also distributes more readily to the liver (the primary site of infection) than conventional interferon. PEGASYS is the only pegylated interferon available as a ready-to-administer solution. Each weekly subcutaneous injection contains 180 mcg of pegylated interferon alfa-2a (40KD), which is the approved dose for all patients, regardless of body weight.

About Roche

Headquartered in Basel, Switzerland, Roche is one of the world's leading research-focused healthcare groups in the fields of pharmaceuticals and diagnostics. As the world's biggest biotech company and an innovator of products and services for the early detection, prevention, diagnosis and treatment of diseases, the Group contributes on a broad range of fronts to improving people's health and quality of life. Roche is the world leader in in-vitro diagnostics and drugs for cancer and transplantation, a market leader in virology and active in other major therapeutic

areas such as autoimmune diseases, inflammation, metabolism and central nervous system. In 2006 sales by the Pharmaceuticals Division totalled 33.3 billion Swiss francs, and the Diagnostics Division posted sales of 8.7 billion Swiss francs. Roche employs roughly 75,000 worldwide and has R&D agreements and strategic alliances with numerous partners, including majority ownership interests in Genentech and Chugai.

Additional information about the Roche Group is available on the Internet at www.roche.com.

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Film footage is available for broadcast journalists from The NewsMarket at www.thenewsmarket.com. Video is compressed in MPEG2 and is available for download to your FTP server.

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Contact:

Contact: Janet Kettels, Roche, +1-862-596-9084; Natalie Henson, Axon Communications, +44(0)20-843-99-406

Idenix Reports Results from Two Phase IIb Studies of the Combination of Valopicitabine and Pegylated Interferon in Hepatitis C Genotype-1 Patients at the 42nd Annual Meeting of the European Association for the Study of the Liver

<http://sev.prnewswire.com>

Additional Preclinical Data Presented on Valopicitabine Combined with an Investigational Protease Inhibitor

BARCELONA, Spain, April 12 /PRNewswire-FirstCall/ -- Idenix Pharmaceuticals, Inc. (NASDAQ: IDIX) today announced results from two phase IIb studies of the novel combination of valopicitabine (NM283) and pegylated interferon alfa-2a (Pegasys(R)) in both treatment-naive and treatment-experienced patients infected with the genotype-1 strain of the hepatitis C virus (HCV). These data, as well as preclinical data on the active component of valopicitabine in combination with Schering Plough's investigational protease inhibitor boceprevir (SCH 503034), will be presented at the 42nd Annual Meeting of the European Association for the Study of the Liver (EASL).

Pegylated interferon alfa and ribavirin therapy, the current standard of care, is successful in treating 42 - 46 percent of treatment-naive HCV genotype-1 infected patients.(1,2) For patients who do not achieve successful treatment outcomes with pegylated interferon and ribavirin, there are currently no approved treatment options. New antiviral agents are needed to provide more treatment options for patients infected with HCV genotype-1.

"We have learned a great deal about the treatment of patients with hepatitis C, as well as the safety and efficacy of valopicitabine as a result of these large phase IIb trials," said Douglas L. Mayers, executive vice president and chief medical officer of Idenix Pharmaceuticals. "We remain optimistic about the antiviral activity of the combination of valopicitabine and pegylated interferon observed in various patient populations, and believe that multi-drug combinations will play an important role in the treatment of HCV genotype-1 infected patients. We are now working to define valopicitabine's role in therapy, not only in combination with the current standard of care, but also with other investigational compounds in development."

48-Week End-of-Treatment Results in Study of Treatment-Naive Patients

The first study, which was conducted at 23 sites in the United States, evaluated the safety and efficacy of various doses of valopicitabine plus pegylated interferon in

173 HCV genotype-1 infected, treatment-naïve patients over 48 weeks. The primary endpoint of the study is sustained virologic response (SVR), defined as maintained viral clearance six months after treatment is stopped. At the end of the treatment period, which was 48 weeks, 53 percent (n=18/34) of patients treated with 200 mg/day valopicitabine plus pegylated interferon achieved undetectable HCV levels by the TaqMan(R) assay (<20 IU/mL).

"These data are encouraging," said Eric Lawitz, M.D., medical director, Alamo Medical Research. "It is important to remember that ribavirin was not used in this study. The addition of ribavirin to the combination of valopicitabine and pegylated interferon may increase on-treatment response and may help to prevent post-treatment relapse. I look forward to the results from the company's ongoing study exploring the triple combination."

Through 48 weeks of treatment, 38 out of a total of 173 patients discontinued from the trial for adverse events (AEs), mostly gastrointestinal (GI)-related; of these, 3 patients were receiving the 200 mg/day dose of valopicitabine. Seven serious adverse events (SAEs) were assessed as attributable to either valopicitabine or valopicitabine and pegylated interferon during the first 48 weeks of treatment, most of which were GI-related. In this study, no valopicitabine-related GI SAEs have occurred since March 2006, when this study was amended to reduce the dose of valopicitabine administered to 200 mg/day or 400 mg/day.

Final Results in Study of Treatment-Experienced Patients

The second phase IIb clinical trial, which was conducted at 22 sites in the United States, evaluated various doses of valopicitabine in combination with pegylated interferon compared to pegylated interferon and ribavirin in 178 HCV genotype-1 infected, treatment-experienced patients for a treatment duration of up to 72 weeks. The primary endpoint of the study was SVR, defined as maintained viral clearance six months after treatment is stopped. The end- of-treatment response rates and post-treatment SVR rates were comparable for patients receiving valopicitabine and pegylated interferon and those receiving pegylated interferon and ribavirin. Of patients treated with valopicitabine in combination with pegylated interferon, none achieved an SVR, compared to one patient retreated with pegylated interferon and ribavirin.

Of the patients enrolled in this trial, 16 percent were partial responders, meaning they achieved a greater than or equal to 2 log reduction but never cleared the virus during their prior course of pegylated interferon and ribavirin therapy, and 84 percent were prior null responders, meaning they had never achieved a 2 log reduction in virus levels. In this study, 42 percent (n=10/24) of prior partial

responders treated with valopicitabine and pegylated interferon achieved PCR-negativity at the end-of-treatment, compared to 16 percent (n=19/120) of prior null responders treated with valopicitabine and pegylated interferon.

"These data are significant as they underscore the difficulty in retreating patients who have failed standard of care," said Nezam Afdhal, M.D., chief of hepatology and director of the liver center, Beth Israel Deaconess Medical Center. "There was a significant antiviral response to the combination of valopicitabine plus pegylated interferon in prior partial responders which is encouraging. Based on these data, further studies are warranted to assess if the addition of ribavirin and potentially another investigational agent to this treatment regimen could offer partial responders/relapsers to prior therapy a viable treatment option."

In this study, 31 out of a total of 178 patients discontinued from the trial for AEs, of which 12 were GI-related. Seven SAEs were assessed as attributable to either valopicitabine or valopicitabine and pegylated interferon during this study, most of which were GI-related. In this study, no valopicitabine-related GI SAEs occurred after March 2006, when this study was amended to reduce the dose of valopicitabine administered to 400 mg/day.

Preclinical Data in Combination with an Investigational Protease Inhibitor

A separate study presented at EASL evaluated the combined antiviral effect of the active component of valopicitabine, NM107, and SCH 503034, Schering Plough's investigational protease inhibitor currently in phase II trials, using cell culture replicon studies. The in vitro results demonstrated that the combination of these two agents provided additive antiviral activity compared to either agent used alone, with no cross resistance. Additionally, the combination of SCH 503034 and NM107 significantly reduced the frequency of resistant colonies, compared to each agent used alone, indicating that the combination of the two agents increased the barrier for developing resistance to either drug. Further studies are warranted to determine the clinical relevance of these findings.

About Valopicitabine (NM283)

Valopicitabine is an investigational HCV RNA polymerase inhibitor being evaluated in ongoing clinical trials for the treatment of hepatitis C. The most common adverse events reported in the phase IIb studies included nausea, vomiting, fatigue, diarrhea, headache, flu-like symptoms and depression. In the phase IIb studies, the occurrence of GI-related adverse events appeared to be dose dependent, and was less frequent in patients receiving 200 mg/day or 400 mg/day of valopicitabine. Idenix is developing valopicitabine in collaboration with Novartis Pharma AG.

About Hepatitis C

HCV infection is the most common chronic blood-borne infection in the United States.(3) The Centers for Disease Control and Prevention estimates that 4 million Americans have been infected with HCV, and 2.7 million of these carry chronic HCV infections.(4) Hepatitis C-related liver failure is the most common indication for liver transplantation in the United States.(4) As the prevalence of severe liver disease attributable to hepatitis C rises, deaths due to complications from hepatitis C infection, currently 8,000 to 10,000 per year in the United States, are increasing and are expected to triple by 2010.(5)

About Idenix

Idenix Pharmaceuticals, Inc., headquartered in Cambridge, Massachusetts, is a biopharmaceutical company engaged in the discovery, development and commercialization of drugs for the treatment of human viral and other infectious diseases. Idenix's current focus is on the treatment of infections caused by hepatitis B virus, hepatitis C virus and human immunodeficiency virus (HIV). For further information about Idenix, please refer to <http://www.idenix.com/> .

Forward-looking Statement

This press release contains "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. Such forward-looking statements can be identified by the use of forward-looking terminology such as "suggest," "can," "believe," "encouraging," "provide," "expect," "will," "look forward to," or similar expressions, or by express or implied statements with respect to potential results of on-going clinical trials of NM283, approvals of NM283 by the United States or other regulatory bodies, or potential future revenues from NM283. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no guarantees that Idenix will successfully advance NM283 or any clinic product candidate or other component of our potential pipeline in the clinic or in the regulatory process. In particular, management's expectations could be affected by unexpected regulatory actions or delays; uncertainties relating to results of clinical trials, including additional data relating to the ongoing clinical trials evaluating NM283 and its other product candidates; the company's ability to obtain additional funding required to conduct its research, development and commercialization activities; the company's dependence on its collaboration with Novartis Pharma AG; the ability of the company to attract and retain qualified personnel; competition in general; and the company's ability to obtain, maintain and enforce patent and other

intellectual property protection for its other product candidates and its discoveries. These and other risks which may impact management's expectations are described in greater detail under the caption "Risk Factors" in the company's annual report on Form 10-K for the year ended December 31, 2006 and filed with the Securities and Exchange Commission and other filings that the company makes with the Securities and Exchange Commission.

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

Pegasys(R) is registered trademarks of Hoffmann-La Roche, Inc. TaqMan(R) is a registered trademark of Roche Molecular Systems, Inc.

1 Fried, M. et al., Peginterferon Alfa-2a Plus Ribavirin for Chronic Hepatitis C Virus Infection. New England Journal of Medicine 2002.

2 Manns, M. Peginterferon Alfa-2b Plus Ribavirin Compared with Interferon Alfa-2b Plus Ribavirin for Initial Treatment of Chronic Hepatitis C: A Randomized Trial. The Lancet, September 2001.

3 Center For Disease Control National Prevention Strategy.

4Center for Disease Control. Hepatitis C Fact Sheet accessed online at <http://www.cdc.gov/ncidod/diseases/hepatitis/c/fact.htm> .

5 Davis, G. et al., Projecting Future Complications of Chronic Hepatitis C in the United States. Liver Transplantation, April 2003. Idenix Pharmaceuticals' Contacts: Media: Teri Dahlman (617) 995-9905 Investors: Amy Sullivan (617) 995-9838

Website: <http://www.idenix.com/>

Higher Doses of Ribavirin Are Effective in Hepatitis C Virus Genotype 1 Patients: Presented at EASL

<http://www.docguide.com>

By Jill Stein

BARCELONA, SPAIN -- April 13, 2007 -- Higher doses of ribavirin (i.e., 1000/1200 mg/d) are in patients with hepatitis C virus genotype 1, researchers

reported here at the 42nd Annual Meeting of the European Association for the Study of the Liver (EASL).

Samuel Lee, MD, professor, division of medicine, University of Calgary, Calgary, Alberta, Canada, presented the results from a study evaluating 24 to 48 weeks of treatment with peginterferon alfa-2A 180 mcg/week plus ribavirin as part of an open-label expanded access program.

This combination is the treatment of choice for chronic hepatitis C and has produced overall sustained virological response (SVR) rates of 54% to 63% in treatment-naïve patients in large phase 3 registration studies (Manns 2001, Fried 2002, Hadziyannis 2004), Dr. Lee and colleagues noted in their abstract. However, HALT-C Among nonresponders to previous treatment, the SVR rate is lower (18%, Shiffman 2004), they note.

The trial included 2,702 Canadian adults with chronic hepatitis C, quantifiable serum HCV RNA levels, and compensated liver disease.

The protocol-defined dose of ribavirin was 800 mg/d in the first stage of the expanded access program (EAP-1) and 1000/1200 mg/d in the second stage (EAP-2), Dr. Lee said in a presentation on April 12th.

Results showed that in EAP-2, the SVR rate in treatment-naïve, genotype 1 patients with normal ALT levels at baseline was higher than that in the overall group of treatment-naïve, genotype 1 patients (59% versus 51%).

SVR rates in treatment-naïve genotype 1 patients were similar in patients with fibrosis scores of F0 (58%), F1 (57%), and F2 (59%) but decreased progressively in patients with fibrosis scores of F3 (49%) and F4 (43%). "Thus, more aggressive and prolonged therapy may be needed to increase SVR rates in patients with advanced fibrosis," Dr. Lee commented.

Among previously treated patients, SVR rates were higher in relapsers than non-responders and in patients who had received prior interferon monotherapy rather than combination therapy. Thus, retreatment is a valid option for such patients, Dr. Lee said.

He concluded that the results in the study's diverse population are in line with those observed with the same treatment regimens in large phase 3 trials. Importantly, the diverse cohort, he said, represents populations encountered in a typical clinical practice unlike clinical trials which tend to include a highly selective cohort.

[Presentation title: Management of Chronic Hepatitis C in a Diverse Population With Peginterferon Alfa-2A and Ribavirin: Final Results of the Canadian Pegasys Expanded Access Program. Abstract Number 615]

ANA380 Exhibits Activity In Vitro Against Multiple Clinically Relevant Hepatitis B Virus Mutants

<http://www.therapeuticsdaily.com>

SAN DIEGO, and SEOUL, South Korea, April 13 /PRNewswire-FirstCall/ -- Anadys Pharmaceuticals, Inc. and LG Life Sciences, Ltd., presented data from an in vitro study showing that ANA380 (LB80380) retains potency against multiple mutant strains of hepatitis B virus (HBV) which are resistant to lamivudine, adefovir, entecavir or telbivudine, during a poster presentation at the 42nd Annual Meeting of the European Association for the Study of the Liver (EASL) in Barcelona, Spain, today at 1:00 p.m. CEST (7:00 a.m. EDT).

The study found that the in vitro antiviral potency of ANA380 against seven of nine mutants that were resistant to lamivudine, adefovir, entecavir or telbivudine was not significantly different from the antiviral potency against wild type HBV, indicated by a less than or equal to 2-fold difference in EC50, a measure of inhibition of virus replication. In addition, two HBV mutants that have been associated with clinical failure to entecavir or telbivudine, respectively, showed only small decreases (5 and 7 fold, respectively) in sensitivity to ANA380's antiviral effects in vitro. ANA380 was active against the HBV mutant resistant to telbivudine in prior clinical studies.

"This study illustrates the promising spectrum of antiviral activity for ANA380 against a defined panel of genetically defined drug-resistant HBV variants," said Dr. Stephen Locarnini, M.D., Ph.D., Head, Research & Molecular Development of the Victorian Infectious Diseases Research Laboratory in Melbourne, Australia.

"This study also suggests that ANA380/LB80380 may have clinical utility not only in drug-naïve patients but also in patients who have become resistant to the most commonly used HBV therapeutic agents," said Lawrence C. Fritz, Ph.D., president and chief executive officer of Anadys Pharmaceuticals. "Based on these data, we believe that it is possible that ANA380/LB80380 used in combination with these existing drugs may help prevent the emergence of resistance. These new results are also consistent with previously reported clinical data showing that ANA380 is

active in patients refractory to lamivudine."

"Clearly, we are encouraged by these study results and believe they support additional clinical evaluation to confirm the potential broad clinical utility of ANA380 in treating patients with chronic HBV infection," said In-Chull Kim, Ph.D., President and Chief Executive Officer of LG Life Sciences.

Anadys and LG Life Sciences entered into a Joint Development and License Agreement in April 2004 providing for the global development of ANA380 and pursuant to which Anadys acquired commercialization rights to ANA380 in North America, Europe, Japan and the rest of the world other than China, Korea, India and countries in Southeast Asia. Next steps for the program, including a proposed Phase IIb dose selection clinical trial, are under discussion between Anadys and LGLS.

Study Methods

HBV mutant strains were generated from a wild-type strain of HBV genotype D through site-directed mutagenesis. Mutant strains encoded polymerases resistant to lamivudine, adefovir, entecavir or telbivudine. Replicate HepG2 cell cultures were infected with HBV DNA using baculovirus vectors and were exposed to different concentrations of each drug for seven days. Viral DNA then was extracted and quantified. EC50 values, which were calculated from averages of three independent experiments, were used to evaluate susceptibility.

Clinical Background

ANA380 is an oral prodrug of ANA317 (LB80317), a nucleotide analog. Data from 62 HBV infected patients from a previous Phase II study showed that patients treated daily with ANA380 at 90 mg, 150 mg and 240 mg dose levels experienced reduction in plasma HBV viral DNA at 12 weeks of 3.9 log₁₀, 3.9 log₁₀ and 4.1 log₁₀ units, respectively, (greater than 99.9% clearance of the virus in plasma).

ANA380 (LB80380)

ANA380 is a small-molecule orally available inhibitor of the HBV polymerase. The HBV polymerase is the enzyme that catalyzes the production of new RNA from the existing strand of RNA. ANA380 is believed to inhibit viral proliferation by interrupting the replicating machinery of the virus.

Hepatitis B Virus

HBV is a significant global health problem that can cause both acute and chronic viral infections. According to the WHO, of the 2 billion people who have been infected with HBV, more than 350 million have chronic (lifelong) infections.

These chronically infected persons are at high risk of death from cirrhosis of the liver and liver cancer, diseases that kill about one million persons each year. Approximately 1.3 to 1.5 million people worldwide die each year from chronic HBV and/or related conditions. According to the WHO, HBV is the 10th leading cause of death each year worldwide. In the U.S., an estimated 5,000 people with HBV-liver disease die annually. Based on industry analyst reports and available market data, we estimate that current annual sales of HBV therapies are approximately \$500 million and will exceed \$1 billion by 2010. This market expansion is expected to result from an increasing number of patients receiving treatment and new therapies that provide greater efficacy and treatment durability.

About Anadys

Anadys Pharmaceuticals, Inc., <http://www.anadyspharma.com/>, is a biopharmaceutical company committed to advancing patient care by discovering, developing and commercializing novel small molecule medicines for the treatment of viral diseases and cancer. The Company's programs focus on Toll-Like Receptor-based small molecule product candidates and direct antiviral compounds that inhibit key steps in viral proliferation. The Company has core expertise in medicinal chemistry coupled with structure-based drug design, and is developing compounds for the treatment of hepatitis C infection, hepatitis B infection and cancer.

About LG Life Sciences

LG Life Sciences, Ltd. ("LGLS") is the leading pharmaceutical company based in South Korea, committed to promoting health and well-being of patients. Its key therapeutic areas include metabolic and cardiovascular diseases as well as infectious and liver diseases. LGLS seeks to continue developing global brand products, such as Factive(R) (gemifloxacin), and expanding its market presence in the world with focus in Asia. Additional information is available on its corporate website, <http://www.lgls.com/>.

Safe Harbor Statement

Statements in this press release that are not strictly historical in nature constitute "forward-looking statements." Such statements include, but are not limited to, references to the believed potential spectrum of activity of ANA380/LB80380 against a defined panel of genetically defined drug-resistant HBV variants, the possibility that ANA380/LB80380 will have clinical utility not only in drug-naïve patients but also in patients who have become resistant to the most commonly used HBV therapeutic agents, the possibility that ANA380/LB80380 used in combination with existing drugs could help prevent the emergence of resistance, future development activities for ANA380/LB80380, and statements regarding the

projected future market expansion for HBV therapies. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause Anadys' actual results to be materially different from historical results or from any results expressed or implied by such forward-looking statements. In particular, the results of in vitro studies and initial clinical trials may not be predictive of future results, and Anadys cannot provide any assurances that any of its product candidates will not have unforeseen safety issues, will have favorable results in future clinical trials or will receive regulatory approval. In addition, future activities around ANA380/LB80380 are currently under discussion between LG Life Sciences and Anadys and there is no guarantee that the parties will be able to agree to a global development plan or next steps for the program. Furthermore, Anadys' results may be affected by risks related to its collaborative relationships with Novartis and LG Life Sciences, competition from other biotechnology and pharmaceutical companies, its effectiveness at managing its financial resources, its ability to successfully develop and market products, the level of effort that its collaborative partners devote to development and commercialization of its product candidates, difficulties or delays in its pre-clinical studies or clinical trials, difficulties or delays in manufacturing its clinical trial materials, the scope and validity of patent protection for its products, regulatory developments involving future products and its ability to obtain additional funding to support its operations. Risk factors that may cause actual results to differ are more fully discussed in Anadys' SEC filings, including Anadys' Form 10-K for the year ended December 31, 2006. All forward-looking statements are qualified in their entirety by this cautionary statement. Anadys is providing this information as of this date and does not undertake any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

Anadys Pharmaceuticals, Inc.

CONTACT:

Vince Reardon, Sr. Director, Investor Relations, Investor Relations & Corporate Communications of Anadys Pharmaceuticals, Inc., +1-858-530-3653, vreardon@anadyspharma.com ;

or

Ki Seok Kim, General Manager, Investor Relations of LG Life Sciences, Ltd., +82-2-3773-0619, kskima@lgls.co.kr

Web site: <http://www.lgls.com/>

Web site: <http://www.anadyspharma.com/>