

Gilead Sciences Announces Acquisition of Phenex Pharmaceuticals' Development Program for Non-Alcoholic Steatohepatitis (NASH) and Other Liver Diseases

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FOSTER CITY, Calif. & LUDWIGSHAFEN, Germany & HEIDELBERG, Germany--(BUSINESS WIRE)--Jan. 6, 2015--Gilead Sciences, Inc. (Nasdaq:GILD) and Phenex Pharmaceuticals AG, a privately-held biotechnology company, today announced the signing of a definitive agreement under which Gilead will acquire Phenex's Farnesoid X Receptor (FXR) program comprising small molecule FXR agonists for the treatment of liver diseases including nonalcoholic steatohepatitis (NASH). Under the terms of the agreement, Gilead will pay Phenex an upfront payment plus additional payments based upon achievement of certain development milestones that may potentially be worth up to \$470 million.

NASH is a common, serious chronic liver disease characterized by inflammation and excessive fat accumulation in the liver and may lead to progressive fibrosis, cirrhosis and liver failure. NASH is estimated to affect 10 to 20 percent of people in the developed world. There are currently no approved therapies to treat NASH. FXR is a nuclear hormone receptor that regulates bile acid, lipid and glucose homeostasis, which can help reduce liver steatosis and inflammation, and may help prevent liver fibrosis.

"This agreement represents a significant milestone for our company and for the field of liver disease research," said Dr. Claus Kremoser, CEO of Phenex Pharmaceuticals AG. "After 15 years of research, FXR is now one of the few clinically validated targets for NASH and we are delighted that Gilead will be continuing the research necessary to more fully realize its potential for advanced liver disease."

"The acquisition of Phenex's FXR program represents an important opportunity to accelerate Gilead's efforts to develop new treatment options that address fibrotic liver diseases," said Norbert W. Bischofberger, PhD, Gilead's Executive Vice President, Research and Development and Chief Scientific Officer. "We look forward to working closely with Phenex's research and development team to advance the FXR program into clinical development as quickly as possible to explore its potential in areas of significant unmet need."

About Phenex Pharmaceuticals AG

Phenex is a small private German biotechnology company founded in 2002 and located in Ludwigshafen, Germany, with a research site in Heidelberg. Phenex has a long history in nuclear receptor drug discovery and has emerged as a highly specialized leader in the field of difficult to target emerging nuclear receptor targets.

About Gilead Sciences, Inc.

Gilead Sciences is a biopharmaceutical company that discovers, develops and commercializes innovative therapeutics in areas of unmet medical need. The company's mission is to advance the care of patients suffering from life-threatening diseases. Gilead has operations in more than 30 countries worldwide, with headquarters in Foster City, California.

Gilead Forward-Looking Statement

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks, uncertainties and other factors, including risks that Gilead will be unable to advance any of the small molecule FXR agonists acquired from Phenex for the treatment of liver diseases including NASH. These risks, uncertainties and other factors could cause actual results to differ materially from those referred to in the forward-looking statements. The reader is cautioned not to rely on these forward-looking statements. These and other risks are described in detail in Gilead's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, as filed with the U.S. Securities and Exchange Commission. All forward-looking statements are based on information currently available to Gilead, and Gilead assumes no obligation to update any such forward-looking statement.

Source: Gilead Sciences, Inc.

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