



Media Release

22 April 2010

Actelion announces first quarter 2010 financial results

Total net revenues of CHF 501.7 million – Product sales of CHF 449.8 million, up 20 percent in local currencies – Non-GAAP EBIT of CHF 197.8 million – US launch of improved formulation of Epoprostenol for Injection

ALLSCHWIL/BASEL, SWITZERLAND – 22 April 2010 – Actelion Ltd (SIX: ATLN) today announced financial results for the first quarter 2010.

In CHF Thousands	Results Q1 2010	Results Q1 2009	% Variance In CHF	% Variance In LC
Net Revenues	501,663	405,613	24%	28%
Non-GAAP OPEX	303,896	259,074	17%	19%
Non-GAAP EBIT	197,767	146,539	35%	43%
Diluted EPS - Non-GAAP	1.38	1.05	31%	39%
Diluted EPS - US GAAP	1.09	0.83	31%	41%

As of 31 March 2010, Actelion had cash, cash equivalents and marketable securities of CHF 1.2 billion. In addition, Actelion holds 10.3 million treasury shares.

In the first quarter of 2010 Actelion continued its growth trajectory, driven yet again by strong demand for its medicines. These results support previously announced 2010 guidance of more than 10 percent net revenue growth (in local currencies) and non-GAAP EBIT growth close to 20 percent (in local currencies).

On 22 April 2010, Epoprostenol for Injection, an improved formulation of epoprostenol that is stable at room temperature, has become available for the treatment of primary pulmonary hypertension and pulmonary hypertension associated with scleroderma spectrum of disease in NYHA Class III and Class IV patients who do not respond adequately to conventional therapy. The introduction of this product demonstrates Actelion's ongoing commitment to the pulmonary arterial hypertension (PAH) community. It also expands Actelion's product portfolio to four marketed medicines.

Actelion's leading role in the treatment of PAH is further evidenced by two late-stage development candidates – macitentan, a highly potent, tissue-targeting endothelin receptor antagonist and selexipag (proposed INN), a first-in-class, orally active non-prostanoid, selective IP receptor agonist.

At the end of March 2010 Actelion had a total of 11 different molecules in clinical development. In addition to macitentan and selexipag, Actelion is also conducting Phase III programs of clazosentan in non-traumatic aneurismal subarachnoid hemorrhage (aSAH) and almorexant in sleep disorders.

Jean Paul Clozel, M.D. and Chief Executive Officer of Actelion commented: "I am very pleased with our performance this quarter, including the robust demand for our products and our strong financial performance. This ongoing strong demand for our medicines positions us well for the future, and allows us to make appropriate investments in a wide range of innovative development candidates. The introduction of new products, like the improved epoprostenol formulation, will also enable us to further leverage our global infrastructure."

Revenue performance

Product sales for the first quarter of 2010 were CHF 449.8 million (Q1 2009 CHF 389.4 million, an increase of 20 percent in local currencies) with 43 percent coming from the United States, 42 percent coming from Europe and 15 percent from the rest of the world. Product sales growth was mostly driven by patient demand.

Sales of Tracleer[®] (bosentan) were CHF 405.2 million for the first quarter of 2010, compared to CHF 352.2 million for the same period in 2009, representing a 19 percent increase in local currencies.

During the first quarter of 2010, Ventavis[®] (iloprost) had sales in the United States of CHF 27.7 million compared to CHF 27.0 million in the first quarter of 2009, representing an 11 percent increase in local currencies.

Sales of Zavesca[®] (miglustat) for the first quarter of 2010 were CHF 16.9 million, compared to CHF 10.3 million during the same period last year, representing a 69 percent increase in local currencies.

Contract revenues for the first quarter 2010 were CHF 51.9 million compared to CHF 16.2 million in the first quarter of 2009. The increase was primarily driven by the accelerated recognition of Roche S1P₁ milestones that will come to an end in Q2 2010.

Operating expenses

Total operating expenses for the first quarter of 2010 were CHF 338.4 million compared to CHF 284.0 million for the same period in 2009, an increase of 19 percent. The increase was driven by both, ongoing investments into R&D as well as ongoing investments to further expand the use of our marketed products.

Research and Development (R&D) expenses in the first quarter of 2010 were CHF 116.1 million compared to CHF 95.8 million in the first quarter of 2009. Non-GAAP R&D expenses for the first quarter of 2010, which excludes stock-based compensation expense and amortization and depreciation, were CHF 104.4 million compared to CHF 86.4 million in the first quarter of 2009.

Selling, General and Administrative expenses (SG&A) for the first quarter of 2010 were CHF 163.8 million compared to CHF 138.8 million in the first quarter of 2009. Non-GAAP SG&A expenses for the first quarter of 2010, which excludes stock-based compensation expense and amortization and depreciation, were CHF 151.7 million compared to CHF 129.7 million in the first quarter of 2009

Andrew J. Oakley, Chief Financial Officer of Actelion commented: "This is yet another set of solid results demonstrating that Actelion is continuing to operate from a strong base. I am confident that we will meet our guidance for 2010. Our strong balance sheet also enables us to continue the evaluation of external growth opportunities."

Corporate updates

- On March 1, 2010 Actelion announced initial results of BUILD-3, a clinical study evaluating the safety and efficacy of bosentan in patients suffering from idiopathic pulmonary fibrosis (IPF). Whilst there was a consistent trend in favor of bosentan, the primary endpoint, reduction in morbidity/mortality, was not met ($p=0.21$). Following completion of full data analysis, BUILD-3 findings will be presented at the upcoming American Thoracic Society (ATS) Annual Meeting and in peer-reviewed publications.
- On March 9, 2010 Actelion announced that the company had received a complete response letter from the U.S. Food and Drug Administration (FDA) for its supplemental New Drug Application for Zavesca[®] for the treatment of progressive neurological manifestations in adult and pediatric patients with Niemann-Pick type C (NP-C) disease, a rare, neurodegenerative genetic disorder. The FDA has requested additional preclinical and clinical information and Actelion will work diligently with the FDA to explore the best ways to address the points raised by the agency.

- On 22 April 2010, Epoprostenol for Injection, an improved formulation of epoprostenol that is stable at room temperature, has become available in the US. This formulation is indicated for the treatment of primary pulmonary hypertension and pulmonary hypertension associated with scleroderma spectrum of disease in NYHA Class III and Class IV patients who do not respond adequately to conventional therapy. Simultaneously, Actelion has launched the PROSPECT registry, a multicenter, observational, US-based registry that will provide additional clinical experience on patients being treated with Epoprostenol for Injection.
- In the first quarter, Actelion initiated the EPITOME clinical program that will generate additional clinical experience data with Epoprostenol for Injection. In early 2010, Actelion also commenced the process to obtain regulatory approval in markets outside the U.S., beginning with a filing in France.

Upcoming events

- Annual General Meeting of shareholders on 4 May 2010 in Basel (Congress Centre 14.00).
- Efficacy, safety and tolerability results from the Phase IIa study of selexipag in PAH will be presented by Prof. G. Simonneau MD, PhD, Clamart, France at the American Thoracic Society (ATS) congress in New Orleans in the morning of Monday 17 May 2010, Central Time (US).
- Actelion to host a PAH product and franchise overview during a company-sponsored investor reception in New Orleans on Monday, 17 May 2010, 6pm Central Time (US).
- Actelion to report H1 financial results on 20 July 2010, at which point in time the company will provide a comprehensive clinical pipeline update and issue its 2010 half year report.
- Actelion to report, in October 2010, the results from CONSCIOUS-2, a Phase III study evaluating the clinical benefits of clazosentan on vasospasm-related morbidity and all-cause mortality post aneurysmal subarachnoid hemorrhage. This study is expected to complete enrollment, with close to 1,150 patients, at the end of April 2010.

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Notes to the editor:**Actelion Ltd.**

Actelion Ltd is a biopharmaceutical company with its corporate headquarters in Allschwil/Basel, Switzerland. Actelion's first drug Tracleer®, an orally available dual endothelin receptor antagonist, has been approved as a therapy for pulmonary arterial hypertension. Actelion markets Tracleer® through its own subsidiaries in key markets worldwide, including the United States (based in South San Francisco), the European Union, Japan, Canada, Australia and Switzerland. Actelion, founded in late 1997, is a leading player in innovative science related to the endothelium - the single layer of cells separating every blood vessel from the blood stream. Actelion's over 2,300 employees focus on the discovery, development and marketing of innovative drugs for significant unmet medical needs. Actelion shares are traded on the SIX Swiss Exchange (ticker symbol: ATLN).

Conference Call Information

An investor conference call & webcast will be held at 14.00 hrs, CEST to discuss the results. Please note this is a new time as a response to your feedback.

Date/Time:

22 April 2010	14.00 hrs – 15.00 hrs	Basel (CET)
	13.00 hrs – 14.00 hrs	UK (GMT)
	08.00 a.m. – 09.00 a.m.	US (EST)

Conference Call Connect #:

Dial-in participants should start calling the number below 10-15 minutes before the conference is due to start.

Dial:	Europe:	+41 (0)44 580 64 03
	UK:	+44 (0)203 147 47 52
	US:	+1 866 9311 573

Participant's mode:

Listen-Only with possibility to open individual lines during Q&A session.

Participants will be asked for their Name and Company.

Webcast Access:

Webcast participants should visit the Actelion website <http://www.actelion.com/>

10-15 minutes before the conference is due to start. If you experience any access problems go directly to the

URL: <http://gaia.world-television.com/actelion/20100422/trunc>

Participant's mode:

Listen-Only with possibility to ask individual questions by clicking on the Q&A button.

Participants will be asked to provide their Name and Company.

Webcast Replay:

The archived Investor Webcast will be available for replay through <http://www.actelion.com/> approximately 60 minutes after the call has ended.

For further information please contact:

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Full Financial Statement:

The full financial statement for the first quarter of 2010 can be found as a PDF attached to the media release.

ACTELION LTD AND SUBSIDIARIES

UNAUDITED CONSOLIDATED US GAAP FINANCIAL STATEMENTS FOR MARCH 31, 2010

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ACTELION LTD AND SUBSIDIARIES
UNAUDITED CONSOLIDATED INCOME STATEMENTS

	Three months ended March 31,	
<i>(in CHF thousands, except per share amounts)</i>	<u>2010</u>	<u>2009</u>
Net revenue		
Product sales	449,809	389,423
Contract revenue	51,854	16,190
Total net revenue	<u>501,663</u>	<u>405,613</u>
Operating expenses ⁽¹⁾		
Cost of sales	47,814	43,025
Research and development	116,141	95,848
Selling, general and administration	163,838	138,831
Amortization of acquired intangible assets	10,598	6,278
Total operating expenses	<u>338,391</u>	<u>283,982</u>
Operating income	<u>163,272</u>	<u>121,631</u>
Interest income	773	1,491
Interest expense	(1,573)	(288)
Amortization of debt discount and issuance costs	(4,588)	(4,394)
Other financial income (expense), net	(9,478)	(5,374)
Income before income tax expense	<u>148,406</u>	<u>113,066</u>
Income tax expense	(15,610)	(10,847)
Net income	<u><u>132,796</u></u>	<u><u>102,219</u></u>
Basic net income per share	1.12	0.87
Weighted-average number of common shares (in thousands)	118,874	117,897
Diluted net income per share	1.09	0.83
Weighted-average number of common shares (in thousands)	121,612	122,647
⁽¹⁾ Includes employee stock option costs as follows:		
Research and development	6,750	4,973
Selling, general and administration	9,557	7,137
Total stock-based compensation	<u>16,307</u>	<u>12,110</u>

ACTELION LTD AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS

<i>(in CHF thousands, except number of shares)</i>	March 31, 2010	December 31, 2009
Assets		
Current assets		
Cash and cash equivalents	745,239	877,325
Short-term deposits	416,427	466,234
Derivative instruments	5,409	11,545
Trade and other receivables, net	513,032	469,557
Inventories	61,983	61,365
Other current assets	33,966	46,916
Pension assets	9,409	-
Deferred tax assets, current portion	4,893	4,868
Total current assets	1,790,358	1,937,810
Property, plant and equipment, net	298,656	281,152
Other non-current assets	20,275	19,443
Intangible assets, net	276,904	283,364
Goodwill	78,214	77,630
Long-term financial assets	16,678	13,149
Deferred tax assets, less current portion	51,430	52,369
Total assets	2,532,515	2,664,917
Liabilities and shareholders' equity		
Current liabilities		
Trade and other payables	100,859	117,460
Accrued expenses	236,013	406,343
Deferred revenue, current portion	63,350	107,599
Other current liabilities	40,613	48,583
Short-term financial debt	431,124	426,910
Total current liabilities	871,959	1,106,895
Deferred revenue, less current portion	81,503	89,065
Other non-current liabilities	32,553	47,794
Pension liability	-	13,100
Deferred tax liabilities	420	412
Total liabilities	986,435	1,257,266
Shareholders' equity		
Common shares (par value CHF 0.50 per share, authorized 248,208,210 and 248,290,335 shares; issued 129,125,000 and 128,527,224 shares in 2010 and 2009 respectively)	64,562	64,264
Additional paid-in capital	1,128,944	1,098,840
Accumulated profit	1,015,056	882,260
Treasury shares, at cost	(583,227)	(558,227)
Accumulated other comprehensive income (loss)	(79,255)	(79,486)
Total shareholders' equity	1,546,080	1,407,651
Total liabilities and shareholders' equity	2,532,515	2,664,917

ACTELION LTD AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(in CHF thousands)</i>	Three months ended March 31,	
	2010	2009
Cash flow from operating activities		
Net income	132,796	102,219
Adjustments to reconcile net income to net cash provided from operating activities:		
Depreciation and amortization	18,188	12,798
Stock-based compensation, incl. treasury shares to members of Board of Directors	16,245	12,110
Excess tax benefits from share-based payment arrangements	(1,148)	(3,130)
(Gains) Losses on derivative instruments	9,541	5,903
Amortization of debt discount and issuance costs	4,588	4,394
Trade and other receivables	(52,237)	(31,649)
Inventories	(617)	(2,306)
Other current assets	(9,295)	(11,508)
Other assets	(717)	(2,715)
Trade and other payables	(16,632)	30,222
Accrued expenses	(167,734)	(70,879)
Deferred revenue	(51,818)	(16,190)
Other liabilities	2,183	1,717
Changes in other operating cash flow items	580	(3,184)
Net cash flow provided by (used in) operating activities	(116,077)	27,802
Cash flow from investing activities		
Purchase of short-term and long-term deposits	(193)	(198,504)
Proceeds from short-term and long-term deposits	50,000	368,817
Purchase of property, plant and equipment	(23,055)	(22,901)
Purchase of marketable securities	-	(50,000)
Settlement of derivative instruments	-	(3,457)
Purchase of intangible assets	(1,621)	(2,469)
Acquisition of subsidiary	(32,148)	(57,785)
Net cash flow provided by (used in) investing activities	(7,017)	33,701
Cash flow from financing activities		
Payments on capital leases	(32)	(40)
Repayment of financial debts	-	(193,800)
Proceeds from exercise of stock options, net of expense	13,202	36,703
Purchase of treasury shares	(25,000)	-
Proceeds from exercise of options related to own shares	-	188,637
Excess tax benefits from share-based payment arrangements	1,148	3,130
Net cash flow provided by (used in) financing activities	(10,682)	34,630
Net effect of exchange rates on cash and cash equivalents	1,690	6,804
Net change in cash and cash equivalents	(132,086)	102,937
Cash and cash equivalents at beginning of period	877,325	727,459
Cash and cash equivalents at end of period	745,239	830,396

ACTELION LTD AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(in CHF thousands, except number of shares)

	Common shares		Additional	Accumulated	Treasury	Accum. other	Shareholders'
	Shares	Amount	paid-in- capital	profit	shares	comprehensive income (loss)	equity
At January 1, 2009	117,207,367	62,508	700,296	570,990	(442,816)	(48,875)	842,103
Comprehensive income (loss) net of tax:							
Net income				311,270			311,270
Other comprehensive income (loss):							
Currency translation adjustment						(12,525)	(12,525)
Not recognized components of net periodic benefit costs						(10,129)	(10,129)
Unrealized gain (loss) on marketable securities						(17,229)	(17,229)
Reclassification into earnings						9,272	9,272
Comprehensive income (loss)							280,659
Excess tax benefit and underrealization from share-based payment arrangement			5,476				5,476
Exercise of stock options	3,511,617	1,756	106,286				108,042
Transactions in treasury shares	(1,948,374)		36		(115,411)		(115,375)
Options related to own shares			215,925				215,925
Stock-based compensation expense			70,821				70,821
At December 31, 2009	118,770,610	64,264	1,098,840	882,260	(558,227)	(79,486)	1,407,651
Comprehensive income (loss) net of tax:							
Net income				132,796			132,796
Other comprehensive income (loss):							
Currency translation adjustment						(3,297)	(3,297)
Unrealized gain (loss) on marketable securities						3,528	3,528
Comprehensive income (loss)							133,027
Excess tax benefit and underrealization from share-based payment arrangement			955				955
Exercise of stock options	597,776	298	12,904				13,202
Transactions in treasury shares	(529,271)		-		(25,000)		(25,000)
Stock-based compensation expense			16,245				16,245
At March 31, 2010	118,839,115	64,562	1,128,944	1,015,056	(583,227)	(79,255)	1,546,080