



Media Release

22 July 2008

Actelion announces Half Year financial results 2008

Total net revenues of CHF 676.0 million – Product sales up 18 percent in local currencies compared to H1 2007 – Tracleer® sales of CHF 605.2 million – Cash EBIT of CHF 190.8 million – Multiple Phase III studies on track – Substantial impact from Actelion/GSK orexin receptor antagonist collaboration to start immediately in H2 2008

ALLSCHWIL/BASEL, SWITZERLAND – 22 July 2008 – Actelion Ltd (SWX: ATLN) today announced its financial results for the first six months of 2008. With total net revenues of CHF 676.0 million (H1 2007: CHF 626.4 m) and operating expenses of CHF 538.8 million (H1 2007: CHF 677.1 m), the company reported an operating profit of CHF 137.2 million (H1 2007: operating loss of CHF 50.8 m).

To better measure and compare operating performance over time, Actelion continues to report non-US GAAP Cash EBIT (Operating Income excluding charges such as In-Process R&D, charges related to employee stock options under FAS 123R as well as non-cash depreciation and amortization charges). For the first six months of 2008, Actelion achieved a Cash EBIT of CHF 190.8 million, a decrease of 17 percent compared to the same period in 2007. In local currencies, Cash EBIT decreased by 1 percent. Adjusted (non-US GAAP) diluted earnings per share for the first six months 2008 were CHF 1.43, compared to CHF 1.92 in the same period 2007.

H1 2008 Cash EBIT was impacted by two upfront payments – both booked as a part of R&D - related to the in-licensing of a PGI₂ receptor agonist from Nippon Shinyaku. Excluding these two one-time payments, Cash EBIT increased by 12 percent in local currencies.

On a US-GAAP basis, net profit for the first six months of 2008 was CHF 127.1 million (H1 2007: net loss of CHF 53.0 m). Fully diluted earnings per share were CHF 1.03 compared to a loss per share of CHF 0.45 during the same period in 2007.

Subsequent to the end of H1 2008, Actelion has entered into an exclusive worldwide collaboration (excluding Japan) for Actelion's almorexant, an orexin receptor antagonist in phase III development with first-in-class potential as a treatment for primary insomnia.

Full details of the collaboration are covered in the joint Actelion/GSK media release issued Monday, 14 July 2008.

Jean-Paul Clozel, M.D. and Chief Executive Officer commented: "In the first six months of 2008, Actelion has continued to grow both, product revenues and product pipeline. With the Actelion/GSK collaboration, we have chosen a committed partner with a comprehensive understanding of the value proposition of almorexant. This collaboration has the potential to transform both, the treatment of sleep disorders and Actelion's growth trajectory."

Andrew J. Oakley, Chief Financial Officer, commented: "Our products have continued to perform strongly in the market place, masked only by the strength of the Swiss Franc, our reporting currency. I am also pleased that with the Almorexant collaboration, we are accelerating yet again value creation, increasing both short-term profitability and long-term top and bottom line growth."

Andrew J. Oakley added: "With the PAH market expanding and our products performing strongly, Actelion now expects that total net revenues on a like-for-like basis will increase by closer to 15 percent in local currency terms, compared to the earlier forecast of 10 to 12 percent growth. In addition, total net revenues are growing further, as we will recognize 25.4 million Swiss Francs from the 150 million upfront almorexant payment. Unforeseen events excluded, we therefore expect 2008 Cash EBIT to grow by approximately 10 percent in local currencies, compared to the previous forecast of flat to low-double digit decrease."

Andrew J. Oakley concluded: "We are honored that we are now considered a Swiss Blue Chip company. As of 22 September 2008, Actelion shares will trade as a part of the SMI, the Swiss Market Index which comprises the 20 largest and most liquid equities of the Swiss Stock Market."

Financial result overview – Table H1 2008 vs. H1 2007

In CHF thousands	Result H1 2008	Result H1 2007	Variance	%
Net revenues	675,982	626,351	49,631	8
Operating expenses	538,766	677,147	(138,381)	(20)
Operating income	137,216	(50,796)	188,012	-
Cash EBIT	190,791	230,985	(40,194)	(17)
Net income	127,105	(52,953)	180,058	-
Fully diluted EPS in CHF	1.03	(0.45)	1.48	-
No of shares in calculation (in thousands)	123,512	118,112	-	-

The full financial statements can be found on <http://www.actelion.com>

Continued top-line growth

In the first six months of 2008, Actelion's total net revenues increased by 8 percent to CHF 676.0 million (H1 2007: CHF 626.4 m). During the first half of 2008, product sales expressed in CHF were adversely affected by the continued strength of the Swiss Franc against all major currencies. In local currencies, total net revenues increased by 18 percent.

Contract revenues for the first six months of 2008 amounted to CHF 13.2 million (H1 2007: CHF 13.7 m).

Product sales

During the first half of 2008, Tracleer® (bosentan) sales were CHF 605.2 million (H1 2007: CHF 559.9 m). In local currencies, this represents an increase of 17 percent compared to the same period last year and an increase of 12 percent compared to the previous quarter.

At the end of March 2008, Tracleer® was commercially available in over 50 countries worldwide, including all major pharmaceutical markets. In April, Tracleer® was also launched in Mexico.

Following last year's European marketing approval of Tracleer® in digital ulcers, European launch activities are ongoing. Also in the first half of 2008, Actelion initiated the regulatory review process for a dedicated pediatric formulation of Tracleer®, with first submission to the European Health Authorities.

Ventavis® (iloprost) sales amounted to CHF 37.9 million in the first half of 2008. Compared to the previous quarter, Ventavis® sales increased by 20 percent in US Dollar terms. The number of patients benefiting from Ventavis® continued to increase. In the period under review, Actelion started the clinical evaluation of a upgraded Ventavis® delivery device reprogrammed to potentially reduce inhalation time and increase patient compliance.

Otto Schwarz, President Business Operations, commented: "The ongoing strong Tracleer® growth is very satisfactory, especially considering that new compounds entered the market in 2007 within the class of endothelin receptor antagonists. I expect that the upcoming new Class II labeling for Tracleer® in Europe and the June publication of the EARLY study in *The Lancet* will provide us with another opportunity to reach out to physicians and highlight the importance of early diagnosis and early treatment. Overall, Actelion, the PAH market in general, Tracleer® and Ventavis® are well positioned for continued growth."

During the first six months of 2008, Zavesca® (miglustat) sales were CHF 19.7 million (H1 2007: CHF 16.8 m). In local currencies, Zavesca® sales increased by 23 percent. Zavesca® is commercially available in the United States and in most European markets.

In the period under review, Actelion completed the enrollment in the MAINTENANCE study, evaluating the safety and efficacy of Zavesca® to maintain patients on Zavesca® after they were stabilized with enzyme replacement therapy (ERT). Final results of this study are expected to become available in 2010.

Operating expenses

During the first half of 2008, operating expenses were CHF 538.8 million (H1 2007: CHF 677.1m).

Research and development expenses for the same period increased by 49 percent to CHF 201.2 million (H1 2007: CHF 135.2 m), the result of additional investments into a maturing pre-clinical and clinical pipeline. A portion of this increase is related to two upfront payments paid for the in-licensing of a PGI₂ receptor agonist from Nippon Shinyaku.

Actelion's pipeline now has 9 compounds in clinical development as well as more than 25 active projects in drug discovery.

The four ongoing phase III programs are:

Actelion-1 in PAH: This multicenter, double-blind, randomized, placebo-controlled, parallel group, event-driven pivotal SERAPHIN program will evaluate the effects of this highly potent tissue-targeting endothelin receptor antagonist through the primary endpoint of morbidity and all-cause mortality in patients with symptomatic PAH. Enrollment has commenced in the second quarter of 2008, with a planned enrollment of more than 500 patients worldwide.

Almorexant in primary insomnia: The first study, which is part of the Phase III program RESTORA commenced patient enrollment early in Q2 2008. The 700-patient study RESTORA 1 includes a reference arm with zolpidem to generate information with this agent which is approved for the treatment of insomnia. First study results are expected in the second half of 2009. Additional pivotal studies are scheduled to commence later in 2008.

Bosentan (Tracleer®) in IPF: This multicenter, double-blind, randomized, placebo-controlled, parallel group, event-driven morbidity/mortality study (BUILD-3) is evaluating the safety and efficacy of bosentan 125mg bid in patients diagnosed with idiopathic pulmonary fibrosis. The original enrollment target of 390 patients was achieved in Q1 2008. An expansion of the study to include Japan and South Korea has resulted in more

than 500 patients enrolled by the end of H1 2008. Enrollment is now expected to conclude later this year with around 600 patients. The study is expected to report final results towards the end of 2009.

Clazosentan in aSAH: This pivotal Phase III study CONSCIOUS-2 (Clazosentan to Overcome Neurological iSCHEmia and Infarct OccUrring after Subarachnoid hemorrhage) commenced enrollment of patients in 2007. It will measure the clinical benefits of this intravenous endothelin receptor antagonist through the primary endpoint of vasospasm-related morbidity and all-cause mortality, which includes neurological deterioration, new brain infarcts, introduction of vasospasm rescue therapy or death from any cause. CONSCIOUS-2 is a global study which will include a minimum of 765 patients with aSAH and aneurismal surgical clipping. Study results may become available in the second half of 2009.

Additional early clinical development programs include: allergy (CRTH₂ antagonist, proof-of mechanism), genetic disorders (miglustat in cystic fibrosis, Phase IIa), cardiopulmonary disorders (orally active prostaglandin PGI₂ agonist, Phase IIa), cardiovascular disorders (renin inhibitor, Phase II) and autoimmune disorders (selective S1P₁ receptor agonist, Phase I).

In Drug Discovery, there are more than 25 active programs. Actelion will provide an overview of its Research and Development capabilities and platforms at an upcoming R&D Day later in the second half of 2008.

Selling, general and administrative expenses for the first six months of 2008 amounted to CHF 255.1 million (H1 2007: CHF 243.0 m).

Operating profit

Actelion's operating profit for the first half of 2008 was CHF 137.2 million (H1 2007: operating loss of CHF 50.8 m). Cash EBIT for the same period amounted to CHF 190.8 million (H1 2007: CHF 231.0 m).

Net Profit

In the first six months of 2008, the net profit of CHF 127.1 million (H1 2007: net loss of CHF 53.0 m) includes interest income of CHF 10.6 million, interest expense of CHF 3.3 million, a non-cash charge on the Convertible Bond of CHF 0.8 million, foreign currency losses of CHF 4.8 million (the result of gains on hedging offset by losses on inter-company payables) and an income tax expense of CHF 11.8 million.

Cash and cash flow

During the first half of 2008, Actelion generated net cash flow from operations of CHF 141.4 million (H1 2007: CHF 149.3 m).

In H1 2008, Actelion continued to take advantage of existing market conditions to further mitigate future dilution through the purchase of additional treasury shares. At the end of June 2008, Actelion owned a total of 4.7 percent of its capital as treasury shares (31 December 2007: 3.3 %). In early 2008, in addition, Actelion concluded a program to reduce dilution by a further 4.1 percent through the purchase of derivative instruments.

For documentation purposes – table Q2 2008 vs. Q1 2008

In CHF thousands	Results Q2 2008	Results Q1 2008	Variance	%
Net revenues ⁽¹⁾	354,406	321,576	32,830	10
Operating expenses	284,952	253,814	31,138	12
- Research and development ⁽²⁾	107,322	93,918	13,404	14
- Selling, general and admin.	134,103	121,022	13,081	11
Operating income	69,454	67,762	1,692	2
Cash EBIT	99,291	91,500	7,791	9
Net income	78,770	48,335	30,435	63
Diluted EPS in CHF	0.64	0.39	0.25	64
No of shares in calculation (in thousands)	123,666	123,357	-	-

(1) A proportion of the quarterly increases or decreases in Tracleer® and Ventavis® sales might be attributable to buying pattern variations.

(2) A portion of R&D expenses incurred relate to milestones paid to Nippon Shinyaku in Q1 2008 (previously booked as IPRD) and in Q2 2008.

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To discuss the results, Actelion will host an Investor Conference Call / Webcast as follows:

Date/Time:

22 July 2008	15.30 hrs – 16.15 hrs	Basel (CEST)
	14.30 hrs – 15.15 hrs	U.K. (BST)
	09.30 a.m. – 10.15 a.m.	U.S. (EDT)

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
	U.K.:	+44 (0) 207 10 86 206
	U.S.:	+1 866 92 86 044

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 for further details <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/20080722/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.

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 1700 employees focus on the discovery, development and marketing of innovative drugs for significant unmet medical needs. Actelion shares are traded on the SWX Swiss Exchange (ticker symbol: ATLN).

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