

Strengthening a position of market leadership

Actelion remained on a fast growth track in 2006 and continued to build on its market leadership in pulmonary arterial hypertension (PAH), with sales of CHF 898.7 million for Tracleer® – an increase of 42% over the previous year. Actelion's acquisition of the American company CoTherix in 2006 and its licensing rights to market the only inhalable PAH therapy in the United States is projected to add substantial revenues in 2007, on top of robust Tracleer® sales.

The strong performance of Actelion's flagship product has been driven by an expansion of the Marketing and Sales force during the past two years. Customer segmentation has allowed key account managers to maximize this added marketing muscle, increasing the number of sales calls and the overall share of voice in the marketplace. A strategic reorganization in the Marketing and Sales force provided additional momentum. Global Medical Marketing Leaders now work in tandem with Global Brand Leaders to ensure aligned product positioning worldwide and better integration of market demands into clinical trial design.

Actelion's commitment to expand Tracleer® into new indications where there is an unmet medical need will continue to broaden the company's foundation. Based on the results of the BREATHE-5 study, the approved label for Tracleer® has been amended in several markets to include treatment for Eisenmenger's syndrome, a severe congenital heart defect. Strong data from the EARLY clinical trial in mildly symptomatic pulmonary arterial hypertension (NYHA modified functional class II), which represents a major advance in treating patients in the first stages of this disease, will be submitted in spring 2007 for review by regulatory authorities for possible label expansion. Actelion also expects to submit clinical data from the FUTURE-1 trial, which shows the benefits of a special formulation of Tracleer® for children afflicted with PAH.

As pulmonary arterial hypertension is still underreported and often misdiagnosed, education continues to be a pillar of the marketing strategy. At the World Congress of Cardiology in Barcelona in September 2006, Actelion launched the first-ever global PAH awareness campaign targeted at healthcare professionals. This campaign included the launch of an educational website (www.pah-info.com) to provide the medical community with up-to-date information on the disease and its diagnosis.

Expanded global presence and accelerated US sales with Ventavis®

Geographic expansion was another driving force behind Actelion's success in 2006, with Tracleer® now available in more than 30 countries. Some of the fastest sales growth rates were posted by Brazil, Eastern Europe, China and South Korea. These markets will contribute an increasing proportion of total revenue for Tracleer® in the coming years.

The acquisition of the American company CoTherix and its licensing rights for Ventavis® (iloprost) in 2006 are considerably strengthening Actelion's franchise in pulmonary arterial hypertension in the United States. Ventavis®, the only inhalable PAH therapy on the US market, has a mode of action that complements the mechanism of Tracleer® as a dual endothelin receptor antagonist. Actelion will continue the VISION trial, initiated by CoTherix, which evaluates the safety and efficacy of Ventavis® in combination with orally available therapies. In addition, Actelion is exploring ways to improve the inhalation device and formulations of Ventavis®.



“The established position of Tracleer® as the first-line, cornerstone therapy in PAH, a significant increase in our Marketing and Sales force, ongoing geographic expansion and a multi-pronged competitive strategy will keep us on track for continued strong growth and enable us to master the challenges of new entries to the market in 2007.”

Christian Chavy

President of Business Operations





“In 2006, Actelion signed two landmark business deals. The co-development and co-marketing agreement with Roche on our S1P₁ agonist underscores the maturity of our scientific capabilities and our Marketing and Sales infrastructure. The acquisition of CoTherix and the licensing rights to Ventavis[®] in the US will strengthen our leadership in PAH and boost our annual sales.”

Simon Buckingham

President of Corporate and Business Development

Zavesca[®] continues steady sales growth as key clinical trial progresses

Actelion's second product on the market, Zavesca[®] (miglustat), achieved sales of CHF 25.4 million in 2006, almost doubling from the previous year. Zavesca[®], currently indicated for mild to moderate type 1 Gaucher patients unwilling or unable to undergo enzyme replacement therapy with Genzyme's Cerezyme[®] (imiglucerase), combines a novel mode of action with a convenient oral form. The key to capturing a greater share of the current USD 900-million market is the MAINTENANCE study, which evaluates whether patients with type 1 Gaucher disease treated with imiglucerase remain stable after switching to Zavesca[®]. Recently generated clinical data with Zavesca[®] in another rare liposomal storage disease, Niemann Pick Type C, has led to a regulatory filing in the European Union to expand the label in this indication.

Prepared to master new competitive challenges in the PAH market

The position of Tracleer[®] as the only approved endothelin receptor antagonist for PAH is ending as new competitors from the same class enter the market in 2007. Building on the established position of Tracleer[®] as the first-line, cornerstone therapy for PAH backed by years of efficacy and safety patient data, Actelion is prepared to meet this challenge. Based on this strong data, the company's multi-pronged strategy includes a broad outreach program to find and treat undiagnosed patients through continued educational efforts, and intensive collaboration with prescribing physicians and key opinion leaders in the scientific community to expand existing therapeutic options.

Pfizer's PAH therapy, Revatio[®], which contains the same active ingredient (sildenafil) as Viagra[®], was launched in the US in 2005 and in major EU countries in 2006. Marketing activities by the world's largest pharmaceutical company have increased awareness about pulmonary arterial hypertension and expanded the overall market. Revatio[®], which has a different mode of action than Tracleer[®], is often prescribed as a complementary therapy to Tracleer[®]. To provide the necessary controlled clinical data for such an approach, Actelion has initiated several studies evaluating the safety and efficacy of combining these two agents.

Making the most of external business opportunities in 2006

Actelion's Strategic Plan states that while the main engine of growth remains the discovery and development capabilities of Actelion's own scientists, seizing external opportunities offered by acquisitions, alliances and licensing are an integral part of attaining a long-term above-industry growth trajectory.

The acquisition of CoTherix for USD 389 million in 2006 illustrates how these principles are translated into action. By acquiring the marketing rights in the US for Ventavis[®], Actelion not only strengthened its franchise in PAH but also gained a product that will significantly boost annual sales revenue. The co-development and co-marketing deal with Roche in 2006 on the S1P₁ agonist demonstrates how strong alliance partners can accelerate value creation for shareholders.

Value creation demands a complete understanding of the goals and challenges ahead. Accordingly, Actelion's management undertook a major communication effort in 2006 to align the organization behind its ambitious goal to become one of the world's leading biopharmaceutical companies.