



May 7, 2013

## Achillion Reports First Quarter 2013 Financial Results

NEW HAVEN, Conn., May 7, 2013 (GLOBE NEWSWIRE) -- **Achillion Pharmaceuticals, Inc.** (Nasdaq:ACHN) today reported financial results for the three months ended March 31, 2013. For the first quarter of 2013, the Company reported a net loss of \$11.7 million or \$0.14 per share, compared with a net loss of \$9.1 million or \$0.13 per share for the first quarter of 2012. Cash, cash equivalents, marketable securities and interest receivable as of March 31, 2013 were \$200.9 million.

"Our goal to advance our potentially best-in-class HCV compounds continued to pick up significant momentum during 2013. We believe that the 12-week safety and efficacy results recently announced on ACH-3102, our second-generation pan-genotypic NS5A inhibitor, continue to support its differentiated profile with a high barrier to resistance and no viral breakthrough," commented Michael D. Kishbauch, President and Chief Executive Officer of Achillion. "We recently initiated an all-oral Phase 2 program evaluating sovalprevir and ACH-3102 for the treatment of genotype 1 HCV, and we expect to achieve a number of significant catalysts over the next few months including interim RVR results from the -007 trial in the third quarter, followed by SVR results during the fourth quarter. Furthermore, we remain focused on evaluating additional assets with complementary mechanisms of action that could potentially expand our treatment regimens to treat subsets of patient populations not adequately addressed by current regimens."

### First Quarter 2013 Results

For the first quarter of 2013, the Company reported a net loss of \$11.7 million, or \$0.14 per share, compared with a net loss of \$9.1 million, or \$0.13 per share for the first quarter of 2012. Cash, cash equivalents, marketable securities, and interest receivable as of March 31, 2013 were \$200.9 million.

Research and development expenses were \$8.7 million in the first quarter of 2013, compared with \$8.9 million for the same period of 2012. For the three months ended March 31, 2013, general and administrative expenses totaled \$3.1 million, an increase from \$2.7 million for the same period in 2012.

No revenue was recognized for the three months ended March 31, 2013, compared with revenue of \$2.5 million for the three months ended March 31, 2012. Revenue during the first quarter of 2012 was related to recognition of deferred revenue under the Company's former collaboration with Gilead Sciences, Inc.

Non-cash stock compensation expense totaled \$1.4 million for the first quarter of 2013 as compared with \$0.9 million for the first quarter of 2012, and is included in research and development and general and administrative expenses.

### About HCV

The hepatitis C virus is the most common cause of viral hepatitis, which is an inflammation of the liver. It is currently estimated that more than 170 million people are infected with HCV worldwide including more than 5 million people in the United States, more than twice as widespread as HIV. Three-fourths of the HCV patient population is undiagnosed; it is a silent epidemic and a major global health threat. Chronic hepatitis, if left untreated, can lead to permanent liver damage that can result in the development of liver cancer, liver failure or death. Few therapeutic options currently exist for the treatment of HCV infection. The current standard of care is limited by its specificity for certain types of HCV, significant side-effect profile, and injectable route of administration.

### About Achillion Pharmaceuticals

Achillion is an innovative pharmaceutical company dedicated to bringing important new treatments to patients with infectious disease. Achillion's proven discovery and development teams have advanced multiple product candidates with novel mechanisms of action. Achillion is focused on solutions for the most challenging problems in infectious disease including HCV and resistant bacterial infections. For more information on Achillion Pharmaceuticals, please visit [www.achillion.com](http://www.achillion.com) or call 1-203-624-7000.

### Forward-Looking Statements

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 important factors that could cause actual results to differ materially

from those indicated by such forward-looking statements, including statements with respect to: the potency, safety, tolerability, effectiveness and other characteristics of Achillion's protease inhibitors and NS5A inhibitors; Achillion's expectations regarding timing for the commencement, completion and reporting of results of clinical trials of drug candidates in its protease inhibitor and NS5A inhibitor programs; and Achillion's ability to advance a potentially best-in-class all-oral, interferon-free combination protease and NS5A inhibitor. Among the factors that could cause actual results to differ materially from those indicated by such forward-looking statements are risks relating to, among other things Achillion's ability to: replicate in later clinical trials positive results found in earlier stage clinical trials of sovalprevir, ACH-3102 and its other product candidates; advance the development of its drug candidates under the timelines it anticipates in current and future clinical trials; obtain necessary regulatory approvals; obtain patent protection for its drug candidates and the freedom to operate under third party intellectual property; establish commercial manufacturing arrangements; identify, enter into and maintain collaboration agreements with appropriate third-parties; compete successfully with other companies that are seeking to develop improved therapies for the treatment of HCV; manage expenses; and raise the substantial additional capital needed to achieve its business objectives. These and other risks are described in the reports filed by Achillion with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and its subsequent SEC filings.

In addition, any forward-looking statement in this press release represents Achillion's views only as of the date of this press release and should not be relied upon as representing its views as of any subsequent date. Achillion disclaims any obligation to update any forward-looking statement, except as required by applicable law.

**-- Financial Tables Attached --**

**ACHILLION PHARMACEUTICALS INC. (ACHN)**

**Statements of Operations**

**(Unaudited, in thousands, except per share amounts)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
Revenue	<u>\$ --</u>	<u>\$ 2,489</u>
Operating expenses:		
Research and development	8,719	8,942
General and administrative	<u>3,074</u>	<u>2,739</u>
Total operating expenses	<u>11,793</u>	<u>11,681</u>
Loss from operations	<u>(11,793)</u>	<u>(9,192)</u>
Other income (expense):		
Interest income	77	65
Interest expense	<u>(22)</u>	<u>(14)</u>
Net loss	<u>\$ (11,738)</u>	<u>\$ (9,141)</u>
Net loss per share - basic and diluted	<u>\$ (0.14)</u>	<u>\$ (0.13)</u>
Weighted average shares outstanding - basic and diluted	<u>85,850</u>	<u>70,411</u>

**Balance Sheets****(Unaudited, in thousands)**

---

	<b>March 31,</b>	<b>December 31,</b>
	<b>2013</b>	<b>2012</b>
Cash, cash equivalents, marketable securities and interest receivable	\$ 200,865	\$ 77,611
Working capital	138,777	58,731
Total assets	205,835	81,530
Long-term liabilities	255	347
Total liabilities	10,835	9,483
Total stockholders' (deficit) equity	205,835	72,047

CONTACT: Company Contact:

Glenn Schulman

Achillion Pharmaceuticals, Inc.

Tel. (203) 624-7000

gschulman@achillion.com

Investors:

Mary Kay Fenton

Achillion Pharmaceuticals, Inc.

Tel. (203) 624-7000

mfenton@achillion.com

Media:

Sally Barton

Ogilvy PR

Tel. (212)880-5240

sally.barton@ogilvy.com

Investors:

Seth Lewis

The Trout Group, LLC

Tel. (646) 378-2952

slewis@troutgroup.com