

## Media Release

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15 March 2017

### **Actelion issues invitation to 2017 Annual General Meeting of Shareholders**

**ALLSCHWIL/BASEL, SWITZERLAND – 15 March 2017** – Actelion Ltd (SIX: ATLN) today issued the formal invitation to the upcoming Annual General Meeting (AGM) of Shareholders on behalf of the Board of Directors. The meeting to approve the Business Report of the year ending 31 December 2016 will be held on 05 April 2017 at 10.00 CEST at the premises of Actelion, Hegenheimerweg 95, 4123 Allschwil, Switzerland.

#### **NOTES TO SHAREHOLDERS**

The invitation was published in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*) on 15 March 2017 and is available, together with the Company's Annual Report and Compensation Report, on [www.actelion.com](http://www.actelion.com).

In order to attend and vote at the Annual General Meeting of Shareholders, Shareholders must have been registered in the Company's shareholder register by 31 March 2017 at the latest.

As previously announced, Janssen Holding GmbH, Zug, an indirect subsidiary of Johnson & Johnson, (the "Offeror"), made a public tender offer for all of the shares of Actelion Ltd. (the "Offer"). The Board of Directors is recommending to the shareholders of Actelion Ltd (the "Shareholder(s)") to accept the Offer in the Report of the Board of Directors, which is available on [www.actelion.com/proposed-transaction](http://www.actelion.com/proposed-transaction). In connection with the Offer, Actelion's drug discovery and early clinical pipeline business shall be demerged and transferred to a newly-created entity, Idorsia Ltd, Allschwil (the "Demerger", and together with the Offer, the "Transactions"). For a detailed description of the Transactions, please refer to the Shareholder Information Brochure, which can be downloaded from Actelion's website under [www.actelion.com/agm](http://www.actelion.com/agm).

As part of the Offer, the Offeror nominates candidates to Actelion Ltd's Board of Directors to take office with effect from the settlement of the Offer, while the term of the existing members of the Board of Directors to be re-elected shall expire as per the same date (agenda items 4 and 5). For the purposes of the Demerger, the Board of Directors proposes to distribute the shares in Idorsia Ltd to the Shareholders by way of a dividend in kind (agenda item 6).

Shareholders should note that the settlement of the Offer is, inter alia, conditional upon the Shareholders having approved the election of the candidates nominated by the Offeror (agenda item 5.1) as well as the distribution of the shares in Idorsia Ltd to the Shareholders (agenda item 6). If these agenda items are not approved and such conditions are not waived in accordance with the terms of the Offer, the Offer will be declared unsuccessful and will, thus, terminate. The Board of Directors, therefore, strongly recommends that Shareholders vote in favor of these agenda items if they wish for the Offer to proceed and complete.

*Note for Shareholders who have tendered their shares into the Offer:* Please note that the tendering of your shares does not affect your entitlement to participate in the Annual General Meeting and to exercise your voting rights.

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## **NOTES TO EDITORS**

### **LETTER FROM THE CHAIRMAN**

Dear Shareholder,

Actelion is undergoing an exciting period of development and change.

As you are aware, we were approached last year by Johnson & Johnson, who proposed that together we explore the rich strategic opportunities for collaboration between our two companies. A truly innovative proposal has come out of these extensive discussions. We are proud to have now reached an agreement that allows you to realize substantial value from Actelion's products and late-stage pipeline assets through the sale of your Actelion shares for cash, while at the same time retaining a significant stake in the future potential upside of Actelion's early stage pipeline through ownership of Idorsia Ltd, a new independent biopharmaceutical company that will specialize in the discovery, development and commercialization of small molecule therapeutics to address significant unmet medical needs.

### **OUR PROPOSAL HAS TWO CONSTITUENT PARTS: A TENDER OFFER AND A DEMERGER.**

- **THE TENDER OFFER:** Janssen Holding GmbH, an indirect subsidiary of Johnson & Johnson, has already made an offer to acquire all of the shares of Actelion at an all cash price of USD 280 per share. Subject to extensions, the main offer period is expected to remain open until 30 March 2017. In the report of Actelion's board of directors contained in the tender offer prospectus, we have already recommended to the shareholders of Actelion to accept the offer and Actelion's board and I encourage you to participate and tender your shares. Actelion will retain its current marketed products as well as certain late-stage product candidates.

- **THE DEMERGER:** Actelion's drug discovery and early clinical pipeline business will be separated into a newly-created entity, Idorsia Ltd. As part of the demerger, we propose to distribute the ownership of Idorsia to shareholders by way of a dividend in kind (one Idorsia share for each Actelion share held), and at Actelion's general meeting on 5 April 2017, we will ask you to vote to approve this dividend in kind.

**It is important to bear in mind that if the dividend in kind is not approved at this general meeting, the tender offer and the demerger will not complete.**

As a shareholder of Actelion who has invested in the company and supported the development of its pipeline, you have the opportunity to continue to share in future successes through the unique structure of the proposed transaction. Led by Jean-Paul Clozel and the experienced and proven scientific team of Actelion, I have high expectations for this new biopharmaceutical company with access to over CHF 1 billion in cash, equipped with state of the art technology and benefitting from a broad portfolio of innovative drugs in its pipeline inherited from Actelion. Assuming the tender offer is successful and you approve the demerger, Idorsia shares are expected to be listed on SIX and to commence trading in the second quarter of 2017.

In the event that the tender offer and demerger are successful, Actelion will become a member of the Johnson & Johnson family of companies. It is also envisaged that following completion of the tender offer and the demerger, Johnson & Johnson will hold 16% of the shares of Idorsia through the conversion of the first tranche of a convertible loan, with the right to increase its shareholding to 32% (based on the number of Idorsia shares as of the first day of trading, on a post-conversion basis) in the future through the conversion of the second tranche of the same convertible loan.

We have described the proposed transaction structure and the benefits that you will receive in a shareholder information brochure. The brochure is available to download from [www.actelion.com](http://www.actelion.com) and may be printed upon request to [investor.relations@actelion.com](mailto:investor.relations@actelion.com). We are confident that you will share our view that the transaction is in the best interests of all parties involved and recommend you vote to approve the proposals put to you at the general meeting on 5 April 2017.

For the board of directors of Actelion Ltd

Jean-Pierre Garnier

Chairman of the board of directors

## **AGENDA FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2017**

1. Annual Report 2016, Consolidated Financial Statements 2016, Statutory Financial Statements 2016 and Compensation Report 2016
  - 1.1 Approval of Annual Report 2016, Consolidated Financial Statements 2016, Statutory Financial Statements 2016
  - 1.2 Consultative Vote on the Compensation Report 2016
2. Appropriation of Available Earnings
3. Discharge of the Board of Directors and of the Executive Management
4. Re-election of the Current Board of Directors
  - 4.1 Re-election of the Board of Directors
  - 4.2 Re-election of the Chairperson of the Board of Directors
  - 4.3 Re-election of the Compensation Committee
5. Election of the New Board of Directors
  - 5.1 Election of the Board of Directors
  - 5.2 Election of the Chairperson of the Board of Directors
  - 5.3 Election of the Compensation Committee
6. Distribution of all Shares in Idorsia Ltd to the Shareholders of Actelion by Way of a Dividend in Kind for the Purpose of Implementing the Demerger
7. Election of the Independent Proxy
8. Election of the Statutory Auditors
9. Reduction of Share Capital by Cancellation of Repurchased Shares of Actelion Ltd

### **Actelion Ltd.**

Actelion Ltd. is a leading biopharmaceutical company focused on the discovery, development and commercialization of innovative drugs for diseases with significant unmet medical needs.

Actelion is a leader in the field of pulmonary arterial hypertension (PAH). Our portfolio of PAH treatments covers the spectrum of disease, from WHO Functional Class (FC) II through to FC IV, with oral, inhaled and intravenous medications. Although not available in all countries, Actelion has treatments approved by health authorities for a number of specialist diseases including Type 1 Gaucher disease, Niemann-Pick type C disease, Digital Ulcers in patients suffering from systemic sclerosis, and mycosis fungoides in patients with cutaneous T-cell lymphoma.

Founded in late 1997, with now over 2,600 dedicated professionals covering all key markets around the world including the US, Japan, China, Russia and Mexico, Actelion has its corporate headquarters in Allschwil / Basel, Switzerland.

Actelion shares are traded on the SIX Swiss Exchange (ticker symbol: ATLN) as part of the Swiss blue-chip index SMI (Swiss Market Index SMI®). All trademarks are legally protected.

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The above information contains certain "forward-looking statements", relating to the company's business, which can be identified by the use of forward-looking terminology such as "estimates", "believes", "expects", "may", "are expected to", "will", "will continue", "should", "would be", "seeks", "pending" or "anticipates" or similar expressions, or by discussions of strategy, plans or intentions. Such statements include descriptions of the company's investment and research and development programs and anticipated expenditures in connection therewith, descriptions of new products expected to be introduced by the company and anticipated customer demand for such products and products in the company's existing portfolio. Such statements reflect the current views of the company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected.