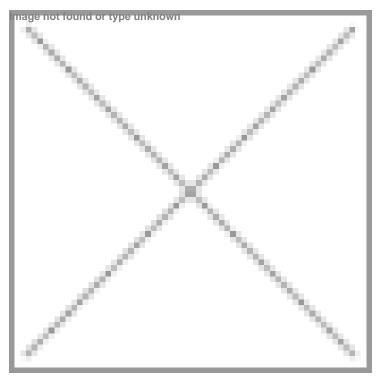


## Allergan to buy US based Vitae Pharmaceuticals

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Allergan plc and Vitae Pharmaceuticals, Inc. has announced that they have entered into a definitive agreement under which Allergan will acquire Vitae for \$21.00 per share, in cash, for a total transaction value of approximately \$639 million. The Boards of Directors of both companies have unanimously approved the transaction.

The acquisition will strengthen Allergan's dermatology product pipeline, with the addition of VTP-43742, a Phase 2 first-inclass, orally active RORÎ<sup>3</sup>t (retinoic acid receptor-related orphan receptor gamma) inhibitor for the potential treatment of psoriasis and other autoimmune disorders. VTP-43742 acts through the potent inhibition of IL-17 activity.

The acquisition also adds VTP-38543, a topical LXRÎ<sup>2</sup> (Liver X Receptor beta) selective agonist for the potential treatment of atopic dermatitis. VTP-38543 is currently in a Phase 2a proof-of-concept clinical trial assessing the safety, tolerability and efficacy in patients with mild to moderate atopic dermatitis.

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Vitae has developed and utilizes its Contour structure-based drug design platform to discover product candidates for validated therapeutic targets where biopharmaceutical research and development has traditionally struggled to develop drugs due to challenges related to potency, selectivity and pharmacokinetics. This has provided Vitae's R&D team the ability to create first-in-class product candidates for challenging therapeutic targets.

"The acquisition of Vitae is a strategic investment for Allergan that adds strength and depth to our innovative medical dermatology franchise," said Brent Saunders, CEO and President of Allergan. "Vitae has pioneered the discovery and development of highly differentiated first-in-class compounds in atopic dermatitis, psoriasis and autoimmune diseases, areas of medicine where innovation is needed for patients."

"The Vitae team has been tremendously successful in discovering and conducting early development work in areas of medicine that can benefit from significant innovation," said Jeff Hatfield, President and Chief Executive Officer of Vitae. "Allergan has a long track record in developing and commercializing innovative dermatologic treatments. I believe our programs will be poised for successful development as part of Allergan's portfolio. I am very proud of the tremendous contributions of our research teams and the clinical community who have led the discovery and development of our pipeline programs, and I thank them for their dedication to this science that may one day help many patients with dermatologic conditions, autoimmune disorders and potentially other conditions."

Under the terms of the merger agreement, a subsidiary of Allergan will commence a cash tender offer to purchase all of the outstanding shares of Vitae common stock for \$21.00 per share. The closing of the tender offer is subject to customary closing conditions, including U.S. antitrust clearance and the tender of a majority of the outstanding shares of Vitae common stock. The merger agreement contemplates that Allergan will acquire any shares of Vitae that are not tendered into the offer through a second-step merger, which will be completed promptly following the closing of the tender offer. Pending approvals, Allergan anticipates closing the transaction by the end of 2016.

Debevoise & Plimpton LLP is serving as Allergan's legal counsel. J.P. Morgan is serving as financial advisor to Vitae and Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP is serving as Vitae's legal counsel.