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News Release

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Latuda[®] (lurasidone HCl) was Associated with Low Rates of Weight Gain and Metabolic Changes in Patients with Schizophrenia in Data Presented at the 164th Meeting of the American Psychiatric Association

Results Were Consistent Across Pooled Short and Longer-Term Studies

MARLBOROUGH, Mass., May 17, 2011 – Sunovion Pharmaceuticals Inc. today announced results from a new pooled data analysis on weight and metabolic parameters across short- and long-term studies in adult patients with schizophrenia treated with Latuda[®] (lurasidone HCl) tablets. These data were presented at the Annual Meeting of the American Psychiatric Association in Honolulu, Hawaii.

The short-term data were pooled from seven double-blind, placebo-controlled, six-week studies in patients with schizophrenia. In this pooled analysis, patients treated with LATUDA (once-daily doses of 20-160 mg) experienced, on an overall basis, low rates of weight gain and metabolic changes. The results for the pooled analysis of short-term study data were as follows:

- Weight*: +0.43 kg for LATUDA (n=1486); -0.02 for placebo (n=696)
- Clinically significant weight gain (≥7%): 4.8% for LATUDA (n=1486); 3.3% for placebo (n=696)
- Total cholesterol**: -5.0 mg/dL for LATUDA (n=1419); -5.0 for placebo (n=660)
- Triglycerides**: -4.0 mg/dL for LATUDA (n=1419); -6.0 for placebo (n=660)
- Glucose**: 0.0 mg/dL for LATUDA (n=1453); 0.0 mg/dL for placebo (n=680)

*As measured by mean LOCF endpoint change

** As measured by median LOCF endpoint change

“The potential effect of antipsychotic use on metabolic parameters in patients with schizophrenia is an area of concern for clinicians and the research community,” said Antony Loebel, M.D., executive vice president, Clinical Research and Medical Affairs at Sunovion Pharmaceuticals Inc.

“We are encouraged by the results of this comprehensive database analysis and will continue researching the effect of LATUDA on weight and metabolic disturbance in short and longer-term treatment.”

Longer-term (ranging from 6-22 months) open-label treatment data were also included in this pooled analysis. The pooled analysis showed that change from baseline at month 12 on weight and various metabolic parameters for LATUDA-treated patients versus placebo were as follows:

- Weight: -0.73 kg (mean) (n=377)
- Body mass index (BMI): -0.25 kg/m² (mean) (n=377)
- Total cholesterol: -2.0 mg/dL (median) (n=307)
- Triglycerides: -5.0 mg/dL (median) (n=307)
- Glucose: +1.0 mg/dL (median) (n=307)

LATUDA received U.S. Food and Drug Administration (FDA) approval for the treatment of schizophrenia on October 28, 2010 and is available in pharmacies across the U.S. and Puerto Rico. The 160 mg/day dose has not been reviewed or approved by the FDA.

About LATUDA

LATUDA is an atypical antipsychotic indicated for the treatment of patients with schizophrenia. Efficacy was established in four 6-week controlled studies of adult patients with schizophrenia. The effectiveness of LATUDA for longer-term use, that is, for more than 6 weeks, has not been established in controlled studies. Therefore, the physician who elects to use LATUDA for extended periods should periodically re-evaluate the long-term usefulness of the drug for the individual patient.

The recommended starting dose for LATUDA is 40mg/day taken with food (at least 350 calories) with no initial dose titration required. LATUDA has been shown to be effective in dose range of 40 mg/day to 120 mg/day. In the 6-week controlled trials, there was no suggestion of added benefit with the 120 mg/day dose, but there was a dose-related increase in certain adverse reactions. Therefore, the maximum recommended dose is 80 mg/day. For patients with moderate to severe renal or hepatic impairment, the dose of LATUDA should not exceed 40 mg/day. LATUDA should not be administered with strong CYP3A4 inhibitors such as ketoconazole or strong CYP3A4 inducers such as rifampin.

Please see Important Safety Information, including **Boxed Warning** below, and full Prescribing Information at www.LATUDA.com.

IMPORTANT SAFETY INFORMATION FOR LATUDA

WARNING: INCREASED MORTALITY IN ELDERLY PATIENTS WITH DEMENTIA-RELATED PSYCHOSIS

Elderly patients with dementia-related psychosis treated with antipsychotic drugs are at an increased risk of death. Analyses of 17 placebo-controlled trials (modal duration of 10 weeks), largely in patients taking atypical antipsychotic drugs, revealed a risk of death in the drug-treated patients of between 1.6 to 1.7 times that seen in placebo-treated patients. Over the course of a typical 10-week controlled trial, the rate of death in drug-treated patients was about 4.5% compared to a rate of about 2.6% in the placebo group. Although the causes of death were varied, most of the deaths appeared to be either cardiovascular (e.g., heart failure, sudden death) or infectious (e.g., pneumonia) in nature. LATUDA is not approved for the treatment of patients with dementia-related psychosis.

CONTRAINDICATIONS

LATUDA is contraindicated in any patient with a known hypersensitivity to lurasidone HCl or any components in the formulation. Angioedema has been observed with lurasidone. LATUDA is contraindicated with strong CYP3A4 inhibitors (e.g., ketoconazole) and strong CYP3A4 inducers (e.g., rifampin).

WARNINGS AND PRECAUTIONS

Cerebrovascular Adverse Reactions, Including Stroke: In placebo-controlled trials with risperidone, aripiprazole, and olanzapine in elderly subjects with dementia, there was a higher incidence of cerebrovascular adverse reactions (cerebrovascular accidents and transient ischemic attacks) including fatalities compared to placebo-treated subjects. LATUDA is not approved for the treatment of patients with dementia-related psychosis.

Neuroleptic Malignant Syndrome (NMS): NMS, a potentially fatal symptom complex, has been reported with administration of antipsychotic drugs, including LATUDA. NMS can cause hyperpyrexia, muscle rigidity, altered mental status and evidence of autonomic instability (irregular pulse or blood pressure, tachycardia, diaphoresis, and cardiac dysrhythmia). Additional signs may include elevated creatine phosphokinase, myoglobinuria (rhabdomyolysis), and acute renal failure. The management of NMS should include: 1) immediate discontinuation of antipsychotic drugs and other drugs not essential to

concurrent therapy; 2) intensive symptomatic treatment and medical monitoring; and 3) treatment of any concomitant serious medical problems for which specific treatments are available.

Tardive Dyskinesia (TD): TD is a syndrome consisting of potentially irreversible, involuntary, dyskinetic movements that can develop in patients with antipsychotic drugs. There is no known treatment for established cases of TD, although the syndrome may remit, partially or completely, if antipsychotic treatment is withdrawn. The risk of developing TD and the likelihood that it will become irreversible are believed to increase as the duration of treatment and the total cumulative dose of antipsychotic drugs administered to the patient increase. However, the syndrome can develop, although much less commonly, after relatively brief treatment periods at low doses. Given these considerations, LATUDA should be prescribed in a manner that is most likely to minimize the occurrence of TD. If signs and symptoms appear in a patient on LATUDA, drug discontinuation should be considered.

Metabolic Changes

Hyperglycemia and Diabetes Mellitus: Hyperglycemia, in some cases extreme and associated with ketoacidosis or hyperosmolar coma or death, has been reported in patients treated with atypical antipsychotics. Patients with risk factors for diabetes mellitus (e.g., obesity, family history of diabetes) who are starting treatment with atypical antipsychotics should undergo fasting blood glucose testing at the beginning of and periodically during treatment. Any patient treated with atypical antipsychotics should be monitored for symptoms of hyperglycemia including polydipsia, polyuria, polyphagia, and weakness. Patients who develop symptoms of hyperglycemia during treatment with atypical antipsychotics should undergo fasting blood glucose testing. In some cases, hyperglycemia has resolved when the atypical antipsychotic was discontinued; however, some patients required continuation of anti-diabetic treatment despite discontinuation of the suspect drug.

Dyslipidemia: Undesirable alterations in lipids have been observed in patients treated with atypical antipsychotics.

Weight Gain: Weight gain has been observed with atypical antipsychotic use. Clinical monitoring of weight is recommended.

Hyperprolactinemia: As with other drugs that antagonize dopamine D2 receptors, LATUDA elevates prolactin levels. Galactorrhea, amenorrhea, gynecomastia, and impotence have been reported in patients receiving prolactin-elevating compounds. In short-term, placebo-controlled studies, the increase in prolactin was greater in LATUDA-treated female patients; the median change from baseline to endpoint for females was 1.5 ng/mL and was 1.1 ng/mL in males. The increase in prolactin concentrations was dose-dependent. The proportion of female patients with prolactin elevations $\geq 5x$ ULN was 8.3% for LATUDA-treated patients versus 1% for placebo-treated female patients. The proportion of male patients with prolactin elevations $> 5x$ ULN was 1.9% versus 0.6% for placebo-treated male patients.

Leukopenia, Neutropenia, and Agranulocytosis: Leukopenia/neutropenia has been reported during treatment with antipsychotic agents. Agranulocytosis (including fatal cases) has been reported with other agents in the class. Patients with a preexisting low white blood cell count (WBC) or a history of drug induced leukopenia/neutropenia should have their complete blood count (CBC) monitored frequently during the first few months of therapy, and LATUDA should be discontinued at the first sign of a decline in WBC in the absence of other causative factors.

Orthostatic Hypotension and Syncope: LATUDA may cause orthostatic hypotension. LATUDA should be used with caution in patients with known cardiovascular disease (e.g., heart failure, history of myocardial infarction, ischemia, or conduction abnormalities), cerebrovascular disease, or conditions that predispose the patient to hypotension (e.g., dehydration, hypovolemia, and treatment with antihypertensive medications). Monitoring of orthostatic vital signs should be considered in all patients who are vulnerable to hypotension.

Seizures: LATUDA should be used cautiously in patients with a history of seizures or with conditions that lower seizure threshold (e.g., Alzheimer's dementia).

Potential for Cognitive and Motor Impairment: In short-term, placebo-controlled trials, somnolence was reported in 22.3% (224/1004) of patients treated with LATUDA compared to 9.9% (45/455) of placebo patients, respectively. The frequency of somnolence increases with dose. Patients should be

cautioned about operating hazardous machinery, including motor vehicles, until they are reasonably certain that therapy with LATUDA does not affect them adversely.

Body Temperature Regulation: Disruption of the body's ability to reduce core body temperature has been attributed to antipsychotic agents. Appropriate care is advised when prescribing LATUDA for patients who will be experiencing conditions that may contribute to an elevation in core body temperature, e.g., exercising strenuously, exposure to extreme heat, receiving concomitant medication with anticholinergic activity, or being subject to dehydration.

Suicide: The possibility of suicide attempt is inherent in psychotic illness and close supervision of high-risk patients should accompany drug therapy. Prescriptions for LATUDA should be written for the smallest quantity of tablets consistent with good patient management in order to reduce the risk of overdose.

Dysphagia: Esophageal dysmotility and aspiration have been associated with antipsychotic drug use. Aspiration pneumonia is a common cause of morbidity and mortality in elderly patients, in particular those with advanced Alzheimer's dementia. LATUDA is not indicated for the treatment of dementia-related psychosis, and should not be used in patients at risk for aspiration pneumonia.

DRUG INTERACTIONS

Drug Interactions: Given the primary CNS effects of LATUDA, caution should be used when it is taken in combination with other centrally acting drugs and alcohol.

ADVERSE REACTIONS

Commonly Observed Adverse Reactions (≥5% and at least twice that for placebo): The most commonly observed adverse reactions in patients treated with LATUDA in short-term clinical studies were somnolence, akathisia, nausea, parkinsonism, and agitation.

Before prescribing LATUDA, please read the full Prescribing Information, including **Boxed Warning** at www.LATUDA.com.

About Schizophrenia

Schizophrenia is a chronic, disabling and serious brain disorder that affects approximately 2.4 million American adults or 1 in 100 people. Schizophrenia is characterized by symptoms such as hallucinations, delusions, disorganized thinking, lack of emotion, lack of energy, as well as problems with memory, attention and the ability to plan, organize and make decisions.

About Sunovion Pharmaceuticals Inc. (Sunovion)

Sunovion is a leading pharmaceutical company dedicated to discovering, developing and commercializing therapeutic products that advance the science of medicine in the central nervous system (CNS) and respiratory disease areas and improve the lives of patients and their families. Sunovion's drug development program, together with its corporate development and licensing efforts, has yielded a portfolio of pharmaceutical products including LATUDA[®] brand lurasidone HCl, LUNESTA[®] brand eszopiclone, XOPENEX[®] brand levalbuterol HCl Inhalation Solution, XOPENEX HFA[®] brand levalbuterol tartrate inhalation aerosol, BROVANA[®] brand formoterol tartrate inhalation solution, OMNARIS[®] brand ciclesonide nasal spray and ALVESCO[®] brand ciclesonide HFA inhalation aerosol.

Sunovion, an indirect, wholly-owned subsidiary of Daiippon Sumitomo Pharma Co., Ltd., is headquartered in Marlborough, Mass. More information about Sunovion Pharmaceuticals Inc. is available at www.sunovion.com.

About Daiippon Sumitomo Pharma Co., Ltd. (DSP)

DSP is a multi-billion dollar, top-ten listed pharmaceutical company in Japan with a diverse portfolio of pharmaceutical, animal health and food and specialty products. DSP aims to produce innovative pharmaceutical products in the CNS field, which has been designated as the key therapeutic area and will also focus in on other specialty disease categories with significant unmet medical needs, which are designated as frontier therapeutic areas. DSP is based on the merger in 2005 between Daiippon Pharmaceutical Co., Ltd., and Sumitomo Pharmaceuticals Co., Ltd. Today, DSP has more than 7,000 employees worldwide. Additional information about DSP is available through its corporate website at www.ds-pharma.com.

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