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CHIRON

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20 MAR. 2000

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14 March 2000

Rachid Benhamza, Ph. D.
Helsinn Healthcare SA
P.O. Box 357
6915 Pambio-Noranco
(Lugano) Switzerland

Subject: Palonosetron Opportunity

Dear Mr. Benhamza:

I am writing in response to your inquiry to Andrew Gengos of 15 February 2000 regarding the Palonosetron opportunity. After a comprehensive internal review, we have concluded that the program does not correspond with our current priorities.

Our review of the data raised concerns over Palonosetron's potential competitive advantages with respect to present 5-HT3 products in terms of efficacy and ease of administration (given its required IV administration). In addition, we feel the market potential for a Palonosetron product may be limited by the crowded competitive arena of 5-HT3 products in acute emesis and the optimism for future NK-1 products in delayed emesis.

Though we have reached a decision not to move forward at this time, we welcome any thoughts or data you feel would help to clarify our thinking surrounding these issues.

As you requested, I am returning the original confidential documents that you submitted to Chiron in support of our evaluation.

If you have any questions or would like to discuss this further, you may contact me at 510.923.2747. Thank you for the opportunity to evaluate this program.

Best Regards,

Michael P. Smith

Michael P. Smith
Associate Director, Corporate Development

Enclosures

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