

Press Cutting

Client: Chi-Med

Publication: Dow Jones

Date: 13 July 2009

UPDATE: Hutchison China MediTech: Encouraging Crohn's Trial

(Adds detail, analyst comments and share price.)

By Rachael Gormley

Of Dow Jones Newswires

LONDON (Dow Jones)--Drug developer **Hutchison China MediTech** Ltd. (HCM.LN) Monday said it had "encouraging" results from the trial of its HMPL-004 treatment for patients with mild to moderate Crohn's Disease, and there were no serious adverse effects from the treatment.

The company confirmed that the trial narrowly failed to meet the primary end-point of a phase II trial in Crohn's disease. It added that it was conducting subgroup analysis and said those results along with those from its ongoing global Ulcerative Colitis trial will provide "a strong platform for further development of HMPL-004 and progress towards partnering for commercial deployment."

Hutchison China MediTech said it is conducting further analysis on the trial and will publish the data in coming months.

It also is carrying out a global Phase IIb trial of HMPL-004 with 210 patients with Ulcerative Colitis. This trial is near its patient recruitment target and is expected to complete and report results before the end of the year.

The completed Phase II trial report for HMPL-004 is pending, but the company said the clinical response at week eight was 49% compared with 32% for the placebo.

The remission rate at the same point was 29% compared with 14% for the placebo.

HMPL-004 is an oral botanical substance, extracted from a herb which grows naturally in China.

Chief Scientific Officer and Chief Executive Dr. Samantha Du said the drug represents a "new approach for a disease with currently limited treatment options."

Following the update, analysts at Panmure Gordon, Investec and Charles Stanley kept "buy" ratings on the stock. Both Panmure Gordon's Savvas Neophytou and Investec analyst Andrew Jones said that the trial narrowly failed to meet the primary end-point of a phase II trial in Crohn's disease.

Jones said this "should be enough to allow the drug to continue through into the next phase of clinical testing."

Neophytou said the news was "disappointing," but kept the "buy" rating as Hutchison's Chinese consumer health business alone could be worth at least 152 pence a share.

Charles Stanley's Franc Gregori said that although the study size was too small for statistical significance, it was a "useful indication of efficacy."

At 1025 GMT, shares were down 0.5 pence, or 0.7%, at 67.5 pence, underperforming the wider AIM market which was down 0.02%.

Company Web site: www.chi-med.com

-By Rachael Gormley, Dow Jones Newswires; 44-20-7842-9308; rachael.gormley@dowjones.com [13-07-09 1031GMT]