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**Vernalis plc and Servier enter into a new drug discovery collaboration
strengthening their existing partnership**

Vernalis plc and Servier are pleased to announce that they reinforce their partnership by entering into a new two-year oncology drug discovery collaboration on an undisclosed target.

This agreement extends the existing successful collaborations between Servier and Vernalis since 2007, to combine Vernalis' proprietary fragment- and structure-based drug discovery platform with the oncology expertise at Servier. Previous successes include discovery of products targeting Bcl-2 and Mcl-1 currently in clinical development.

Vernalis will receive a € million upfront payment, fees, research milestones and a share in the downstream success of any products coming out of this new collaboration.

“This new collaboration further validates our fragment-based drug discovery platform and the strength and success of our relationship with Servier. We look forward to working together to develop exciting new cancer treatment opportunities to add to the already disclosed success in targeting Bcl-2 and Mcl-1”, commented Ian Garland, CEO of Vernalis.

“The original structure of Servier, governed by a non-profit foundation, allows us to enter long-term collaborations with world-class partners like Vernalis, and use our expertise to bring innovative therapies to patients”, added Olivier Geneste, Director of Oncology Research at Servier.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement this inside information is now considered to be in the public domain.

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Notes to Editors:

About Vernalis

Vernalis is a revenue generating, commercial stage pharmaceutical company with significant expertise in drug development. The Group has three approved products: Tuzistra[®] XR targeting the US prescription cough-cold market; Moxatag[®], a once-daily formulation of the antibiotic, amoxicillin, indicated for the treatment of tonsillitis and/or pharyngitis secondary to *Streptococcus pyogenes* in adults and pediatric patients 12 years and older; and frovatriptan for the acute treatment of migraine. It has an exclusive licensing agreement to develop and commercialise multiple novel products focused on the US prescription cough-cold market as well as eight programmes in its NCE development pipeline. Vernalis has also significant expertise in fragment and structure based drug discovery which it leverages to enter into collaborations with larger pharmaceutical companies. The Company's technologies, capabilities and products have been endorsed over the last five years by collaborations with leading pharmaceutical companies, including Asahi Kasei Pharma, Biogen Idec, Endo, GSK, Genentech, Lundbeck, Menarini, Novartis, Servier and Tris.

For further information about Vernalis, please visit www.vernalis.com

About Servier

Servier is an international pharmaceutical company governed by a non-profit foundation with its headquarters in Suresnes (France). With a strong international presence in 148 countries and a turnover of 4 billion euros in 2016, Servier employs 21 000 people worldwide. Corporate growth is driven by Servier's constant search for innovation in five areas of excellence: cardiovascular diseases, diabetes, cancers, immune-inflammatory diseases, and neurodegenerative diseases, as well as by its activities in high-quality generic drugs. Being completely independent, the Group reinvests 25% of turnover (excluding generics) in research and development and uses all its profits for growth.

Becoming a key player in oncology is part of Servier's long-term strategy. Currently, there are nine new molecular entities in clinical development in this area, targeting breast and lung cancers and other solid tumors, as well as various leukemias and lymphomas. This portfolio of innovative cancer treatments is being developed with partners worldwide, and covers different cancer hallmarks, including cytotoxics, proapoptotics, targeted, immune and cellular therapies.

More information: www.servier.com

Vernalis Forward-Looking Statement

This news release may contain forward-looking statements that reflect the Company's current expectations regarding future events including the clinical development and regulatory clearance of the Company's products, the Company's ability to find partners for the development and commercialisation of its NCE pipeline, the Company's ability to successfully commercialise its cough-cold products and Moxatag[®] through its own sales force, as well as the Company's future capital raising activities. Forward-looking statements involve risks and uncertainties. Actual events could

differ materially from those projected herein and depend on a number of factors including the success of the Company's research strategies, the applicability of the discoveries made therein, the successful and timely completion of clinical studies, the uncertainties related to the regulatory process, the ability of the Company to identify and agree beneficial terms with suitable partners for the commercialisation and/or development of its products, as well as the achievement of expected synergies from such transactions, the acceptance of Tuzistra[®] XR, Moxatag[®], frovatriptan and other products by consumers and medical professionals, the successful integration of completed mergers and acquisitions and achievement of expected synergies from such transactions, and the ability of the Company to identify and consummate suitable strategic and business combination transactions.