



April 3, 2017

## Innoviva Board Sends Letter to Shareholders

*Company's Record of Creating Value and Proven Strategic Plan Supports a Vote by Shareholders "FOR" All of Innoviva's Highly Qualified Directors*

BRISBANE, Calif.--(BUSINESS WIRE)-- Innoviva, Inc. (NASDAQ: INVA) today announced its Board of Directors has issued a letter to shareholders (provided below) in connection with the upcoming Annual Stockholder Meeting to be held on April 20, 2017.

This Smart News Release features multimedia. View the full release here:

<http://www.businesswire.com/news/home/20170403005524/en/>

April 3, 2017

Dear Fellow Innoviva Shareholder:

The Annual Stockholder Meeting of Innoviva, Inc. ("Innoviva" or the "Company") is just a few weeks away. We urge you to vote on the enclosed WHITE proxy card in favor of your current Board of Directors (the "Board").

Innoviva's management team and Board have a strong track record of creating value. We've delivered a 32% compound quarterly growth rate in royalties earned in the last 10 reported quarters, significantly improving our relationship with GlaxoSmithKline ("GSK"), resulting in higher collaboration productivity, and maintaining our commitment to returning capital to investors with more than \$210 million returned since the first quarter of 2015.

In addition, we believe that our current strategy of continuing to invest in and improve the robust and collaborative relationship we have with GSK is the best course to deliver significant value to Innoviva's shareholders. Additional information regarding our collaboration with GSK is enclosed with this letter and also is available by following this link:

[http://files.shareholder.com/downloads/THERA/4160966606x0x935648/B0196CD0-AFC7-4529-856D-6DF0F49BC16A/INVA\\_Shareholder\\_Letter\\_Attachment\\_4-3-17.pdf](http://files.shareholder.com/downloads/THERA/4160966606x0x935648/B0196CD0-AFC7-4529-856D-6DF0F49BC16A/INVA_Shareholder_Letter_Attachment_4-3-17.pdf)

**Contrast Innoviva's proven strategy with the high-risk cost-cutting that would be carried out by unqualified nominees proposed by a single shareholder, Sarissa Capital, under the leadership of Alexander Denner.**

Mr. Denner's cost-cutting approach at Enzon resulted in catastrophic value destruction, including a stock price decline of 83% and a negative 52% total shareholder return during Mr. Denner's tenure as chairman. This was followed by Nasdaq's delisting of Enzon's stock.

Your highly qualified Board has provided skillful stewardship of Innoviva. And yet, Sarissa is seeking to jettison this strategy in favor of an uninformed cost-cutting approach that has previously failed.

We thank you for your support and urge you to vote on the **WHITE** proxy card today.

Sincerely,

The Board of Directors of Innoviva, Inc.

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### Your Vote Is Important, No Matter How Many or How Few Shares You Own!

Please vote today by telephone, via the Internet or  
By signing, dating and returning the enclosed **WHITE** proxy card.  
Simply follow the easy instructions on the **WHITE** proxy card.

If you have questions about how to vote your shares, please contact:

**INNISFREE M&A INCORPORATED**  
**Shareholders May Call:**  
**(888) 750-5834 (TOLL-FREE from the U.S. and Canada)**  
**or (412) 232-3651 (from other locations)**  
**Banks and Brokers May Call Collect: (212) 750-5833**

**REMEMBER:**

Please simply discard any Gold proxy card that you may receive from Sarissa.  
Returning a Gold proxy card - even if you "withhold" on Sarissa's nominees -  
will not help your Company, as it will revoke any vote you previously submitted  
on Innoviva's **WHITE** proxy card.

Please visit <http://investor.inva.com/proxy.cfm> for more information.

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**Forward-Looking Statements**

This letter contains certain "forward-looking" statements as that term is defined in the Private Securities Litigation Reform Act of 1995 regarding, among other things, statements relating to Innoviva's engagement with Sarissa. Innoviva intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Exchange Act and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve substantial risks, uncertainties and assumptions. These statements are based on the current estimates and assumptions of the management of Innoviva as of the date of this letter and are subject to risks, uncertainties, changes in circumstances, assumptions and other factors that may cause the actual results of Innoviva to be materially different from those reflected in the forward-looking statements. Risks affecting Innoviva are described under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in Innoviva's Annual Report on Form 10-K for the year ended December 31, 2016, which is on file with the SEC and available on the SEC's website at [www.sec.gov](http://www.sec.gov). In addition to the risks described above and in Innoviva's other filings with the SEC, other unknown or unpredictable factors also could affect Innoviva's results. Past performance is not necessarily indicative of future results. No forward-looking statements can be guaranteed and actual results may differ materially from such statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Innoviva assumes no obligation to update its forward-looking statements on account of new information, future events or otherwise, except as required by law.

**About Innoviva**

Innoviva is focused on bringing compelling new medicines to patients in areas of unmet need by leveraging its significant expertise in the development, commercialization and financial management of bio-pharmaceuticals. Innoviva's portfolio is anchored by the respiratory assets partnered with Glaxo Group Limited (GSK), including RELVAR®/BREO® ELLIPTA® and ANORO® ELLIPTA®, which were jointly developed by Innoviva and GSK. Under the agreement with GSK, Innoviva is eligible to receive associated royalty revenues from RELVAR®/BREO® ELLIPTA®, ANORO® ELLIPTA®. In addition, Innoviva retains a 15 percent economic interest in future payments made by GSK for earlier-stage programs partnered with Theravance BioPharma, Inc., including the closed triple combination therapy for Chronic Obstructive Pulmonary Disease (COPD). For more information, please visit Innoviva's website at [www.inva.com](http://www.inva.com).

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