THERAVANCE, INC.
A ROYALTY MANAGEMENT COMPANY

January 26, 2005

Theravance Announces Initiation of Phase 3 Clinical Studies in Hospital Acquired Pneumonia with Investigational Antibiotic Telavancin

Designed to Assess Superiority over Vancomycin in Methicillin-Resistant Staphylococcus Aureus (MRSA) Infections

South San Francisco, CA/ January 26, 2005 - Theravance, Inc. (NASDAQ: THRX) announced today that it has enrolled the first patient in a Phase 3 clinical study (Assessment of Telavancin for Treatment of MRSA Pneumonia - ATTAIN) of its investigational antibiotic, telavancin, in patients with hospital acquired pneumonia (HAP). ATTAIN is a multinational, multicenter, double-blind, active control study designed to assess the efficacy and safety of telavancin compared to vancomycin in the treatment of hospital acquired pneumonia caused by Gram-positive organisms such as Staphylococcus aureus and Streptococcus pneumoniae. Notably, the study is designed with co-primary clinical cure endpoints versus the vancomycin arm: the standard endpoint of non-inferiority overall and a superiority endpoint of clinical cure among those patients with methicillin-resistant S. aureus (MRSA) infections.

Telavancin, a rapidly bactericidal injectable antibiotic with multiple mechanisms of action, is a novel lipoglycopeptide that was discovered by Theravance through the application of multivalent drug design in a research program dedicated to finding new antibiotics for serious infections due to Staphylococcus aureus (including multi-drug resistant strains) and other Gram-positive pathogens. In addition to hospital acquired pneumonia, telavancin is currently in Phase 3 studies for the treatment of complicated skin and skin structure infections (cSSSI).

Previously presented data have demonstrated that the bactericidal activity of telavancin against S. aureus is mediated by multiple mechanisms. This antibacterial activity results from interaction with D-Ala-D-Ala-containing peptidoglycan intermediates that leads, at submicromolar concentrations, to inhibition of the transglycosylation step of peptidoglycan synthesis during cell wall synthesis. Also, at higher, clinically-achievable concentrations, direct effects on bacterial membrane function, such as dissipation of membrane and increased permeability, are observed.

About Theravance
Theravance is a biopharmaceutical company with a pipeline of internally discovered product candidates. Of the six programs in development, two are in late stage -- telavancin and the Beyond Advair collaboration with GlaxoSmithKline. Theravance is focused on the discovery, development and commercialization of small molecule medicines across a number of therapeutic areas including respiratory disease, bacterial infections, overactive bladder and gastrointestinal disorders. By leveraging its proprietary insight of multivalency to drug discovery focused on validated targets, Theravance is pursuing a next generation drug discovery strategy designed to discover superior medicines in large markets. For more information, please visit the Company's website at: http://www.theravance.com.

This press release 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 goals, plans, objectives and future events. Examples of such statements include statements relating to the expected timing, scope and results of clinical and preclinical studies, statements regarding the potential benefits and mechanisms of action of drug candidates and the enabling capabilities of proprietary insights. These statements will be based on the current estimates and assumptions of the management of Theravance as of the date of the presentation and are naturally subject to risks, uncertainties, changes in circumstances, assumptions and other factors that may cause the actual results of Theravance to be materially different from those reflected in its forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by its forward-looking statements include, among others, risks related to delays or difficulties in commencing or completing clinical and preclinical studies, the potential that results of clinical or preclinical studies indicate product candidates are unsafe, ineffective, inferior or not superior, and delays or failure to achieve regulatory approvals. These and other risks are described in greater detail under the headings "Special Note Regarding Forward-Looking Statements," "Risk Factors and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Theravance's prospectus dated October 5, 2004 filed with the Securities and Exchange Commission pursuant to Rule 424(b)(4) and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Other Factors Affecting Operating Results" in the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004. Given these uncertainties, you should not place undue reliance on these forward- looking statements. Theravance assumes no obligation to update its forward- looking statements.

Contact Information:

Media
Theravance, Inc.
David Brinkley, SVP, Commercial Development
650-808-3784
dbrinkley@theravance.com

The Ruth Group
Greg Tiberend
646-536-7005
gtiberend@theruthgroup.com

Investors
Theravance, Inc.
Greg Sturmer, VP, Finance
650-808-4100
gsturmer@theravance.com