Chronimed to Be Exclusive U.S. Distributor of FUZEON; Contract Signed with Roche

MINNEAPOLIS--(BUSINESS WIRE)--March 20, 2003--Chronimed Inc. (Nasdaq:CHMD) announced today that it has contracted with Roche to be the exclusive U.S. distributor of its new HIV medication, FUZEON(TM), as part of their U.S. Progressive Distribution Plan. FUZEON, jointly developed by Roche and Trimeris, Inc. (Nasdaq:TRMS) received U.S. Food and Drug Administration (FDA) accelerated approval on March 13, 2003.

Chronimed will be solely responsible for managing FUZEON distribution during the progressive distribution phase. Chronimed will distribute FUZEON primarily from its mail service operation and will utilize its StatScript retail capabilities to meet special patient access requirements.

Chronimed Chairman and Chief Executive Officer Henry F. Blissenbach commented, "We are pleased to be the exclusive distributor of FUZEON. This opportunity reflects our strong presence in the HIV community with both our mail service and StatScript retail stores. It validates our strategy of working with manufacturers to assist in the launch and distribution of new biotech pharmaceuticals for the specialty pharmaceutical market. We look forward to working with Roche and Trimeris as we distribute this new, exciting HIV medication."

Kathy Presto, Roche's Vice President - HIV commented on Chronimed's selection, "We completed an extensive review process to select a specialty pharmacy best positioned to distribute our new HIV drug. Chronimed's extensive experience and customer support in the HIV therapeutic area, along with its mail service and retail capabilities, make it an excellent choice for distributing, managing, and supporting FUZEON." Trimeris' Vice President of Commercial Operations, Walter Capone, added, "We feel that Chronimed is well positioned to achieve the primary goals of facilitating access to FUZEON for the greatest number of patients possible, providing rapid prescription fulfillment so that all available kits are delivered to patients, and ensuring uninterrupted supply of FUZEON over time."

At this time, Chronimed does not expect a material earnings impact from FUZEON in its fiscal fourth quarter ending June, 2003. Chronimed will provide updated total company financial guidance for fiscal 2003 and 2004 in its upcoming third quarter conference call, to be held at the end of April, 2003.

In addition to the above information, we are providing the following questions and answers related to our distribution of FUZEON.

What is FUZEON?

FUZEON is a new HIV drug jointly developed by Roche and Trimeris.

FUZEON represents a novel treatment for HIV-1, leading a new class of drugs known as fusion inhibitors.

FUZEON in combination with other antiretroviral agents is indicated for the treatment of HIV-1 infection in treatment-experienced patients with evidence of HIV-1 replication despite ongoing antiretroviral therapy. This indication is based on analyses of plasma HIV-1 RNA levels and CD4 cell counts in controlled studies of FUZEON of 24 weeks' duration. Subjects enrolled were treatment-experienced adults; many had advanced disease. There are no studies of FUZEON in antiretroviral naive patients. There are no

results from controlled trials evaluating the effect of FUZEON on clinical progression of HIV-1.

When will FUZEON be available?

FUZEON should be available before the end of March, 2003.

Where can I get more information about FUZEON?

More information can be obtained about FUZEON by: Phone: 1-877-4-FUZEON (1-877-438-9366) Internet web site access: www.fuzeon.com

What will Chronimed's role be in the distribution of FUZEON?

Chronimed will be the exclusive U.S. distributor for Roche's U.S. Progressive Distribution Plan for FUZEON. We will provide patientintake, prescription processing, patient registry management, drug distribution, patient and payor billing, data tracking and warehousing services.

What is the length of this exclusive distribution contract with Roche?

The contract term is for one year following the launch date, at which time Roche has the option to extend the contract or expand to multiple distributors.

How will this contract impact Chronimed's financial performance?

Chronimed does not expect a material earnings impact from FUZEON in its fiscal fourth quarter ending June, 2003. Chronimed will provide updated total company financial guidance for fiscal 2003 and 2004 in its upcoming third quarter conference call, to be held at the end of April, 2003.

FUZEON(TM) (enfuvirtide), the first in a new class of anti-HIV drugs known as fusion inhibitors, was granted accelerated approval by the U.S. Food and Drug administration (FDA) on March 13, 2003. FUZEON in combination with other antiretroviral agents is indicated for the treatment of HIV-1 infection in treatment-experienced patients with evidence of HIV-1 replication despite ongoing antiretroviral therapy. This indication is based on analyses of plasma HIV-1 RNA levels and CD4 cell counts in controlled studies of FUZEON of 24 weeks' duration. Subjects enrolled were treatment-experienced adults; many had advanced disease. There are no studies of FUZEON in antiretroviral naive patients. There are no results from controlled trials evaluating the effect of FUZEON on clinical progression of HIV-1.

More About FUZEON

FUZEON is administered as a twice-daily subcutaneous injection. Local injection site reactions were the most frequent adverse events associated with the use of FUZEON. In Phase III clinical studies, 98 percent of patients had at least one local injection site reaction. Manifestations of injection site reactions may include pain and discomfort, induration, erthyema, nodules and cysts, prurities, and ecchymosis.

There was less than five percent difference in the most common adverse events seen between FUZEON plus an individualized regimen of antiretroviral drugs and individualized regimen alone. The events most frequently reported in subjects receiving FUZEON plus an individualized regimen were diarrhea (26.8%), nausea (20.1%), and fatigue (16.1%). All these events were seen at a lower incidence than in subjects that received background regimen alone: diarrhea (33.5%), nausea (23.7%), and fatigue (17.4%). The most common adverse events seen more frequently in patients receiving FUZEON plus an individualized regimen than in patients who received treatment without FUZEON include headache (11.8%), peripheral neuropathy (8.9%), dizziness (6.6%), insomnia (11.3%), depression (8.6%), decreased appetite (6.3%), asthenia (5.7%), myalgia (5.0%), constipation (3.9%) and pancreatitis (2.4%). The majority of adverse events were

of mild or moderate intensity. Hypersensitivity reactions have been associated with FUZEON therapy (less than or equal to 1 percent) and have recurred on rechallenge. Symptoms of an allergic reaction may include rash, fever, nausea and vomiting, chills, rigors, hypotension, and elevated serum transaminases. In addition, an increased rate of bacterial pneumonia was observed in patients treated with FUZEON in the Phase III clinical trials compared to the control arm. It is unclear if the increased incidence of pneumonia is related to FUZEON use.

FUZEON does not cure HIV infection or AIDS. FUZEON does not reduce the risk of transmission of HIV to others through sexual contact or blood contamination. Patients should continue to practice safer sex by using latex or polyurethane condoms or other barrier methods. Never use or share dirty needles. Patients taking FUZEON may acquire opportunistic infections or other conditions that are associated with HIV infection. The list of side effects is not complete at this time because FUZEON is still being studied.

About Chronimed Inc.

Chronimed Inc. is a disease-focused drug distribution company serving the prescription drug needs of people with chronic health conditions. The Company distributes pharmaceuticals and provides specialized patient management services nationwide for people with chronic conditions such as HIV/AIDS, organ transplant and diseases treated with biotech injectable medications. Chronimed works directly with patients, providers, payors, manufacturers and wholesalers to improve clinical and cost-of-care outcomes. Chronimed's web site address is www.chronimed.com.

Information contained in this press release and associated schedules, other than historical or current facts, should be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These statements reflect management's current views of future events and financial performance that involve a number of risks and uncertainties. These factors include, but are not limited to, the following: our ability to maintain satisfactory on-going arrangements with drug manufacturers and wholesalers, and their ability to satisfy our volume, pricing, and product requirements; decrease in demand for drugs we handle; changes in Medicare or Medicaid reimbursement, rules and regulations; loss of relationships with, and/or significant reductions in reimbursements from, payors (including Aetna or other large contracts); negative cost containment trends or financial difficulties by our payors; changes in or unknown violations of various federal, state, and local regulations; costs and other effects of legal or administrative proceedings; the adoption of new or changes to existing accounting policies and practices and the application of such policies and practices; the amount and rate of growth in our selling, general and administrative expenses; the impairment of a significant amount of our goodwill; the effects of and changes in, trade, monetary and fiscal policies, laws and regulations; other activities of government agencies; our ability to obtain competitive financing to fund operations and growth; continuing qualifications to list our securities on a national stock exchange; developments in medical research affecting the treatment or cure of conditions for which we distribute medications; the ability of management and accounting controls to assure accurate and timely information; computer system, software, or hardware failures or malfunctions; heightened competition; and loss or retirement of key executives or changes in ownership. These and other risks and uncertainties are discussed in further detail in the cautionary statement filed as Exhibit 99.1 as part of Chronimed's annual report and Form 10-K filed with the Securities and Exchange Commission.

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SOURCE: Chronimed Inc.