

ELLIOTT ADVISORS (UK) LIMITED

CLEVELAND HOUSE - 4TH FLOOR - 33 KING STREET - LONDON SW1Y 6RJ
TELEPHONE: +44 (0) 20 3009 1818 – FACSIMILE: +44 (0) 20 3009 3700

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The Board of Directors
Actelion Ltd.
Gewerbstrasse 16
CH-4123 Allschwil
Switzerland

3rd February 2011

Dear Members of the Board of Directors,

I write to you on behalf of Elliott Advisors (UK) Ltd. and its affiliates, one of your largest shareholders. We collectively own, or have an interest economically equivalent to, almost 6% of the share capital of Actelion Ltd (the “Company”). Elliott, founded in 1977, is a multi-strategy global investment firm with \$17 billion in assets under management focused on employing detailed research to address complex investment situations and unlock shareholder value.

In recent months we reached out privately to most of you with our concerns about Actelion’s current strategic direction and corporate governance.

Unfortunately, little apparent progress has been made to address our serious concerns about how best to unlock the substantial value we believe is inherent in the Company. Regretfully, this leaves us no choice but to air our concerns publicly in the hope of stimulating a wider debate about the optimum future of the business in the interests of all shareholders.

At present, as we see it, shareholders are being given no choice regarding the future direction and management of Actelion. There has been widespread speculation that the business has received approaches from other pharmaceutical and biotechnology groups, and yet the Board and management apparently refuse to entertain such an approach or even to give shareholders any details of such approaches or their reasons for rejecting them.

Shareholders are consequently not being given the choice to decide for themselves whether Actelion’s current independent strategy is the best way forward or whether the group could release greater long-term value by pursuing a sale or change of control.

As a result, we have been obliged to place a number of items on the agenda at the Company’s forthcoming General Meeting on 5th May 2011, as proposed in our letter of 21st December 2010 and which our shareholding permits us to do.

First, we are calling for Dr. Jean-Paul Clozel to step down from the Board of Directors with immediate effect. We believe his public statements and apparent campaign to keep the Company independent are wholly inconsistent with his position as a Board Member and the fiduciary requirements of that role, i.e. the protection of shareholders' best interests.

While we have great respect for Dr. Clozel and his work and are happy for him to remain as CEO, we feel that the Actelion's management and the supervisory duties of the Board urgently need to be separated in the interest of effective corporate governance. It is unusual in Switzerland for CEOs to be part of the Board. This only occurs in a few cases, predominantly at companies dominated by a family shareholder. At two-thirds of the SMI companies, the CEO is not a Member of the Board.

Second, we are calling for Mr. Robert Cawthorn to relinquish his role as Chairman of the Board and step down from the Board of Directors with immediate effect. The Chairman's continued support of Dr. Clozel's actions conflicts with shareholders' interests. We feel that Mr. Cawthorn has thereby compromised his role as an independent Chairman and that he should therefore step down. We call on the Board of Actelion to select a new independent chairman forthwith.

Third, in light of the many rumoured approaches by motivated acquirers for the Company, we urge the Board to form a Strategic Committee to explore its strategic options. In our view, it is crucial that an independent Board Member with a proven track record in this field leads this committee. We firmly believe that, if a fair process is allowed and facilitated by the Board of Directors, a number of these potential acquirers will be in a position to offer shareholders a purchase price for their shares well in excess of the Company's standalone value.

The current share price of Actelion is CHF 52, but respected analysts have suggested that a sale of the business could result in a value as high as CHF 70 per share. For example, research from UBS on 26th November 2010 ascribed a value of "at least" CHF 66 per share for Actelion in a sale. There appears to be no reasonable prospect of the Company achieving that value as a standalone business in the foreseeable future given that Tracleer is now only five years from the expiration of its patents, and the value of the Company's development pipeline is limited since most of its compounds are in early stage trials.

Finally, we would like to inform the Board that we intend to make public the contents of this letter and the agenda items for the forthcoming General Meeting, with the intention of stimulating a constructive debate about the best way forward for the Company.

Elliott, as a significant shareholder in Actelion, believes strongly that all shareholders should have a choice in deciding the future of the Company, and recognises that a sale of the Company to a strategic investor at the appropriate price could unlock substantial value for all owners of the Company.

We are committed to a long-term effort to work closely with the Board of Directors to realise substantial shareholder value and protect the interests of the Company's

owners and would be happy to meet you or your representatives at any stage to discuss the way forward.

Yours sincerely,

Elliott Advisors (UK) Ltd.