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AURORA BIOSCIENCES CORP

Form 425

June 14, 2001

Filed by Vertex Pharmaceuticals Incorporated
Pursuant to Rule 425 under the Securities Act of 1933
Subject Company: Aurora Biosciences Corporation
Commission File Number: 000-22669

The following communications contain forward-looking statements within the meaning of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995 about Vertex Pharmaceuticals Incorporated and Aurora Biosciences Corporation. While the management of Vertex and Aurora make their best efforts to be accurate in making forward-looking statements, any such statements are subject to risks and uncertainties that could cause actual results to vary materially. The forward-looking statements herein address the following subjects: the expected closing date of the merger between Vertex and Aurora, the belief that Vertex's Chemogenomics strategy (i) will accelerate drug discovery in gene families and (ii) has the potential to deliver dramatic and sustained increase drug discovery output, the expected number of new drug candidates in the future, including the annual rate of new drug candidates and Vertex's future drug development capabilities, the expected development schedule/goals of Vertex's current drug candidates, the belief that Vertex's kinase inhibitor has potential in diabetes, the belief that Vertex's Pralnacasan has potential in osteoarthritis, heart failure and stroke, the expected benefits of the merger between Vertex and Aurora including creating a competitive advantage in product development and expanding Chemogenomics into multiple target classes and Vertex's expectation of achieving the following milestones in 2001: (i) sign additional corporate alliances, (ii) acquire complementary capabilities, products and technologies and (iii) continue to build intellectual property estate.

The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: costs related to the merger, failure of Vertex's or Aurora's stockholders to approve the merger, the risk that the expected benefits of the merger may not be realized, third parties may terminate or alter existing contracts with Aurora if the required consents and waivers are not obtained or, in some cases, without cause, risks associated with Aurora's new and uncertain technology, the risk Vertex will not successfully develop its drug pipeline, the risk Vertex is unable to attract and retain collaborative partners for research support and the development and commercialization of its products, the risk Vertex does not obtain regulatory approval for its products on a timely basis, the risk Vertex loses its technological advantages, the risk Vertex fails to manage its growth effectively, the risk Vertex's competitors bring superior products to market or bring their products to market before Vertex does, and if Vertex patents do not protect its products, or Vertex's products infringe third-party patents, Vertex could be subject to litigation and substantial liabilities. For a more detailed discussion of such factors and other factors that may impact on such statements' accuracy, see the "Risk Factors" section of the definitive joint proxy statement/prospectus regarding the proposed merger as filed with the Securities and Exchange Commission.

THE FOLLOWING IS THE TEXT OF SLIDES FROM A SLIDE SHOW PRESENTATION PRESENTED TO INVESTORS AND OTHERS ON JUNE 13, 2001

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Vertex Pharmaceuticals Incorporated

Goldman Sachs 22nd Annual
Healthcare Conference

Vicki Sato, Ph.D., President

Lynne Brum, VP, Corp Comm.
and Market Development

June 13, 2001

www.vrtx.com

VERTEX:
SETTING THE STANDARD FOR DRUG DISCOVERY

[PICTURE]

- Mission: Discover, develop and market breakthrough drugs to treat major diseases
- Facts and Figures:
 - Established: 1989; Public: 1991
 - 475 employees (Q1 `01)
 - Facilities: Cambridge, US and Oxford, UK
 - Common stock: NASDAQ: VRTX

VERTEX: KEY ATTRIBUTES

- Productive drug discovery:
 - chemogenomics platform
- Broad clinical pipeline:
 - 12 drugs in development
- Agenerase(R):
 - rolling out worldwide
- Drugs to market
 - independently & with pharmaceutical partners
- Financially strong
 - approximately \$685 million cash

[PICTURE]

[PICTURE]

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VERTEX ACCOMPLISHMENTS: YEAR-TO-DATE

- Expanded research into a new gene family: human proteases
- Advanced pipeline
 - VX-175/GW433908: GSK began third Phase III clinical trial
 - Merimempodib (VX-497): Completed Phase II combination study with IFN-(alpha)
 - VX-745 and pralnacasan (VX-740): Initiated Phase II studies in rheumatoid arthritis
- Aurora Biosciences: Expect July closing

BUILDING AN INFECTIOUS DISEASE FRANCHISE

HIV Protease Inhibitor, Agenerase(R)

- [PICTURE]
- Marketed in U.S. & Japan (Prozei-TM-) and other countries
 - E.U. approval, approval in 33 countries worldwide
 - Co-promotion with GlaxoSmithKline
 - Fast follow-on product, VX-175/908, NDA 2002

Agenerase(R) is a registered trademark of GlaxoSmithKline
Prozei-TM- is a registered trademark of Kissei Pharmaceuticals

FINANCIAL OVERVIEW

Q1 2001 Results

	March 31, 2001
Total revenue	\$ 19.1 MM
Total costs and expenses	\$ 27.9 MM
Net loss	\$ 8.9 MM
Net loss per basic and diluted share	\$ 0.15

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Cash

\$ 685 MM

MOVING THE BUSINESS FORWARD, CREATING VALUE

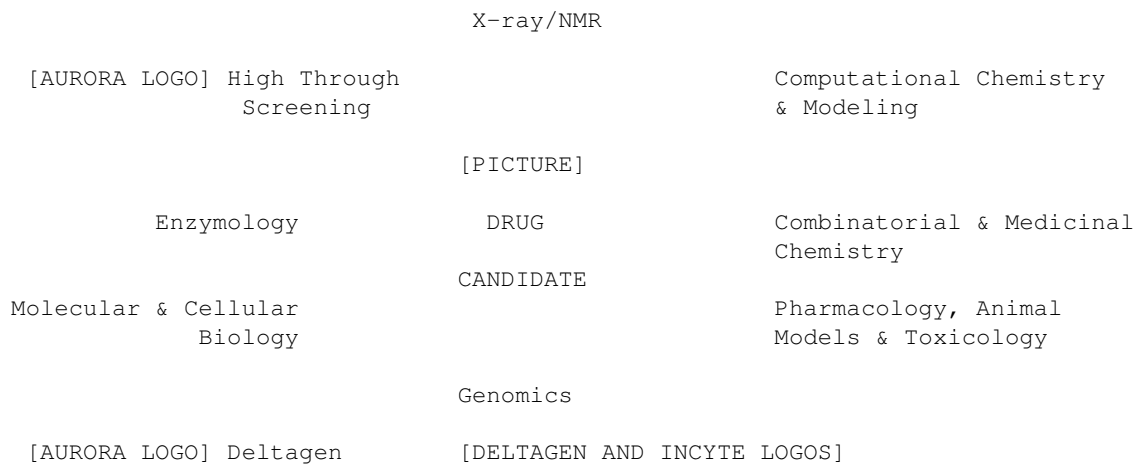
- Vitality in drug discovery
- Aurora Biosciences acquisition
- Broad and deep clinical pipeline
- Robust business model

VERTEX 2.0: RE-CREATING DRUG DISCOVERY

- Chemogenomics strategy will accelerate drug discovery in gene families [PICTURE]
- Potential to deliver a dramatic and sustained increase in drug discovery output
- Integration of new technologies and capabilities [PICTURE]

VERTEX DRUG DISCOVERY PLATFORM

Highly Integrated Approach



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VERTEX RESEARCH PIPELINE:
5 OR MORE NEW DRUG CANDIDATES IN 2001

Molecular Target	Potential Disease Indications	Partner
Kinases	Epilepsy, Stroke	Novartis
Kinases	Cancer, Autoimmune	Novartis
Kinases	Diabetes, Inflammation	Novartis
Caspases	Neuro diseases	Taisho / Serono
Caspases	Cardio diseases	Taisho / Serono
HCV Protease	HCV	Eli Lilly
HIV Protease	HIV	GSK
Bacterial Gyrase	Bacterial infections	
Neurophilins	CNS	Schering AG

DEMONSTRABLE PROGRESS IN DRUG DISCOVERY

- New, Vertex-generated data in several areas:
 - HCV protease inhibitors for Hepatitis C treatment
 - Gyrase B inhibitors for new antibiotics
 - Kinase inhibitors for cancer, diabetes, and cardiovascular disease
- Next gene family: human proteases

VERTEX COMPOUNDS ARE POTENT IN SURROGATE CELLULAR HCV REPLICATION ASSAY

HCV INHIBITION

- [BAR GRAPH DEPICTING RNA LEVELS AGAINST CONCENTRATION OF HCV INHIBITION]
- Dose-proportionality up to 100 mg/kg
 - Promising PK for convenient oral dosing

VERTEX GYRASE B INHIBITORS ARE ANTIBACTERIAL FOR GRAM POSITIVES AND NEGATIVES

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[PICTURE]

No Drug

[PICTURE]

Novobiocin

[PICTURE]

Vertex Compound

(results of bacterial filamentation assay in E. COLI)

- Structural insights driving creation of novel, patentable scaffolds
- Multiple compounds with similar enzyme potency to Novobiocin
- Positive results vs. E.COLI and clinical S. AUREUS

CONQUERING KINASE SPACE

- (GREATER THAN) 200 kinase/inhibitor structures solved
- Patent filings covering (GREATER THAN) 100 distinct, active drug scaffolds [PICTURE]
- Structures and chemical classes explore 80% of kinase space

VERTEX KINASE INHIBITOR KILLS CANCER CELLS

Taxol-Like AND Non-Taxol-Like Activities IN VITRO

	UNTREATED CELLS		VERTEX KINASE INHIBITOR
- Kinase inhibitors block tubulin assembly (Taxol-like activity) AND chromatin condensation	[PICTURE]	P -Histone H3 chromatin condensation marker	[PICTURE]
- Blocks mitosis (cell division) at G2/M			
- Leads to cell death	[PICTURE]	Tubulin Assembly	[PICTURE]
- Shown in multiple cancer cell lines	[PICTURE]		[PICTURE]

VERTEX KINASE INHIBITOR REDUCES GLUCOSE LEVELS IN DIABETIC MOUSE MODEL

POTENTIAL IN DIABETES

Results of Glucose Tolerance Test
Effect of Vertex Compound Dosed Orally (100 mg/kg)

[LINE GRAPH DEPICTING RESULTS OF GLUCOSE

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TOLERANCE TEST]

- Compounds improve blood glucose disposal profile
- Compound effects show dose-responsiveness
- Magnitude of effect comparable to troglitazone in a related mouse model

VERTEX HAS A PROVEN TRACK RECORD IN PROTEASE SMALL MOLECULE DRUG DISCOVERY

Cysteine proteases

- ICE: [PICTURE]
\$206M Aventis collaboration [PICTURE]
pralnacasan in Phase II;
VX-765 preclinical
- CASPASES:
\$138M Taisho/Serono collaborations [PICTURE]

Aspartyl proteases

- HIV:
\$69M GSK /Kissei collaborations [PICTURE]
Agenerase(R) launched;
GW433908 in Phase III

Serine proteases

- HCV:
\$51M Lilly collaboration

PROTEASE INHIBITORS: A MAJOR RESEARCH, DEVELOPMENT AND COMMERCIAL OPPORTUNITY

- Protease drugs today sell (GREATER THAN) \$9 billion but target only two proteases [PICTURE] Agenerase (R)
- 400+ human protease genes
- Implicated in many diseases: Alzheimer's Disease, diabetes, congestive heart failure, others [PICTURE] Prinivil
- Involved in many biological pathways [PICTURE] Accupril
- (GREATER THAN) 300 research programs targeting proteases throughout the industry, across all therapeutic areas [PICTURE] Vasotec

3-DIMENSIONAL STRUCTURE OF BETA SECRETASE

MAJOR NOVEL TARGET IN PROTEASE GENE FAMILY

[PICTURE]

- Highly competitive area of research
- Application in the treatment of Alzheimer's disease
- Vertex structural insights driving identification of potent compounds

VERTEX AND AURORA: DRIVING DRUG DISCOVERY

[VERTEX LOGO]

[AURORA LOGO]

ACQUISITION OF AURORA BIOSCIENCES

- Cellular and biochemical assay development and implementation
- Cellular markers for proof-of-concept
- Target gene families

OUTSTANDING PRODUCT
CREATION CAPABILITY

[PICTURE DEPICTING AURORA AND VERTEX CAPABILITIES]

COMPETITIVE ADVANTAGE: PRODUCT DEVELOPMENT

VERTEX AND AURORA:
TARGET CLASSES OF MARKETED DRUGS*

Vertex Alone

Other** 8%

Receptors 50%

[CIRCLE GRAPH DEPICTING TARGET CLASSES]

Enzymes 36%

Ion Channels 6%

36% of top marketed drugs target enzymes

Vertex with Aurora

Other** 8%

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Enzymes 36% [CIRCLE GRAPH DEPICTING TARGET CLASSES]

Receptors 50%

Ion Channels 6%

With Aurora, Vertex's drug discovery platform addresses all major target classes

*Based on top 100 marketed drugs

**vaccines, imaging agents, and coagulation factors

EXPANDING CHEMOGENOMICS INTO MULTIPLE TARGET CLASSES

[PICTURE OF POTENTIAL TARGET CLASSES]

VERTEX 2.0: A NEW LEVEL OF VALUE CREATION

[BAR GRAPH DEPICTING ANNUAL RATE OF NEW DRUG CANDIDATES THROUGH 2010]

Annual Rate of New Drug Candidates

FOUR THERAPEUTIC AREAS; 12 DRUG CANDIDATES

	Product	Indication	Dev. Stage
Infectious Disease	Agenerase (R)	HIV	Market
	VX-175	HIV	Phase III
	merimempodib (VX-497)	HCV	Phase II
Cancer	Incel (TM)	MDR	Phase II
	VX-853	MDR	Phase I/II
Inflammation & Autoimmune Disease	VX-148	Autoimmune, antiviral	Phase I
	VX-944	Autoimmune, antiviral	Preclinical
	VX-745	Rheum. arthritis (RA)	Phase II
	VX-850 & VX-702	Inflammation, cardio	Preclinical
	pralnacasan (VX-740)	RA, OA, cardio	Phase II
VX-765	Inflammation, cardio	Preclinical	
Neurological Disease	timcodar	Diabetic neuropathy	Phase II

VX-175 (GW433908): SUPERIOR PROTEASE INHIBITOR IN PHASE III FOR THE TREATMENT OF HIV

Market size (U.S.): 850,000 [PICTURE]

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Competitive Profile: compact formulation

Program Status: Phase III trials underway

- Phase II data supports BID and QD dosing
- Fast-track status by FDA
- Projected NDA 2002

Partner: GlaxoSmithKline

MERIMEMPODIB (VX-497): BETTER TOLERATED THERAPY FOR HCV PATIENTS

U.S. Market: 2.7 million chronically infected [PICTURE]

Competitive Profile: Goal: better tolerated IMPDH inhibitor (w/o ribavirin's hemolytic anemia)

Progress: Phase II IFN-(alpha) combo study completed

- Planning for 2001 PEG-IFN combo and pivotal trials
- VX-148 in Phase I & VX-944 in preclinical development
- Vertex retains worldwide commercial rights

VX-745: PROVIDES ORAL THERAPY FOR CHRONIC ARTHRITIS PATIENTS

U.S. Market: 2.1 million (rheumatoid arthritis) [PICTURE]

Competitive Profile: Goal: oral treatment for acute, chronic inflammatory disease; Most advanced p38 MAP kinase inhibitor

Progress: Phase II RA dose response study started Q1

- Pilot Phase II RA study complete
- 2nd generation compounds: VX-850 & VX-702 in preclinical development

Partner: Kissei (Far East)

TNF AND IL-1 PRODUCTION IN HEALTHY VOLUNTEERS TREATED WITH VX-745

[BAR GRAPH DEPICTING % SUPPRESSION RELATIVE TO PLACEBO TREATMENT]

EX VIVO TNF IL-1 production from LPS stimulated WBCs

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PRALNACASAN (VX-740): FIRST-IN-CLASS TO MARKET FOR INFLAMMATORY DISEASES

U.S. Market: 2.1 million (rheumatoid arthritis)

[PICTURE]

Competitive Profile: First ICE inhibitor in clinic, highly specific, well tolerated in clinic; mechanism allows potential action on multiple cytokines

Progress: Phase II RA dose response study started Q1`01
- Phase IIa RA study shows definitive signs of specific cytokine-lowering activity
- Potential for additional indications: osteoarthritis, heart failure and stroke

Partner: Aventis

PRALNACASAN (VX-740): EFFECT DEMONSTRATED IN PRECLINICAL INFLAMMATORY SKIN DISEASE MODEL

Oxazolone-Induced Delayed-Type Hypersensitivity: Effect of VX-740

Day 0 (Monday):
50 (mu)l 1% Oxazolone
(Abdomin Veh
(25% Cremophor)
or Compound, p.o., bid)

[BAR GRAPH DEPICTING
% INHIBITION OF PRALNACASAN]

Day 3 (Thursday):
10 (mu)l 1%
Oxazolone (Left Ear)

Day 4 (Friday):
Collect Ear Discs

(n=5, CBA/J, F)

Prednisolone

Pralnacasan

- Prophylactic dosing
at 0h & 12h

THE TOP SIX CLINICAL PIPELINE GOALS: THROUGH END OF THIS YEAR

VX-175 in HIV: Conduct Phase III

Merimempodib in HCV: Finalize and initiate clinical plan through to NDA

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Pralnacasan in RA:	Complete Phase II study
VX-745 in RA:	Complete Phase II study
Incel(TM):	License to partner for Phase III development
Timcodar:	Complete proof-of-concept study

VERTEX: ROBUST BUSINESS MODEL

- Competitive advantage in drug discovery
 - Chemogenomics platform is unlocking the opportunities of genomics
- Innovative business model based on a balanced commercial strategy
 - Bring drugs forward independently and with partners
 - Revenue generation from partners and products
 - Strong downstream economics in partnerships
 - Commercial experience
 - Risk sharing builds broader base
 - Sustainable growth strategy

VERTEX: \$1.4 BILLION IN PARTNER COMMITMENTS

PARTNER	DATE	VALUE CAPTURE	PRODUCT
Kissei (HIV)	1993		Prozei (TM)
Aventis	1993/1999		VX-740
GlaxoSmithKline	1993		Agenerase (R) VX-175
Kissei (p38)	1997		P. VX-745 P. VX-702
Lilly	1997		
Schering	1998		Timcodar
Taisho	1999		P.
Novartis	2000		
Serono	2000		

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High royalties
Profit sharing, JV
Co-promotion, co-labeling

Co-promotion support
Sales, marketing
Manufacturing rights

*Anticipated Timing

P. Manufacturing agreement effectively includes high royalty

MILESTONES FOR 2001

- Advance drug candidates in pipeline
- Select 5 or more new preclinical drug candidates
- Sign additional corporate alliances
- Expand chemogenomics approach to at least one additional multi-target gene family
- Acquire complementary capabilities, products and technologies
- Continue to build intellectual property estate

Vertex Pharmaceuticals Incorporated

GOLDMAN SACHS 22ND ANNUAL HEALTHCARE CONFERENCE

Vicki Sato, Ph.D., President

Lynne Brum, VP, Corp Comm.
and Market Development

June 13, 2001

www.vrtx.com

Investors and security holders are advised to read the joint proxy statement/prospectus regarding the proposed merger as filed with the Securities and Exchange Commission, because it contains important information. Such joint proxy statement/prospectus has been filed with the Securities and Exchange Commission by Vertex and Aurora. Investors and security holders may obtain a free copy of the joint proxy statement/prospectus and other documents filed by Vertex and Aurora at the Securities and Exchange Commission's web site at www.sec.gov. The joint proxy statement/prospectus and such other documents may also be obtained from Vertex by directing such request to Vertex Pharmaceuticals, 130 Waverly Street, Cambridge, MA 02139, Attn: Investor Relations, tel: (617) 577-6000; e-mail: InvestorInfo@vpharm.com. The joint proxy statement/prospectus and such other documents may also be obtained from Aurora by directing such request to Aurora Biosciences, 11010 Torreyana Road, San Diego, CA 92121,

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Attn: Investor Relations, tel: 858-404-6600; e-mail: ir@aurorabio.com.

Vertex and Aurora and their respective directors, executive officers and certain members of management and employees may be soliciting proxies from Vertex and Aurora stockholders in favor of the adoption of the merger agreement and the transactions associated with the merger. A description of any interests that Vertex and Aurora directors and executive officers have in the merger are available in the joint proxy statement/prospectus.
