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NPS Pharmaceuticals, Inc. Q2 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator instructions) And your first question comes from the line of May-Kin Ho from Goldman Sachs. Please proceed.

Davis Bu – Goldman Sachs

Hi, this is Davis Bu for May-Kin Ho. Unfortunately she had to step out. I have a couple of questions. First on GATTEX, so when you say short delay from your prior 3Q guidance, so is it safe to assume then 4Q is what you're guiding to now?

Francois Nader

Davis, this is Francois. And we are not guiding to the fourth quarter. What we are suggesting that the delay will be short. And the reason of the delay is it could benefit us, is it will give us additional assurances as to the fact that we will be indeed conducting the study that will lead us to an approval, and at the same time, securing the input collaboration of Nycomed, which would provide us with very significant financial advantages. So it's very difficult, as you can imagine, to predict FDA timelines. And I wish I could give you a more firm answer, but we are very pleased by the offer to review the protocol in a very timely manner.

Davis Bu – Goldman Sachs

Thanks. That makes sense. And then also on GATTEX, can you review briefly where your collaboration with Nycomed stands, and in particular, whether they might be responsible for any – or pick up any of the R&D expenses?

Francois Nader

Yes. As I said earlier, Davis, we are collaborating with Nycomed literally on a daily basis. They are very interested in the protocol. Our ongoing work will tend to meet really two objectives; one, provide Nycomed with the necessary elements for not only a regulatory – a successful regulatory filing in Europe, but also, as you know, the constraints of reimbursement in Europe. So we're working with them on ensuring that the protocol will also provide with the necessary elements for a good reimbursement in Europe. And at the same time, for us the advantage would be the financial contribution of Nycomed to the total cost of the study, which is certainly not negligible. It's very much work in progress, but we are very, very pleased with the way things are going.

Luke Beshar

Yes. And this is Luke. We are optimistic we'll reach a final agreement with Nycomed for a joint study.

Davis Bu – Goldman Sachs

And there is no particular clock running here that they can make a decision at any time?

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