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TARGANTA ACQUIRES LATE-STAGE ANTIBIOTIC FROM INTERMUNE

- Targanta to develop and commercialize oritavancin –

Indianapolis, Indiana & St. Laurent, Quebec, December 27, 2005 – Targanta Therapeutics, a privately held biopharmaceutical company developing antibacterial drugs, announced today that it has acquired the worldwide ownership interest in oritavancin, an antibiotic that has completed two Phase III clinical trials. Oritavancin, used to treat Gram-positive bacterial infections, was acquired from InterMune, Inc. (NASDAQ:ITMN). The terms of the acquisition agreement include an upfront cash payment, milestone payments and the issuance of a convertible promissory note by Targanta which will initially be secured by the oritavancin assets. Upon the achievement by Targanta of certain corporate objectives, the note will convert into preferred stock of Targanta.

Oritavancin is a semi-synthetic glycopeptide antibiotic with bactericidal activity against clinically relevant serious Gram-positive infections, including multi-resistant strains. Two large multicenter Phase III studies, conducted by Eli Lilly and Company and InterMune, in over 1750 patients have suggested oritavancin to be an effective and safe therapy for complicated skin and skin structure infections. In both Phase III studies, oritavancin reached its primary endpoint and appeared to be as effective as a commonly used treatment regimen, vancomycin followed by cephalexin. The most commonly observed side effects in these clinical trials were headache, nausea, vomiting, constipation, and dizziness. Additional indications, including nosocomial pneumonia (infection of the lungs contracted during a hospital stay) and catheter-related bacteremia (presence of bacteria in the blood associated with in-dwelling catheters), will also be evaluated.

“New antibiotics are critically needed to treat hospital and community acquired-bacterial infections that are resistant to existing antibiotics,” said Pierre Etienne, M.D., Targanta’s President and CEO.

“Oritavancin has the potential to be a best-in-class antibiotic for serious Gram-positive infections in the hospital market. This agent is an excellent fit with Targanta’s growing antibacterial franchise and we are pleased to commit the necessary resources to continue its successful clinical development and registration.”

The Need for New Antibiotics

The U.S. Centers for Disease Control and Prevention estimates that every year 2 million Americans acquire infections while in hospitals, and 90,000 die. Approximately seventy percent of the hospital infections are resistant to at least one class of existing antibiotics. According to the Infectious Diseases Society of America, drug resistant bacteria present a significant economic burden because they require treatment with more costly drugs than non-resistant infections, extended hospital stays, extra visits to the doctors, lost work days, and cause significant mortality. The annual cost to U.S. society totals nearly \$5 billion.

About Targanta Therapeutics

Targanta Therapeutics is a privately held biopharmaceutical company developing and commercializing antibacterial drugs to treat serious infections in the hospital setting. Its pipeline includes an array of antibacterial agents in various stages of development. The company is headquartered in Indianapolis, IN, and will maintain its research and development operations in St. Laurent, Quebec. The company's venture capital investors include Seaflower Ventures, VenGrowth Private Equity Partners, MDS Capital, and T²C²/Bio. For more information about Targanta, visit the company website, www.targanta.com.

Disclaimer

All forward-looking statements and other information included in this press release are based on information available to Targanta as of the date hereof, and Targanta assumes no obligation to update any such forward-looking statements or information. Targanta's actual results could differ materially from those described in Targanta's forward-looking statements.

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