

Isis Pharmaceuticals Earns \$1 Million From GSK for Advancing Hepatitis B Virus Program

July 2, 2014

CARLSBAD, Calif., July 2, 2014 /PRNewswire/ -- Isis Pharmaceuticals, Inc. (NASDAQ: ISIS) announced today that it has earned a \$1 million payment from GlaxoSmithKline (GSK) related to the advancement of its program to develop antisense drugs to treat hepatitis B virus (HBV).



"Our collaboration with GSK has been very productive resulting in three novel antisense drugs in our pipeline. We look forward to continuing to advance these drugs and add additional new drugs to our pipeline with GSK," said B. Lynne Parshall, chief operating officer at Isis. "Including the \$1 million announced today, we have earned \$11 million in payments from GSK to discover and develop drugs for HBV."

"HBV infection is a serious health problem that can lead to significant and potentially fatal health conditions, including cirrhosis, liver failure and liver cancer. While chronic HBV is currently treated with oral antiviral agents or injectable interferons, these treatments do not clear HBV and do not effectively clear HBV antigens from these patients. This means that patients are unable to fully control HBV infection and achieve sustained disease remission. As such, more effective HBV agents that provide greater viral inhibition and permit greater immune system activity against the virus are needed. We believe that using our antisense approach we can develop a drug that has the potential to fill this patient need," said C. Frank Bennett, Ph.D., senior vice president, research at Isis.

As part of Isis' strategic alliance with GSK, Isis is discovering and developing drugs to treat HBV, which GSK has the exclusive option to in-license and further develop and commercialize after Isis completes the first clinical proof of concept study. Isis is eligible to earn pre-licensing payments from GSK as the HBV program advances in development. Isis is also eligible to receive double-digit royalties on sales from any product that GSK successfully commercializes under this strategic alliance with GSK, including those arising out of this HBV program.

ABOUT ISIS PHARMACEUTICALS, INC.

Isis is exploiting its leadership position in antisense technology to discover and develop novel drugs for its product pipeline and for its partners. Isis' broad pipeline consists of 32 drugs to treat a wide variety of diseases with an emphasis on cardiovascular, metabolic, severe and rare diseases, including neurological disorders, and cancer. Isis' partner, Genzyme, is commercializing Isis' lead product, KYNAMRO[®], in the United States and other countries for the treatment of patients with homozygous FH. Isis' patents provide strong and extensive protection for its drugs and technology. Additional information about Isis is available at www.isispharm.com.

ISIS PHARMACEUTICALS' FORWARD-LOOKING STATEMENT

This press release includes forward-looking statements regarding Isis' strategic alliance with GSK, and the discovery, development, activity, therapeutic and commercial potential and safety of antisense drugs to treat HBV. Any statement describing Isis' goals, expectations, financial or other projections, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those inherent in the process of discovering, developing and commercializing drugs that are safe and effective for use as human therapeutics, and in the endeavor of building a business around such drugs. Isis' forward-looking statements also involve assumptions that, if they never materialize or prove correct, could cause its results to differ materially from those expressed or implied by such forward-looking statements. Although Isis' forward-looking statements reflect the good faith judgment of its management, these statements are based only on facts and factors currently known by Isis. As a result, you are cautioned not to rely on these forward-looking statements. These and other risks concerning Isis' programs are described in additional detail in Isis' annual report on Form 10-K for the year ended December 31, 2013, and its most recent quarterly report on Form 10-Q, which are on file with the SEC. Copies of these and other documents are available from the Company.

In this press release, unless the context requires otherwise, "Isis," "Company," "we," "our," and "us" refers to Isis Pharmaceuticals and its subsidiaries.

Isis Pharmaceuticals[®] is a registered trademark of Isis Pharmaceuticals, Inc. KYNAMRO[®] is a registered trademark of Genzyme Corporation.

Logo - <http://photos.prnewswire.com/prnh/20130807/LA60006LOGO>

SOURCE Isis Pharmaceuticals, Inc.

D. Wade Walke, Ph.D., Vice President, Corporate Communications and Investor Relations, 760-603-2741, or Amy Blackley, Ph.D., Associate Director, Corporate Communications, 760-603-2772