

# Isis Pharmaceuticals Announces Collaboration With Janssen to Discover and Develop RNA-Targeted Therapeutics for Autoimmune Diseases in the GI Tract

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## -- Collaboration Combines Isis' RNA-Targeted Technology With Expertise of Janssen in Autoimmune Disorders and Therapeutic Formulation --

CARLSBAD, Calif., Jan. 5, 2015 /PRNewswire/ -- Isis Pharmaceuticals, Inc. (NASDAQ: ISIS) today announced that the company has entered into a global collaboration with Janssen Biotech, Inc. (Janssen) to discover and develop antisense drugs to treat autoimmune disorders of the gastrointestinal (GI) tract. The collaboration brings together Isis' RNA-targeted technology platform and the expertise of Janssen in autoimmune disorders and therapeutic formulation to discover and develop antisense drugs that can be locally administered, including oral delivery, to treat autoimmune disorders in the GI tract.



"We are excited to be working with Janssen to apply our drug discovery and development efforts in this therapeutic area. This collaboration broadens the utility of our drug discovery technology to new targets in the GI tract and expands the administration of antisense drugs to local delivery, including oral delivery, to the gut," said B. Lynne Parshall, chief operating officer at Isis Pharmaceuticals. "We are the leader in RNA-targeted therapeutics and our innovation and the successes of our pipeline drugs enable us to form collaborations, like this one, with leaders in specific therapeutic areas. This partnering strategy ensures that we have access to resources that support and enhance our drug discovery efforts and also provides us with collaborators, like Janssen, who are uniquely capable of conducting development, marketing and commercial efforts for these drugs."

Under the terms of the agreement, which covers three programs, Isis will receive \$35 million in upfront payments, including a payment to initiate human lead optimization on the first collaboration target. Isis is eligible to receive nearly \$800 million in development, regulatory and sales milestone payments and license fees for these programs. In addition, Isis will receive tiered royalties that on average are double-digits on sales from any product that is successfully commercialized. Janssen has the option to license a drug from each of the programs once a development candidate is identified. If Janssen exercises its option, it will assume global development, regulatory and commercialization responsibilities.

### ABOUT ISIS PHARMACEUTICALS, INC.

Isis is exploiting its leadership position in RNA-targeted technology to discover and develop novel drugs for its product pipeline and for its partners. Isis' broad pipeline consists of 34 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<sup>®</sup>, in the United States and other countries for the treatment of patients with homozygous FH. Isis has numerous drugs in Phase 3 development in severe and rare and cardiovascular diseases. These include ISIS-APOCIII<sub>Rx</sub>, a drug Isis is developing to treat patients with severely high triglycerides, such as patients with familial chylomicronemia syndrome; ISIS-TTR<sub>Rx</sub>, a drug Isis is developing with GSK to treat patients with the polyneuropathy form of TTR amyloidosis; and, ISIS-SMN<sub>Rx</sub>, a drug Isis is developing with Biogen Idec to treat infants and children with spinal muscular atrophy, a severe and rare neuromuscular disease. Isis' patents provide strong and extensive protection for its drugs and technology. Additional information about Isis is available at [www.isispharm.com](http://www.isispharm.com).

### ISIS PHARMACEUTICALS' FORWARD-LOOKING STATEMENT

This press release includes forward-looking statements regarding Isis' alliance with Janssen, Isis' research, development and commercial opportunities in developing antisense drugs to treat autoimmune diseases in the gastrointestinal tract. 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<sup>®</sup> is a registered trademark of Isis Pharmaceuticals, Inc. KYNAMRO<sup>®</sup> is a registered trademark of Genzyme Corporation.

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