Biogen Idec and Genentech Announce Restructuring of anti-CD20 Collaboration Agreement

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WESTON, Mass. & SOUTH SAN FRANCISCO--(BUSINESS WIRE)--Biogen Idec (Nasdaq: BIIB) and Genentech, Inc. a wholly owned member of the Roche Group (SIX: RO, ROG; OTCQX: RHHBY) today announced that they have agreed to amend their collaboration on antibodies targeting CD20. The companies have agreed that Genentech will have responsibility for the further development of ocrelizumab in multiple sclerosis (MS). Genentech will fund 100% of the costs going forward and will be responsible for development and commercialization. Biogen Idec will receive tiered, double-digit royalties on US sales of ocrelizumab that will approximate its current 30% interest in the compound. Further, the companies have agreed that the commercialization of ocrelizumab will not impact the current profit share of RITUXAN® (rituximab).

In addition, Biogen Idec and Genentech have agreed that Biogen Idec will increase its share of the losses and profits related to the development and commercialization of GA101 in the US to 35% from 30%. GA101 is a next-generation anti-CD20 antibody in development for CLL and NHL. Biogen Idec will pay Genentech approximately $10 million as a catch-up payment for expenses incurred to date on GA101 since Biogen Idec was previously paying 30% of the development costs. Once GA101 achieves certain sales milestones, Biogen Idec's share of the co-promotion profits of RITUXAN will decrease from 40% to 35%.

"I am pleased that we were able to reach this agreement with Genentech," said George Scangos, Ph.D., Chief Executive Officer, Biogen Idec, "Our partnership with Genentech and Roche is very important to us, and I believe this agreement is in the interests of both companies and patients. We recently reported positive phase II data for ocrelizumab in multiple sclerosis, which suggest that the compound could provide a substantial benefit to patients with MS. This agreement allows Genentech and Roche to aggressively develop the compound in MS, while allowing Biogen Idec to avoid a further concentration of its R&D dollars in phase III trials for multiple sclerosis. Further, we have agreed on the profit sharing arrangements for GA101 and RITUXAN, which were a potential area of dispute. The companies' interests are now aligned, allowing us to work together to maximize the revenues for the collaboration products while maximizing the benefit for patients."

"We believe both Genentech and Biogen Idec will benefit from the new structure of the anti-CD20 collaboration," said Dan Zabrowski, Head of Roche Partnering. "Recently we announced exciting phase II study results which showed that ocrelizumab significantly reduced disease activity as measured by brain lesions and relapse rate for patients with MS. We believe in the potential of ocrelizumab and look forward to exploring it further in phase III studies."

About Biogen Idec

Biogen Idec creates new standards of care in therapeutic areas with high unmet medical needs. Founded in 1978, Biogen Idec is a global leader in the discovery, development, manufacturing, and commercialization of innovative therapies. Patients worldwide benefit from Biogen Idec's significant products that address diseases such as lymphoma, multiple sclerosis, and rheumatoid arthritis. For product labeling, press releases and additional information about the company, please visit http://www.biogenidec.com.

About Genentech

Founded more than 30 years ago, Genentech is a leading biotechnology company that discovers, develops, manufactures and commercializes medicines to treat patients with serious or life-threatening medical conditions. The company, a wholly owned member of the Roche Group, has headquarters in South San Francisco, Calif. For additional information about the company, please visit www.gene.com.

About Roche Headquartered in Basel, Switzerland, Roche is a leader in research-focused healthcare with combined strengths in pharmaceuticals and diagnostics. Roche is the world's largest biotech company with truly differentiated medicines in oncology, virology, inflammation, metabolism and CNS. Roche is also the world leader in in-vitro diagnostics, tissue-based cancer diagnostics and a pioneer in diabetes management. Roche's personalized healthcare strategy aims at providing medicines and diagnostic tools that enable tangible improvements in the health, quality of life and survival of patients. In 2009, Roche had over 80,000 employees worldwide and invested almost 10 billion Swiss francs in R&D. The Group posted sales of 49.1 billion Swiss francs. Genentech, United States, is a wholly owned member of the Roche Group. Roche has a majority stake in Chugai Pharmaceutical, Japan. For more information: www.roche.com.

Safe Harbor

This press release contains forward-looking statements regarding the development of ocrelizumab in multiple sclerosis. Drug development and commercialization involve a high degree of risk and actual results may be affected by a number of factors including unexpected safety, efficacy or manufacturing issues, the need for additional data, data analysis or clinical studies, FDA actions or delays, failure to obtain or maintain FDA approval, competition, pricing, reimbursement, the ability to supply product, product withdrawals and new product approvals and launches, and intellectual property or contract rights. Please also refer to the risk factors described in Biogen Idec's periodic reports filed with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this press release, and we do not undertake any obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

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