Biogen to Acquire from Pfizer First-in-Class Phase 2b Ready Asset for Cognitive Impairment Associated with Schizophrenia

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- PF-04958242 is an AMPA receptor potentiator designed to facilitate neurotransmission
- Biogen will pay $75 million upfront plus potential milestones of up to $515 million and royalties
- Represents Biogen's first program in neuropsychiatry, a strategic emerging growth area

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Biogen Inc. (Nasdaq: BIIB) announced today an agreement to acquire from Pfizer Inc. (NYSE: PFE) PF-04958242, a first-in-class, Phase 2b ready AMPA receptor potentiator for cognitive impairment associated with schizophrenia (CIAS). The purchase will include an upfront payment of $75 million with up to $515 million in additional development and commercialization milestone payments, as well as tiered royalties in the low to mid-teen percentages.

AMPA receptors mediate fast excitatory synaptic transmission in the central nervous system, a process which can be disrupted in a number of neurological and psychiatric diseases, including schizophrenia.

PF-04958242 has previously demonstrated an acceptable safety profile and treatment effect trends across multiple domains of cognition in Phase 1b clinical studies. Biogen aims to initiate a Phase 2b trial in the second half of 2018.

"As pioneers in neuroscience, Biogen continues to explore new ways to treat serious diseases where there are few or no options, such as CIAS," stated Michel Vounatsos, Biogen chief executive officer. "Given the significant unmet patient need and Biogen's ability to apply its scientific expertise in this area, we are enthusiastic to advance development of this asset as we continue to expand our neuroscience pipeline, including in our emerging growth areas such as neuropsychiatry."

Worldwide there are greater than 20 million people living with schizophrenia and it is estimated that the majority of them live with some degree of cognitive impairment attributable to the disease. Cognitive impairment is increasingly recognized as one of the greatest unmet needs in the effective treatment of schizophrenia.

"When cognition is impaired, you lose the ability to make sense of the world. Things we often take for granted in our daily lives, including processing information, planning and remembering, all become difficult or impossible," said Michael Ehlers, executive vice president, Research & Development at Biogen. "Cognition can be impaired in multiple neurological and neuropsychiatric diseases, including schizophrenia. And we know that the extent of cognitive deficits in patients with schizophrenia is a strong predictor of daily functioning. We look forward to quickly pursuing development of this potential innovative therapy to treat such a devastating disease."

The transaction is subject to customary closing conditions, including the expiration of the applicable waiting period under the Hart Scott Rodino Antitrust Improvements Act of 1976 in the United States.

Biogen expects the deal to close in the second quarter of 2018.

About Biogen

At Biogen, our mission is clear: we are pioneers in neuroscience. Biogen discovers, develops, and delivers worldwide innovative therapies for people living with serious neurological and neurodegenerative diseases. Founded in 1978 as one of the world's first global biotechnology companies by Charles Weissman, Heinz Schaller, Kenneth Murray, and Nobel Prize winners Walter Gilbert and Phillip Sharp, today Biogen has the leading portfolio of medicines to treat multiple sclerosis; has introduced the first and only approved treatment for spinal muscular atrophy; and is focused on advancing neuroscience research programs in Alzheimer's disease and dementia, multiple sclerosis and neuroimmunology, movement disorders, neuromuscular disorders, pain, ophthalmology, neuropsychiatry, and acute neurology. Biogen also manufactures and commercializes biosimilars of advanced biologics.

We routinely post information that may be important to investors on our website at

www.biogen.com. Follow us on social media – Twitter, LinkedIn, Facebook, YouTube.

Safe Harbor

This press release contains forward-looking statements, made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements relating to the potential benefits and results that may be achieved through the transaction with Pfizer, risks and uncertainties associated with drug development and commercialization, the potential benefits, safety and efficacy of investigational drugs including PF-04958242 and the anticipated completion and timing of the transaction. These forward-looking statements may be accompanied by such words as "aim," "anticipate," "believe," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "possible," "will" and other words and terms of similar meaning. You should not place undue reliance on these statements or the scientific data presented. Drug development and commercialization involve a high degree of risk, and only a small number of research and development programs result in commercialization of a product. Results in early stage clinical trials may not be indicative of full results or results from later stage or larger scale clinical trials and do not ensure regulatory approval.

These statements involve risks and uncertainties that could cause actual results to differ materially from those reflected in such statements, including, without limitation: risks that the transaction will be completed in a timely manner or at all; uncertainty as to whether the anticipated benefits of the transaction can be achieved; risks of unexpected costs or delays; uncertainty of success in the development and potential commercialization of PF-04958242, which may be impacted by, among other things, unexpected concerns that may arise from additional data or analysis, the occurrence of adverse safety events, failure to obtain regulatory approvals in certain jurisdictions, failure to protect and enforce our data, intellectual property and other proprietary rights and uncertainties relating to intellectual property claims and challenges; product liability claims; and third party collaboration

risks. The foregoing sets forth many, but not all, of the factors that could cause actual results to differ from our expectations in any forward-looking statement. Investors should consider this cautionary statement, as well as the risks factors identified in our most recent annual or quarterly report and in other reports we have filed with the Securities and Exchange Commission. These statements are based on our current beliefs and expectations and speak only as of the date of this press release. We do not undertake any obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.

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