

# SCHEDULE 14A

## Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No. \_\_)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

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### Biogen Idec Inc.

(Name of Registrant as Specified In Its Charter)

**Carl C. Icahn  
Alexander J. Denner  
Richard C. Mulligan  
Thomas F. Deuel  
David Sidransky  
Mayu Sris  
Eric Ende  
Jeffrey Meckler  
Icahn Partners LP  
Icahn Partners Master Fund LP  
Icahn Partners Master Fund II LP  
Icahn Partners Master Fund III LP  
High River Limited Partnership  
Barberry Corp.  
Hopper Investments LLC  
Icahn Offshore LP  
Icahn Onshore LP  
Icahn Capital LP  
IPH GP LLC  
Icahn Enterprises Holdings L.P.  
Icahn Enterprises G.P. Inc.  
Beckton Corp.**

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rule 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

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2) Aggregate number of securities to which transaction applies:

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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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4) Proposed maximum aggregate value of transaction:

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5) Total fee paid:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

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On May 11, 2009, the Participants (as defined below), distributed a presentation to stockholders of Biogen Idec Inc. It is attached hereto as Exhibit I and is incorporated herein by reference.

SECURITY HOLDERS ARE ADVISED TO READ THE PROXY STATEMENT AND OTHER DOCUMENTS RELATED TO THE SOLICITATION OF PROXIES BY CARL C. ICAHN, ALEXANDER J. DENNER, RICHARD C. MULLIGAN, THOMAS F. DEUEL, DAVID SIDRANSKY, MAYU SRIS, ERIC ENDE, JEFFREY MECKLER, ICAHN PARTNERS LP, ICAHN PARTNERS MASTER FUND LP, ICAHN PARTNERS MASTER FUND II LP, ICAHN PARTNERS MASTER FUND III LP, HIGH RIVER LIMITED PARTNERSHIP, BARBERRY CORP., HOPPER INVESTMENTS LLC, ICAHN OFFSHORE LP, ICAHN ONSHORE LP, ICAHN CAPITAL LP, IPH GP LLC, ICAHN ENTERPRISES HOLDINGS L.P., ICAHN ENTERPRISES G.P. INC., BECKTON CORP. (COLLECTIVELY, THE "PARTICIPANTS") AND CERTAIN OF THEIR RESPECTIVE AFFILIATES FROM THE STOCKHOLDERS OF BIOGEN IDEC INC. FOR USE AT ITS ANNUAL MEETING WHEN AND IF THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION, INCLUDING INFORMATION RELATING TO THE PARTICIPANTS IN ANY SUCH PROXY SOLICITATION. WHEN AND IF COMPLETED, A DEFINITIVE PROXY STATEMENT AND A FORM OF PROXY WILL BE AVAILABLE TO STOCKHOLDERS OF BIOGEN IDEC INC. FROM THE PARTICIPANTS AT NO CHARGE AND WILL ALSO BE AVAILABLE AT NO CHARGE AT THE SECURITIES AND EXCHANGE COMMISSION'S WEBSITE AT [HTTP://WWW.SEC.GOV](http://www.sec.gov). INFORMATION RELATING TO THE PARTICIPANTS IN A POTENTIAL PROXY SOLICITATION IS CONTAINED IN EXHIBIT II HERETO.

**Biogen Idec**  
**Investor Presentation**  
May 2009

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# Special note regarding presentation

- This presentation includes information based on data found in filings with the SEC, independent industry publications and other sources. Although we believe that the data is reliable, we do not guarantee the accuracy or completeness of this information and have not independently verified any such information. We have not sought, nor have we received, permission from any third-party to include their information in this presentation.
- Many of the statements in this presentation reflect our subjective belief. Although we have reviewed and analyzed the information that has informed our opinions, we do not guarantee the accuracy of any such beliefs.
- Sections of this presentation refer to the experience of our nominees for director at Biogen Idec Inc. during their tenure as directors of ImClone Systems Inc. We believe their experience at ImClone was a success and resulted in an increase in shareholder value that benefited all shareholders. However, their success at ImClone is not necessarily indicative of future results at Biogen Idec if our nominees were to be elected to the Biogen Idec Board of Directors.
- All stockholders of Biogen Idec are advised to read the definitive proxy statement, the gold proxy card and other documents related to the solicitation of proxies by the Participants from the stockholders of the Company for use at the 2009 annual meeting of stockholders of the Company because they contain important information. The definitive proxy statement and form of proxy along with other relevant documents, are available at no charge on the SEC's website at <http://www.sec.gov> or by contacting D.F. King & Co., Inc. by telephone toll free at 1-800-769-4414 or by visiting their website at <http://www.dfking.com/BIIB>. In addition, the Participants will provide copies of the definitive proxy statement without charge upon request.

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# Agenda

- Situation Overview

- Strategic failures
- Operational failures
- Business development failures
- Research & development failures

- Our Qualifications & Proposals

- Biographies of our nominees
- ImClone Systems case study
- Proposals for Biogen Idec

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# We strongly believe Biogen Idec needs better management

- Biogen Idec has a collection of **valuable assets**
  - AVONEX for relapsing multiple sclerosis and TYSABRI for MS and Crohn's disease, \$2.8B of 2008 sales
  - RITUXAN for B-cell non-Hodgkin's lymphoma and rheumatoid arthritis, \$1.1B of 2008 sales
  - Promising pipeline (BG-12, Lixivaptan, ADENTRI, etc.) and biologics manufacturing facilities
- Board and management have **failed to achieve the full potential** of Biogen Idec
  - Biogen – IDEC merger has not created much value
  - Management has failed shareholders strategically and operationally
  - Weak business development and research & development efforts inhibit company's prospects
- Quality of board and management **especially crucial today**
  - R&D organization needs to be reinvigorated; Strategic review of pipeline needs to be conducted
  - Cost structure needs to be examined and partner relations need to be revitalized
  - Product sales growth likely to slow
  - Board needs to evaluate possibility of separating assets in order to enhance value
  - Management not aligned with shareholder interests
- Electing our directors could **maximize shareholder value**
  - Our slate will press hard for management accountability and will provide experienced oversight
  - Our nominees' experience with ImClone Systems useful to Biogen Idec
  - Specifically, we recharged partner relations, optimized the cost structure and rebuilt the pipeline



**Better management of Biogen Idec assets will enhance value for all shareholders**

# We believe leadership has failed on many dimensions

Strategic	Operational	Business Development	Research & Development
<ul style="list-style-type: none"><li>• Biogen – IDEC merger has not created much value</li></ul>	<ul style="list-style-type: none"><li>• Avonex lost US market leadership</li></ul>	<ul style="list-style-type: none"><li>• Is Biogen Idec defending its MS franchise?</li></ul>	<ul style="list-style-type: none"><li>• Research and development productivity worst in peer group</li></ul>
<ul style="list-style-type: none"><li>• Announced merger synergies never materialized</li></ul>	<ul style="list-style-type: none"><li>• Failed to manage Avonex product lifecycle</li></ul>	<ul style="list-style-type: none"><li>• Is it defending the oncology franchise?</li></ul>	<ul style="list-style-type: none"><li>• Lack of R&amp;D focus apparent when comparing employee base with peers</li></ul>
<ul style="list-style-type: none"><li>• Management turnover makes consistent strategy and execution difficult</li></ul>	<ul style="list-style-type: none"><li>• Amevive never lived up to management hype</li></ul>	<ul style="list-style-type: none"><li>• Management has signed only a few licensing deals over last five years</li></ul>	<ul style="list-style-type: none"><li>• Pipeline has failed to show meaningful progress</li></ul>
	<ul style="list-style-type: none"><li>• TYSABRI goals also overly aggressive</li></ul>		<ul style="list-style-type: none"><li>• Biogen Idec has launched no new drugs since 2004</li></ul>
	<ul style="list-style-type: none"><li>• Five year stock performance has trailed peer group</li></ul>		<ul style="list-style-type: none"><li>• Pipeline lacks strategic focus</li></ul>
			<ul style="list-style-type: none"><li>• PEGylation is hardly a breakthrough</li></ul>



# Biogen and IDEC supposedly merged to accelerate growth & create shareholder value

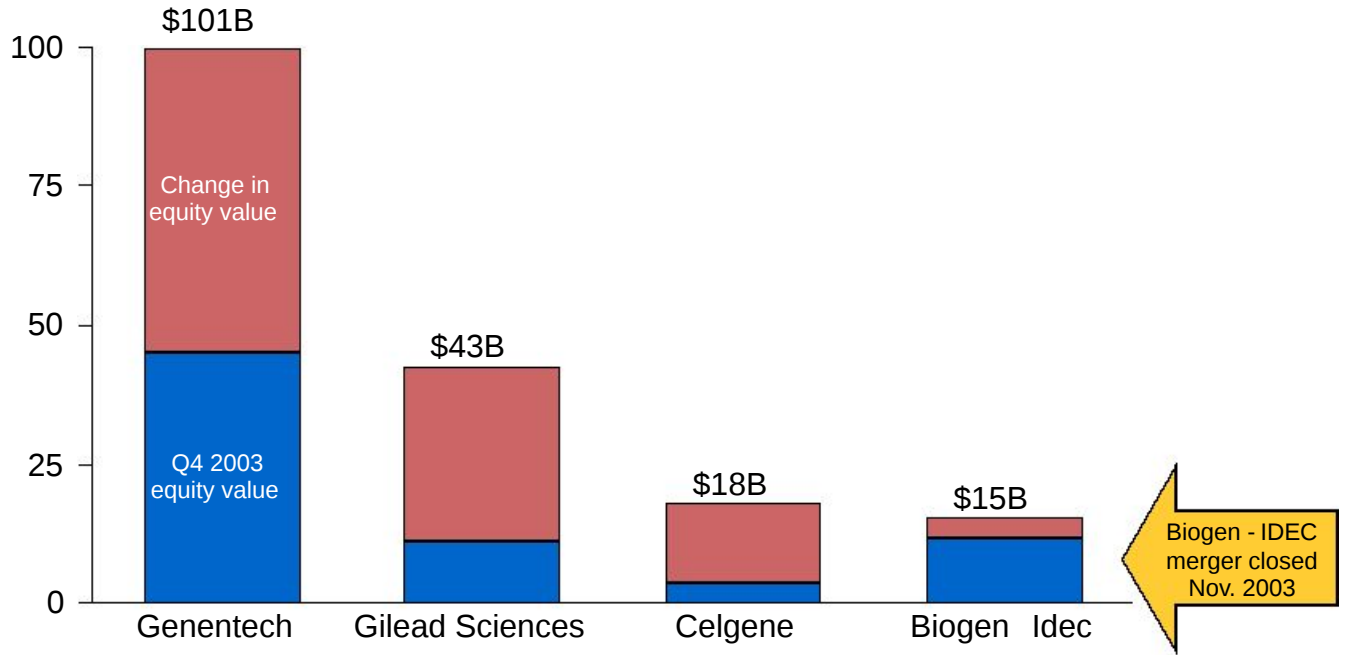
	Biogen, Inc.	IDEC Pharmaceuticals
<b>Key products</b>	<ul style="list-style-type: none"> <li>• Avonex for relapsing MS</li> <li>• Amevive for chronic plaque psoriasis</li> </ul>	<ul style="list-style-type: none"> <li>• Rituxan for non-Hodgkin's lymphoma</li> <li>• Zevalin for non-Hodgkin's lymphoma</li> </ul>
<b>Pipeline</b>	<ul style="list-style-type: none"> <li>• Anti-inflammatory products in Amevive and Antegren (now Tysabri)</li> <li>• 6 product candidates in human trials</li> </ul>	<ul style="list-style-type: none"> <li>• Rituxan for new indications</li> <li>• 4 product candidates in human trials</li> </ul>
<b>Therapeutic focus</b>	<ul style="list-style-type: none"> <li>• Focus on neurology and dermatology</li> <li>• Growing expertise in oncology</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on oncology and rheumatology</li> <li>• Growing expertise in autoimmune and inflammatory diseases</li> </ul>
<b>2002 financials</b>	<ul style="list-style-type: none"> <li>• Revenues of \$1,148M</li> <li>• Net income of \$242M</li> </ul>	<ul style="list-style-type: none"> <li>• Revenues of \$404M</li> <li>• Net income of \$148M</li> </ul>
<b>Year founded</b>	<ul style="list-style-type: none"> <li>• 1978</li> </ul>	<ul style="list-style-type: none"> <li>• 1985</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• 2,700 people worldwide</li> </ul>	<ul style="list-style-type: none"> <li>• 1,000 people worldwide</li> </ul>
<b>Headquarters</b>	<ul style="list-style-type: none"> <li>• Cambridge, MA</li> </ul>	<ul style="list-style-type: none"> <li>• San Diego, CA</li> </ul>

*“Bringing our companies together accelerates both companies' strategic plans and creates a biotechnology leader with the products, pipeline, infrastructure and financial resources to grow faster and **create sustainable shareholder value** beyond what either company could achieve separately.”*

James Mullen, Chairman and CEO of Biogen

# However, merger has failed to create much value

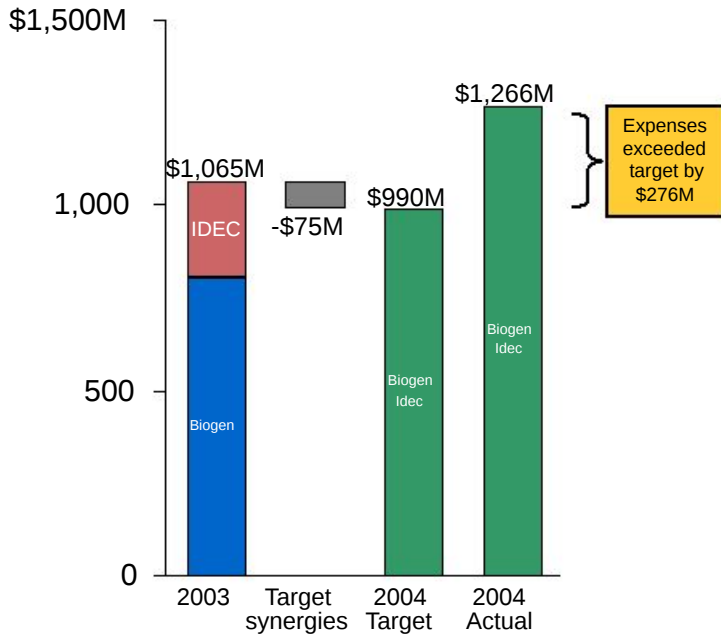
Current equity value (\$M)



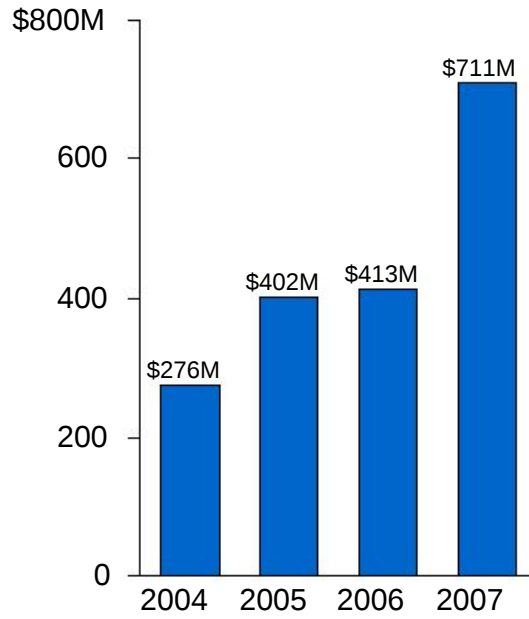
Note: Current price from April 2009; Change in equity value is growth from Q4 2003 to April 2009  
Source: Bloomberg; Company documents

# Announced merger synergies never materialized

Biogen Idec operating expenses (\$M)



Biogen Idec operating expenses in excess of target (\$M)



Note: 2003 operating expenses based on first nine months of 2003 annualized (pre-merger); \$75M target synergies based on \$300M cumulative target for 2004-2007

Source: Company documents

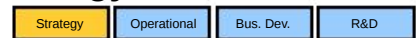
# Management turnover makes consistent strategy and execution difficult

Position / Department	Officer in 2003	Officer Today
• Chairman	• <b>William Rastetter</b>	• <b>Bruce Ross</b>
• CEO	• James Mullen	• James Mullen
• CFO	• <b>Peter Kellogg</b>	• <b>Paul Clancy</b>
• COO	• <b>William Rohn</b>	• <b>Robert Hamm</b>
• Research & development	• <b>Nabil Hanna (Research)</b> • <b>Burt Adelman (Development)</b>	• <b>Cecil Pickett</b>



**Lack of management continuity helps contribute to lack of consistent strategy**

Note: Bold & shading denotes turnover since 2003  
Source: Company documents

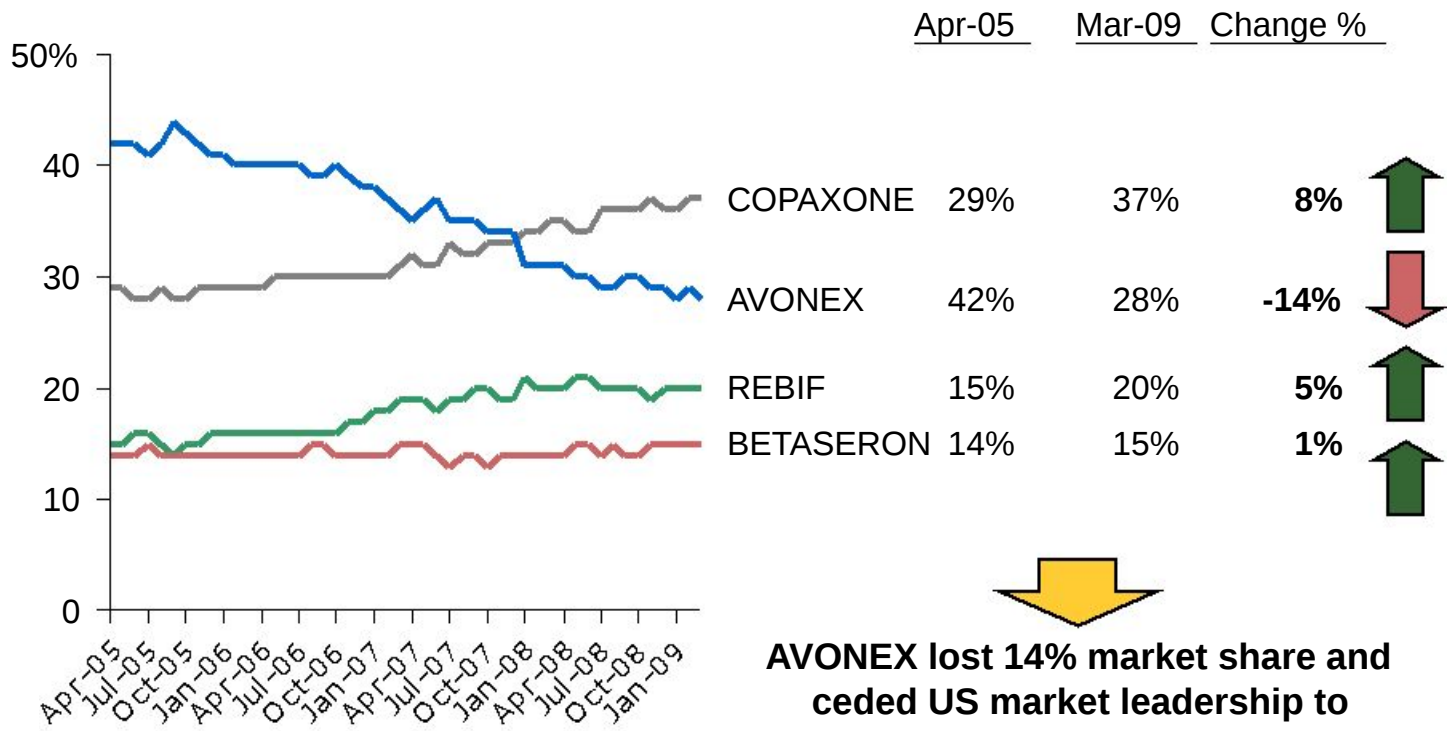


# We believe leadership has failed on many dimensions

Strategic	Operational	Business Development	Research & Development
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# AVONEX lost US market leadership to COPAXONE, others also grew market share

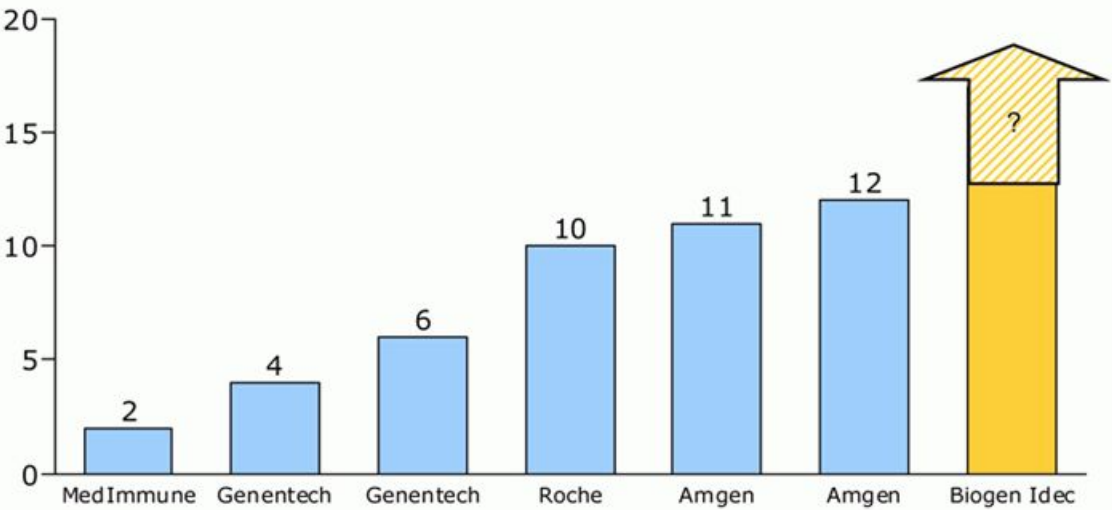
MS Rx market share %



Note: Data for US; Market share based on number of prescriptions  
Source: Deutsche Bank

# Biogen Idec has failed to manage Avonex product lifecycle

Years until Second Generation launch

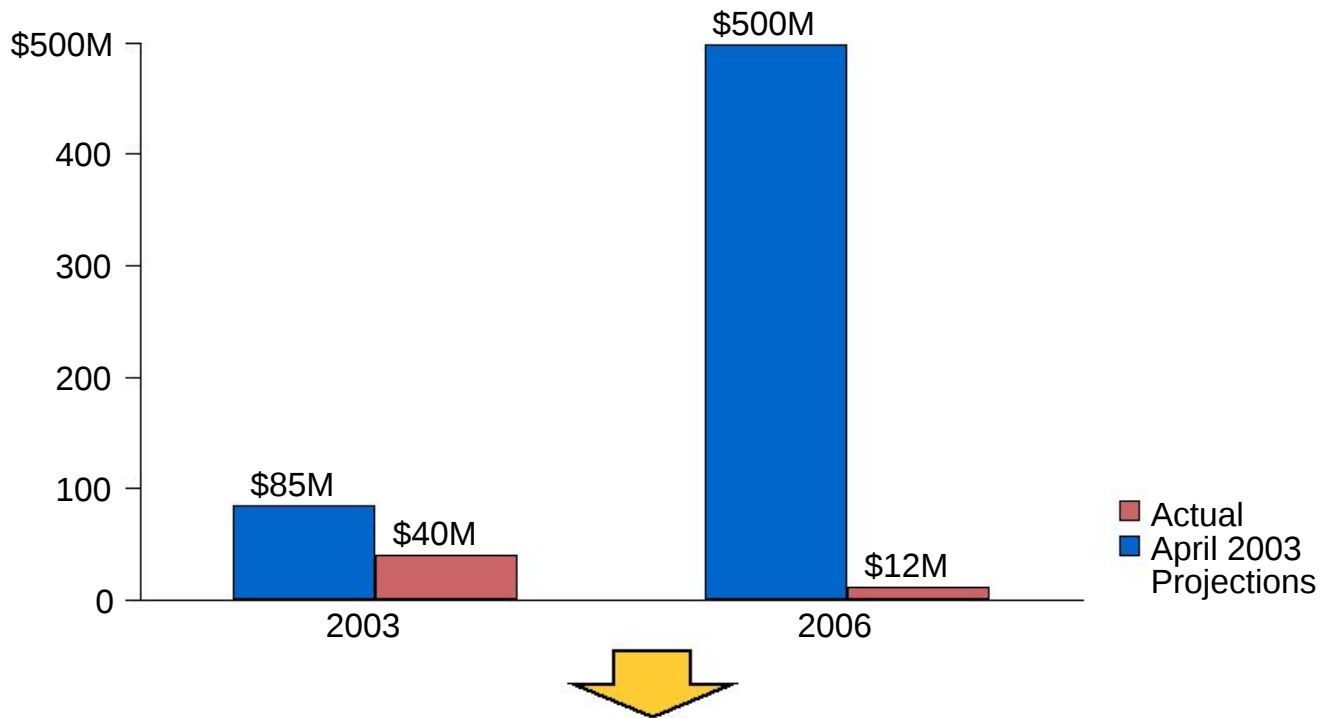


First Generation	Respigam	Activase	Nutropin	NeoRecormon	Neupogen	Epogen/Procrit	Avonex
Second Generation	Synagis	TNKase	Nutropin Depot	Mircera	Neulasta	Aranesp	PEG-IFNB

Source: FDA; Company documents

# AMEVIVE never lived up to management hype

AMEVIVE sales (\$M)



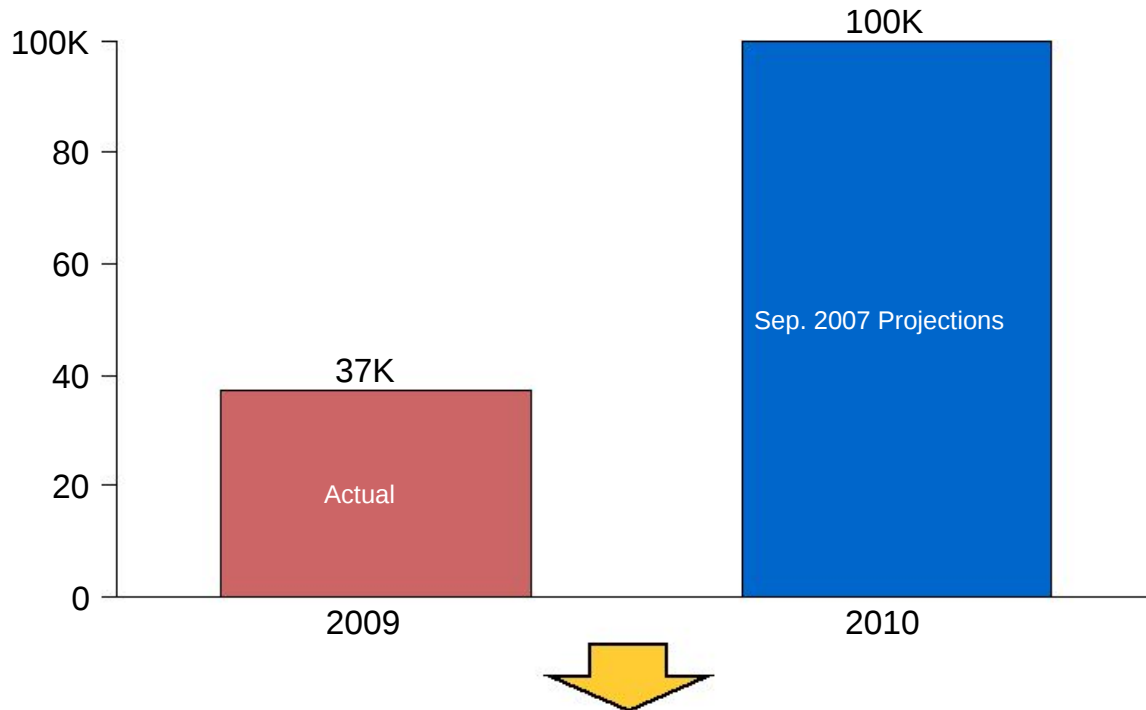
**After failing to achieve April 2003 projections,  
management sold AMEVIVE for \$60M in March 2006**

Source: North Carolina Biotechnology Center, Feb. 2003; Company documents



# TYSABRI goals also overly aggressive

TYSABRI patients (K)

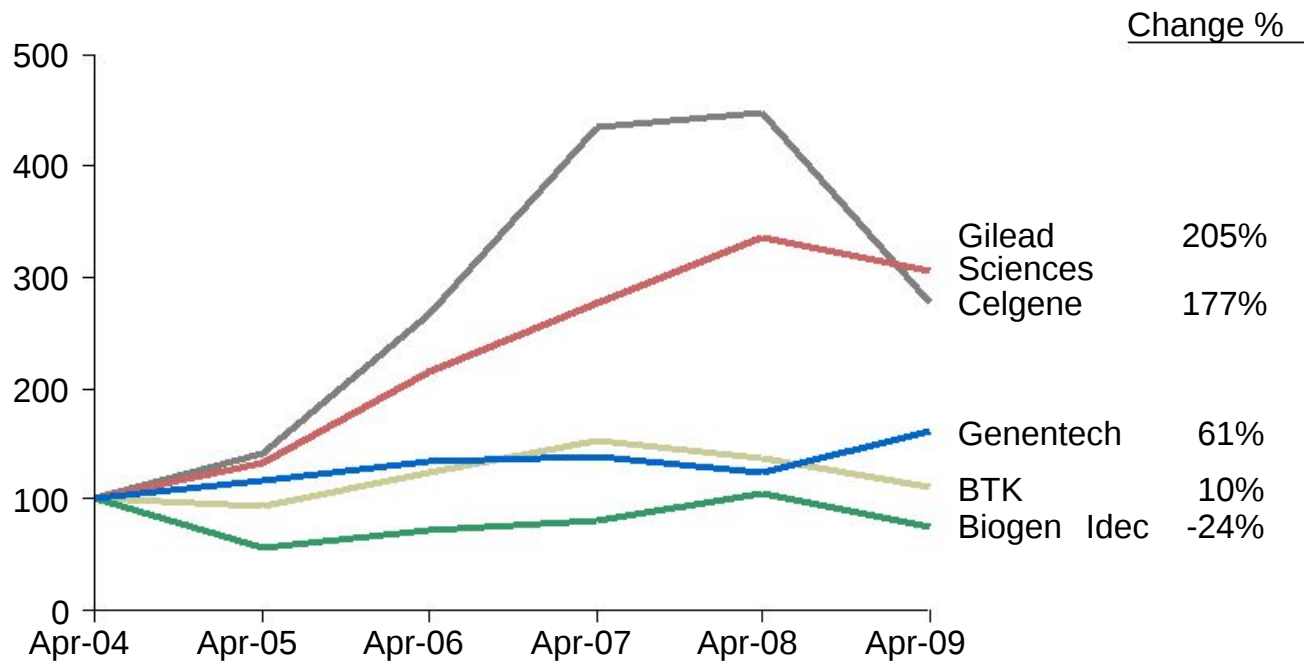


**In Sep. 2007, management expected 100K patients on TYSABRI by 2010 year-end; In Feb. 2009, management said it would be “difficult” to achieve the original 100K projection**

Source: Reuters, Feb. 2009; Company documents

# Five year stock performance has trailed peer group

## Stock performance



**Biogen Idec has underperformed peers**

Note: BTK represents AMEX Biotechnology Index  
Source: Bloomberg; Company documents

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## Business development vital to future prospects

- Companies must defend and strengthen franchises within core therapeutic areas
- It seems Biogen Idec **has done very little** to defend or strengthen its oncology and MS franchises
  - Competitors active in both therapeutic areas
- Lack of business development limits future growth prospects

# Is Biogen Idec defending its MS franchise?

- Biogen Idec has **not** participated in any of the approximately dozen multiple sclerosis business development opportunities over the last year
- Competitor MS deals in 2008 included:

<u>Acquirer</u>	<u>Counterparty</u>
Merck Serono	Apitope Technology
Novartis	Peptimmune
Merck Serono	Bionomics AGM
Teva	Antisense Therapeutics
Eli Lilly	BioMS Medical

Source: InVivo Deals database

## Is it defending the oncology franchise?

- Biogen Idec has executed **only one** of the approximately 150 cancer business development opportunities over the last year
- Competitor oncology deals in 2008 included:

### Acquirer

Bristol Myers

Roche

Pfizer

Merck

Sanofi Aventis

### Counterparty

Exelixis

ThromboGenics

Aureon Laboratories

Celera

Dyax Corp.

Source: InVivo Deals database

# Management has completed only five product in-licensing deals in five years

Date	Partner	Product	Consideration
• August 2005	• Protein Design Labs	• Fontolizumab • Daclizumab • Volociximab	• \$40M upfront • \$100M investment in Protein Design Labs stock
• October 2006	• UCB	• CDP323	• \$30M upfront
• July 2007	• CardioKine	• Aviptadil	• \$50M upfront
• October 2008	• Genentech	• GA101	• \$31M upfront
• March 2009	• Aveo	• ErbB3	• NA



**Suboptimal licensing efforts over last 5 years**

Source: Company documents

Strategy	Operational	Bus. Dev.	R&D
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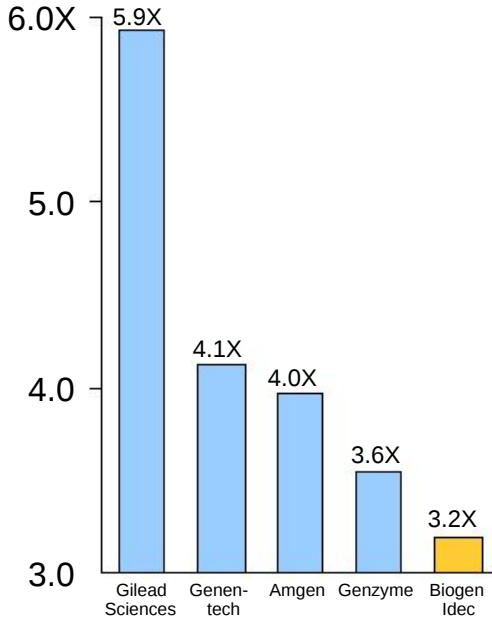
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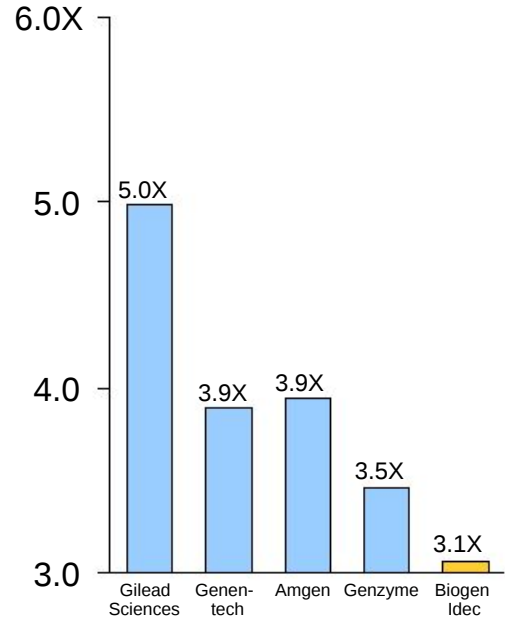


# Biogen Idec research and development productivity worst in peer group

5 year gross profit / 5 year R&D



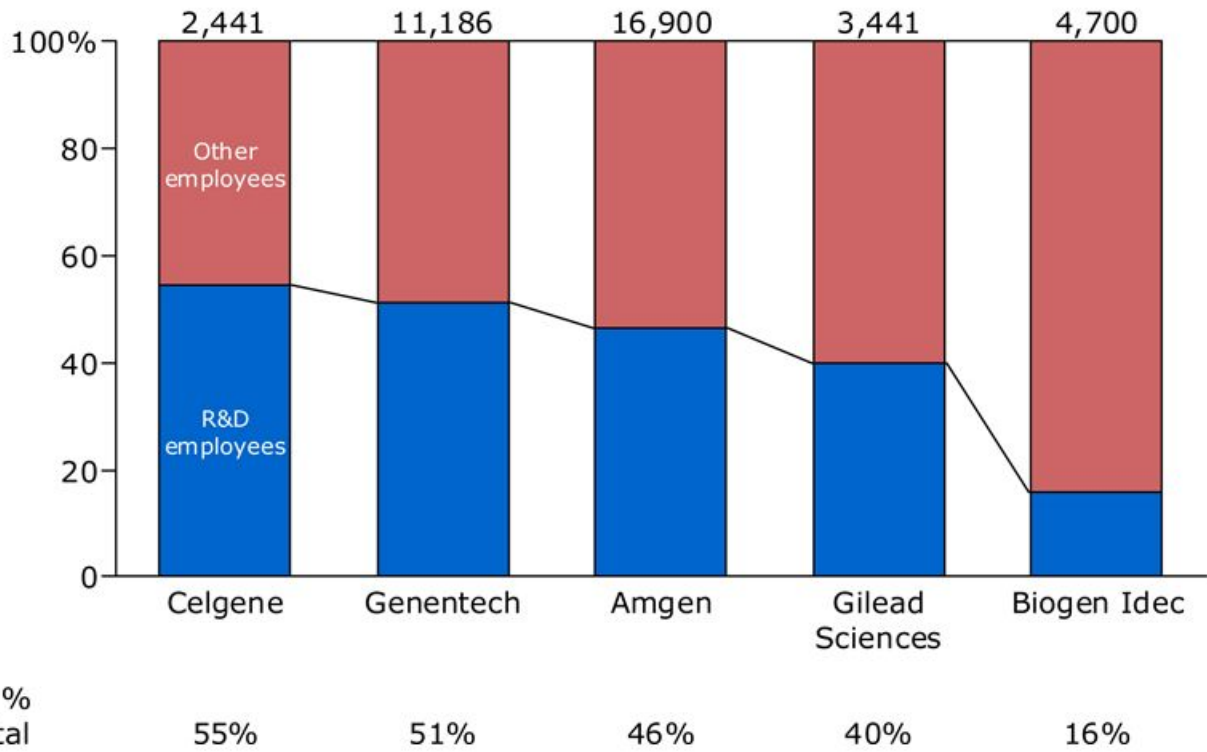
10 year gross profit / 10 year R&D



Note: 5 and 10 year charts represent cumulative gross profits and R&D spending  
Source: Company documents

# Lack of R&D focus apparent when comparing employee base with peers

Employees



Note: Employees as of December 2008; Genentech estimate based on estimated retention costs  
 Source: Company documents; Industry estimates



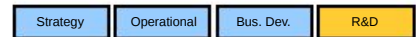
# Failure to advance pipeline

Compound	Therapeutic Area	2006	Today
BG-12	• Relapsing MS	• <b>Phase 3</b>	• <b>Phase 3</b>
Galiximab	• Relapsed NHL	• <b>Phase 3</b>	• <b>Phase 3</b>
Lumiliximab	• Relapsed CLL	• <b>Phase 2/3</b>	• <b>Phase 2/3</b>
Ocrelizumab	• RA	• Phase 2	• Phase 3
Lixivaptan	• Hypnoatremia	• Phase 2	• Phase 3
ADENTRI	• CHF	• Phase 2	• Phase 3
BIIB014	• Parkinson's	• <b>Phase 2</b>	• <b>Phase 2</b>
Daclizumab	• MS	• <b>Phase 2</b>	• <b>Phase 2</b>
CDP323	• MS	• Phase 1	• Phase 2
Ocrelizumab	• MS	• <b>Phase 2</b>	• <b>Phase 2</b>
Volociximab	• NSCLC	• <b>Phase 2</b>	• <b>Phase 2</b>
HSP90	• Oncology	• Phase 1	• Phase 2
GA101	• NHL	• Phase 1	• Phase 2
Aviptadil	• PAH	• <b>Phase 2</b>	• <b>Phase 2</b>



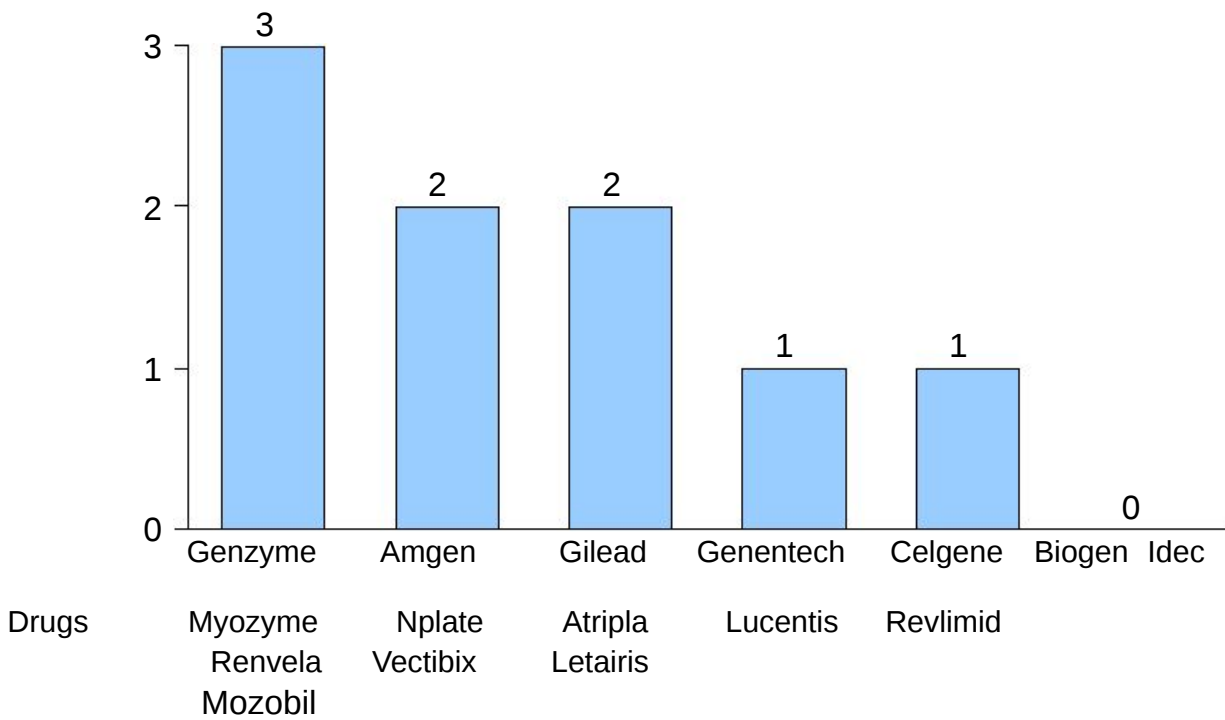
**Pipeline has made little progress**

Note: Bold & shading denotes no apparent progress since 2006  
Source: Company documents



# Biogen Idec is the only major biotech company with no new drugs since 2004

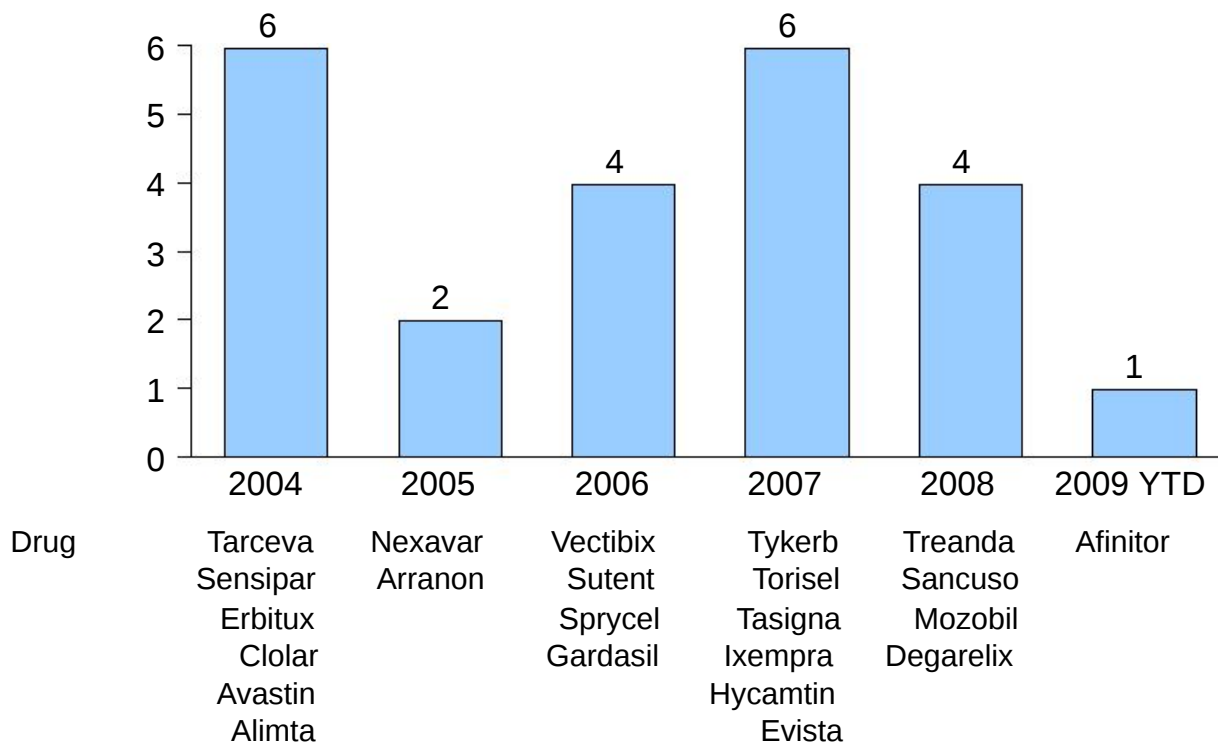
Drug launches since 2004



Source: FDA

# During that same period, 23 new oncology drugs have been launched

Oncology drug launches



Source: CenterWatch

# Pipeline seems to lack strategic focus

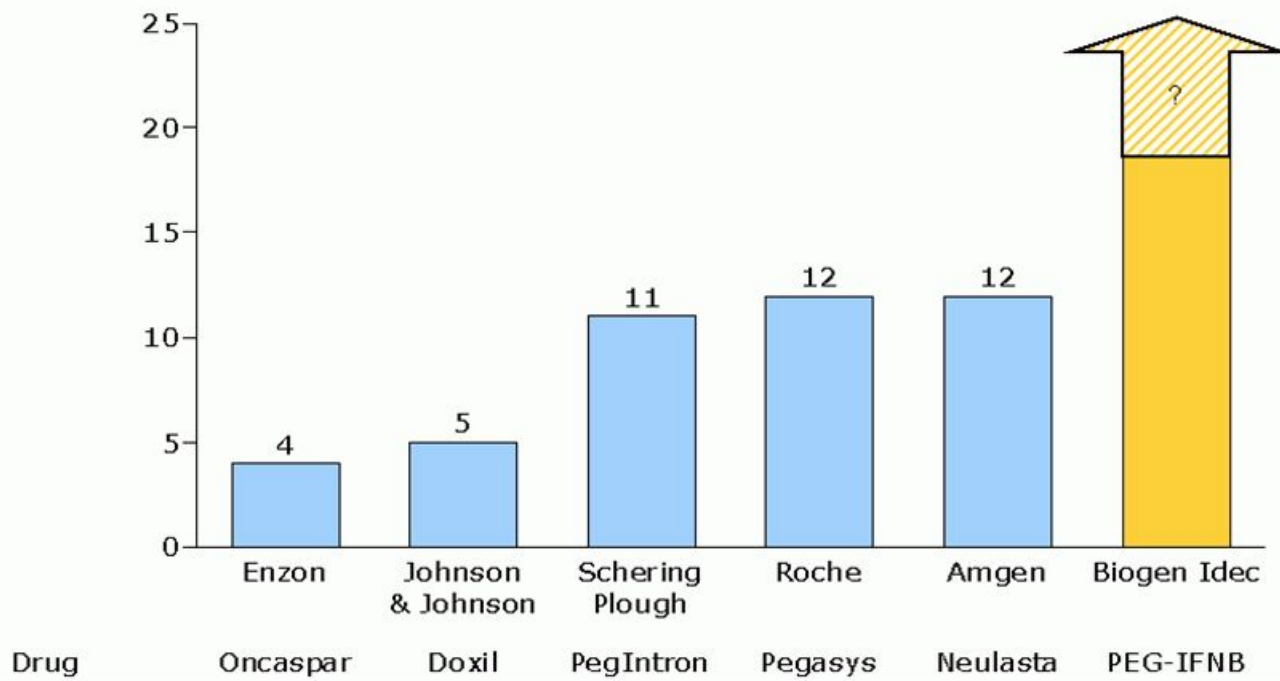
	Biogen Idec	Genentech	Gilead Sciences	Celgene
Autoimmune / Inflammation	✓	✓		✓
Cardiovascular	✓	✓	✓	
Hemophilia	✓			
Neurosciences	✓			
Oncology	✓	✓		✓
Antiviral			✓	

Source: Company documents

# PEGylation is hardly a breakthrough

- PEGylation was a mature, established technology in the 1990's; Adagen approved in 1990
- 19 years after launch of first PEGylated protein, Biogen Idec still has not launched PEG-IFNB

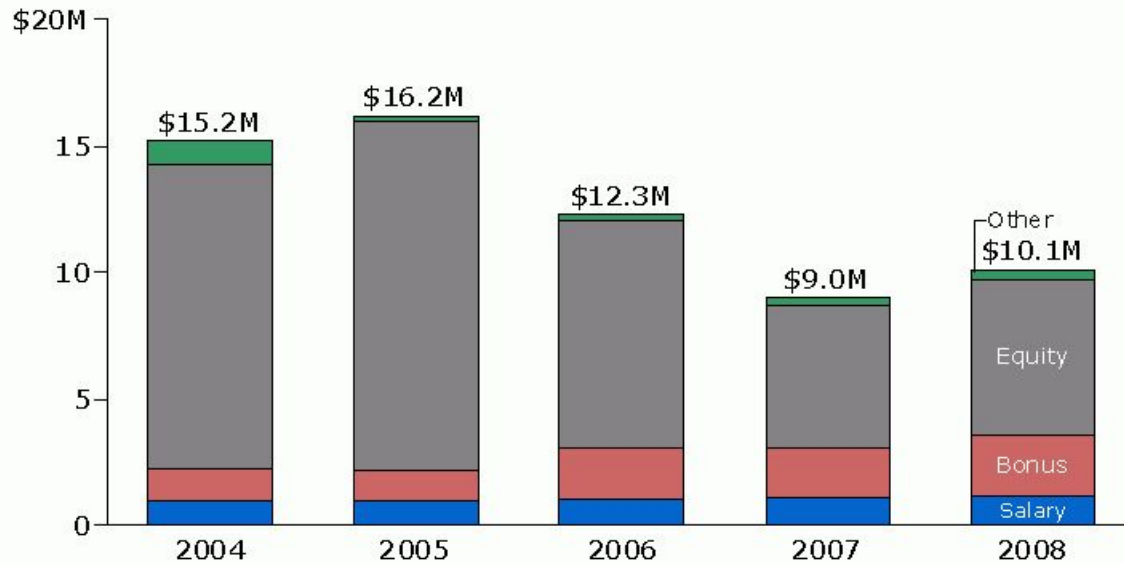
Years since launch of first PEGylated Protein



Note: Enzon launched Adagen in 1990  
Source: FDA

# CEO Mullen paid well despite poor performance and failures across many dimensions

CEO compensation (\$M)

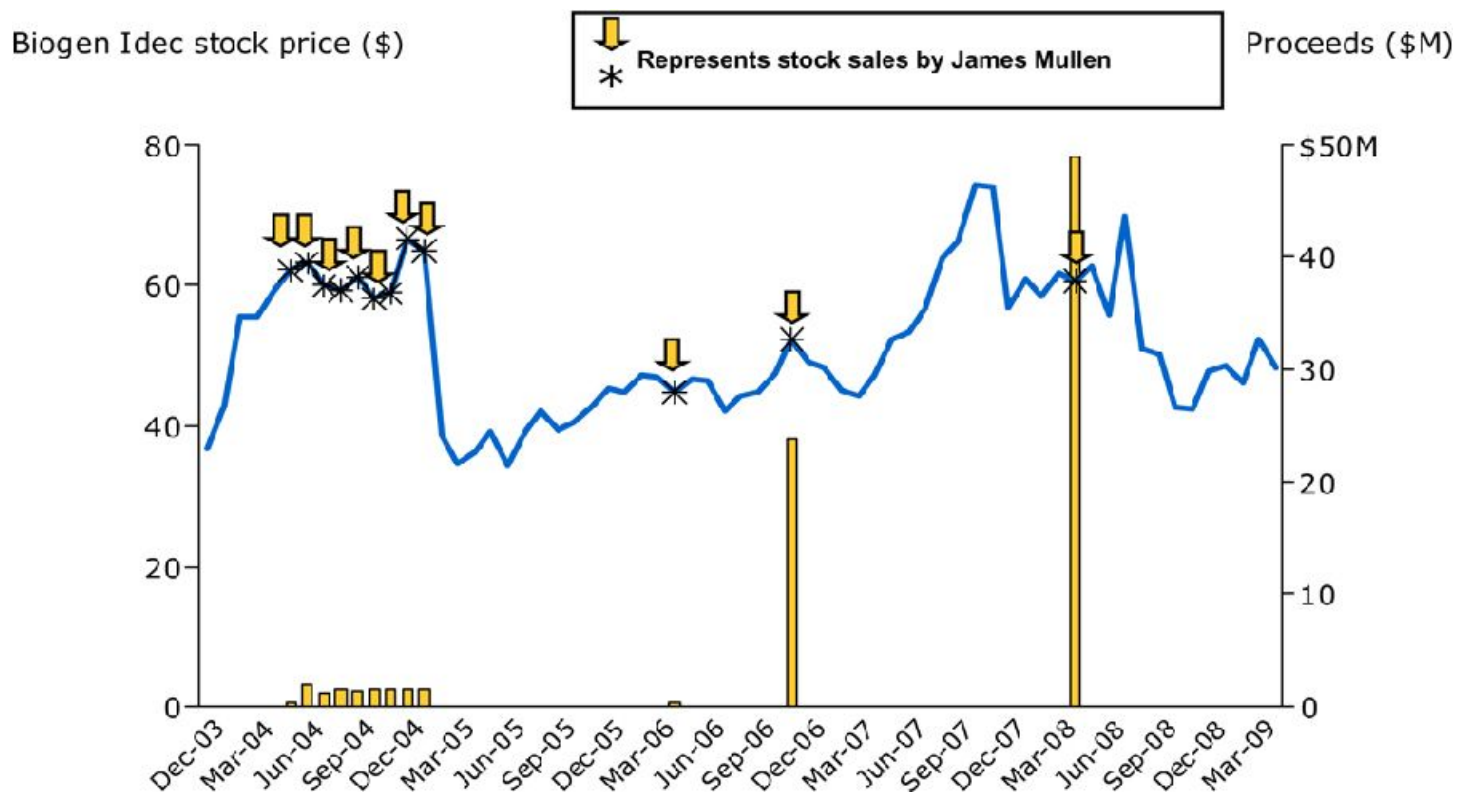


Year end stock price	2004	2005	2006	2007	2008
	\$66.61	\$45.28	\$49.19	\$56.92	\$47.63

Note: Equity compensation = stock + option grants as valued in relevant proxy  
 Source: Company documents



# James Mullen sold ~\$85M of stock since merger at average price of ~\$59 per share



Source: Company documents

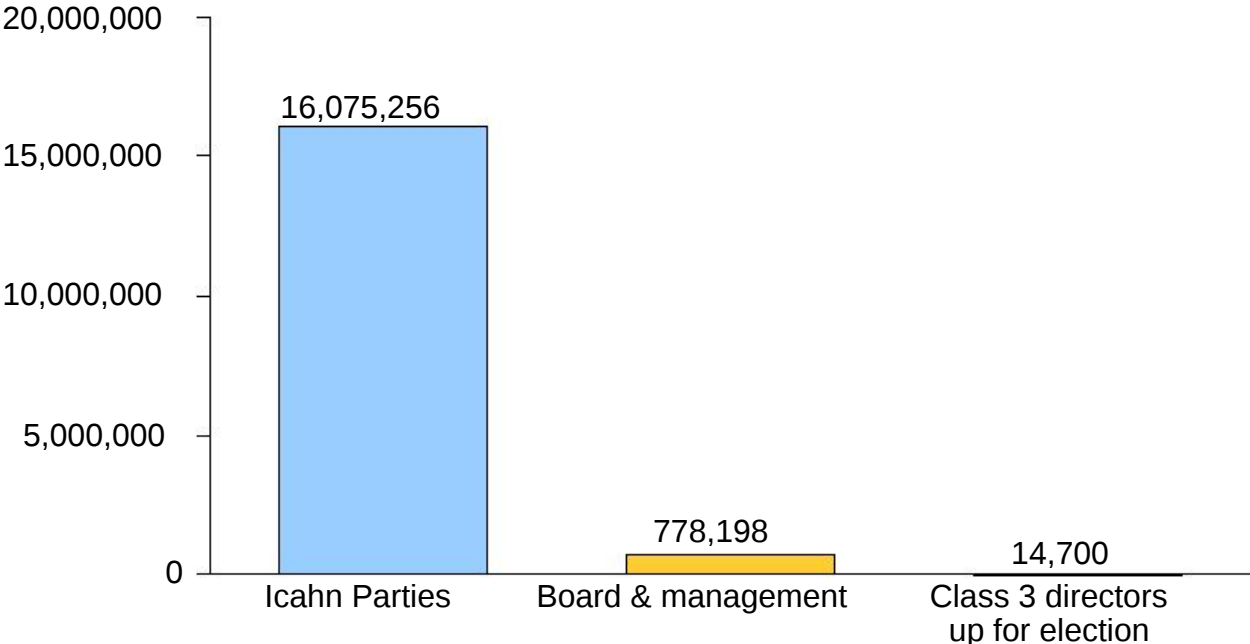
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## Are board and management aligned with you?

- In our opinion, management ran a flawed auction process last year
  - Board severely limited due diligence opportunities
  - Refused to allow bidders access to Elan until bidders submitted a firm and binding offer
  - At least one bidder was denied its request to speak with Elan which may have caused that bidder to walk away from the process
  - Board minutes that Biogen provided to us under court order last year show what we consider to be a poorly designed process that lacked active Board oversight
- Same management and Board that ran the 2007 sales process continue to run the company today. How would they treat a bidder in 2009? Is shareholder value a priority for this Board?

# Who is most aligned with your interests?

Biogen Idec shares owned



Source: Company documents

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# Agenda

- Situation Overview
  - Strategic failures
  - Operational failures
  - Business development failures
  - Research & development failures

- **Our Qualifications & Proposals**

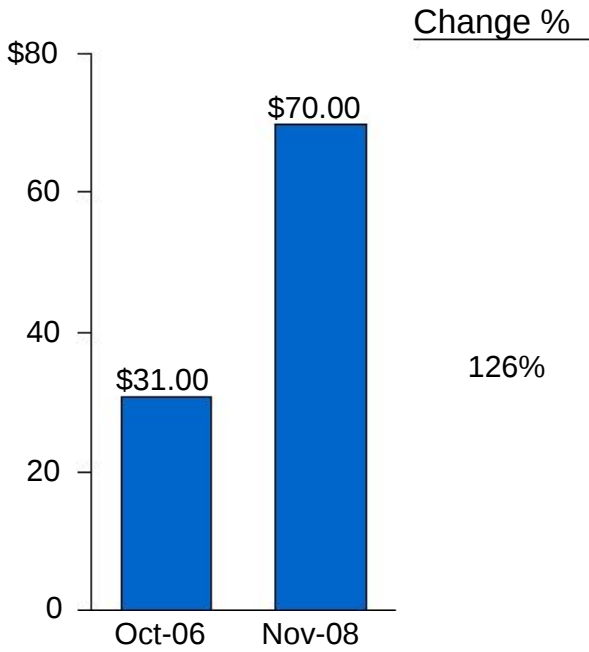
- Biographies of our nominees
- ImClone Systems case study
- Proposals for Biogen Idec

# Our nominees helped deliver results at ImClone

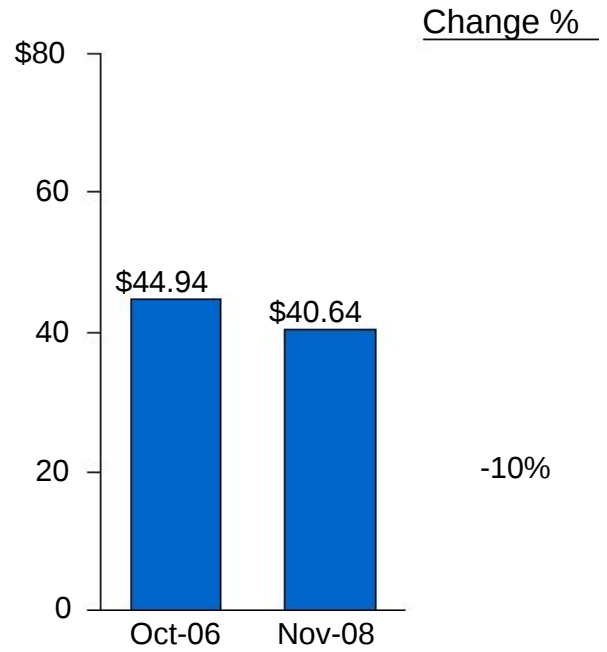
Name	Education	Relevant experience
<ul style="list-style-type: none"> <li>Alex Denner</li> </ul>	<ul style="list-style-type: none"> <li>M.S., M.Phil., Ph.D. from Yale University</li> <li>S.B. from Massachusetts Institute of Technology</li> </ul>	<ul style="list-style-type: none"> <li>Managing Director, Icahn Partners</li> <li>Director, Adventrx Pharmaceuticals</li> <li>Former Portfolio Manager, Viking Global Investors</li> <li>Former Portfolio Manager, Morgan Stanley</li> <li>Former Director and Chairman of Executive Committee, ImClone Systems</li> </ul>
<ul style="list-style-type: none"> <li>Thomas Deuel</li> </ul>	<ul style="list-style-type: none"> <li>M.D. from Columbia University</li> <li>A.B. from Princeton University</li> </ul>	<ul style="list-style-type: none"> <li>Professor of Molecular and Experimental Medicine and Cell Biology, Scripps Research Institute</li> <li>Professor Emeritus, Harvard Medical School</li> <li>Former Director, Division of Growth Regulation at Beth Israel Hospital</li> <li>Former Professor of Medicine and Biochemistry and Head of Oncology Services, Washington University School of Medicine</li> <li>Former Director, ImClone Systems</li> </ul>
<ul style="list-style-type: none"> <li>Richard Mulligan</li> </ul>	<ul style="list-style-type: none"> <li>Ph.D. from Department of Biochemistry at Stanford University School of Medicine</li> <li>B.S. from Massachusetts Institute of Technology</li> </ul>	<ul style="list-style-type: none"> <li>Mallinckrodt Professor of Genetics, Harvard Medical School</li> <li>Director of Harvard Gene Therapy Initiative</li> <li>Former Professor of Molecular Biology, Massachusetts Institute of Technology</li> <li>Founder, Somatix Therapy Corporation</li> <li>Member of Scientific Advisory Board, Cell Genesys</li> <li>Former Director and Member of Executive Committee, ImClone Systems</li> </ul>
<ul style="list-style-type: none"> <li>David Sidransky</li> </ul>	<ul style="list-style-type: none"> <li>M.D. from Baylor College of Medicine</li> <li>B.A. from Brandeis University</li> </ul>	<ul style="list-style-type: none"> <li>Director of Head and Neck Cancer Research Division, Johns Hopkins University School of Medicine</li> <li>Chairman, Champions Biotechnology</li> <li>Former Member of Scientific Advisory Board for MedImmune, Telik, Roche and Amgen</li> <li>Former Director, ImClone Systems</li> </ul>

# ImClone shares dramatically outperformed during new executive committee tenure

ImClone Systems share price (\$)



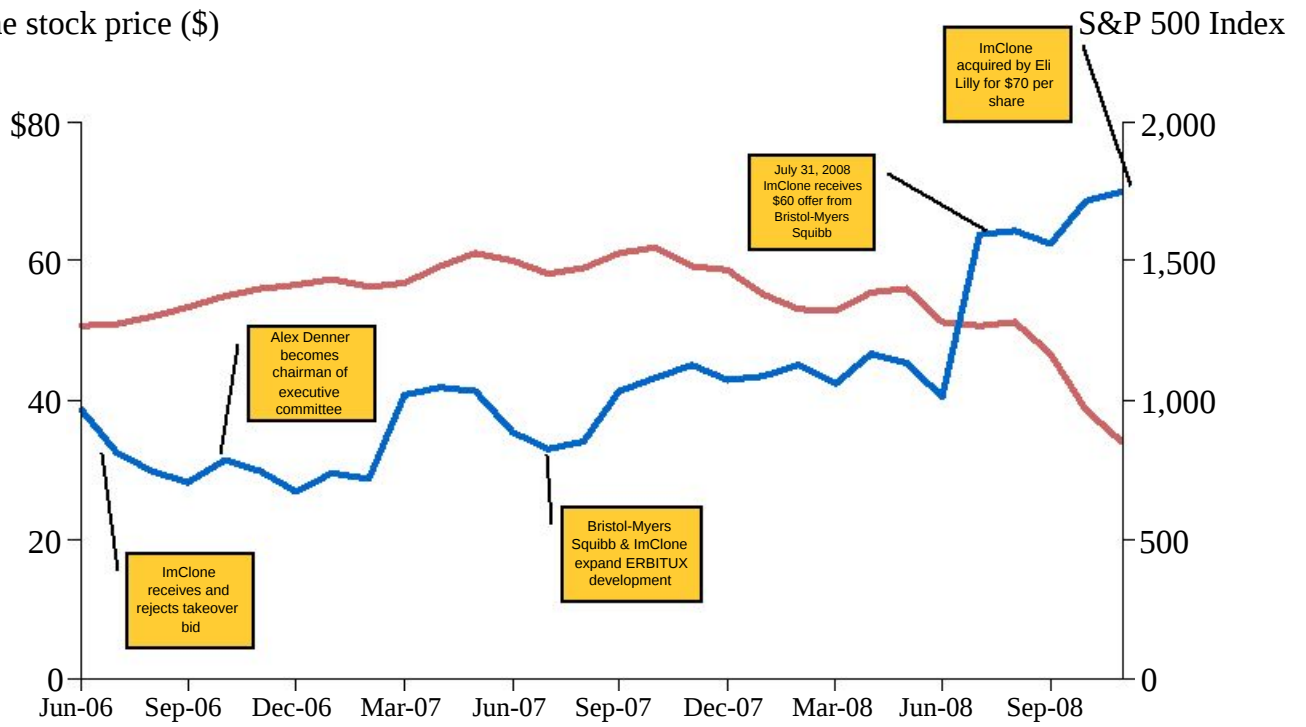
Biogen Idec share price (\$)



Note: Executive committee of Alex Denner and Richard Mulligan formed Oct. 2006; ImClone Systems sold to Eli Lilly in Nov. 2008  
Source: Bloomberg

# Long term focus to build ImClone shareholder value

ImClone stock price (\$)



Note: Graph represents month-end stock and index prices  
Source: Bloomberg

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# New executive committee enhanced value at ImClone

- New executive committee, including Alex Denner and Richard Mulligan, formed in October 2006
- Embarked on a comprehensive review of the company's operations which led to the following courses of action:
  - **Recharged partner relations**
  - **Optimized cost structure**
  - **Rebuilt product pipeline**
  - **Changed culture**
  - **Settled litigation**



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# Recharged ImClone partner relations and optimized cost structure

## • Recharged partner relations

- Partnership with Bristol-Myers Squibb had deteriorated due to prior management neglect
- Initiated dialogue and led negotiations, ultimately leading to new agreement with Bristol-Myers Squibb that expanded Erbitux's development with no change to ImClone economics
- From 2005 to 2007, ERBITUX sales grew by 41% annually and ImClone royalty revenue grew by 37% annually

## • Optimized cost structure

- ImClone cost structure had not been appropriate for company needs
- Executive committee reallocated costs, shifting SG&A spending by expanding sales force for tactical reasons while reducing overhead costs
- Margin expansion and capex reduction led to substantial free cash flow growth
- Increased spending on R&D and salesforce was funded through savings on corporate costs (re-negotiating with CROs, transportation costs, smarter purchasing, etc.)

Note: CRO's = Contract Research Organizations

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# Rebuilt pipeline, changed culture and settled litigation

- **Rebuilt product pipeline**

- Industry had poor perception of ImClone pipeline and research and development efforts
- Executive committee conducted top-down review of pipeline
  - Significantly increased investments in particularly promising candidates such as 1121B, A12, 11F8 and others
  - Cancelled programs where the return on investment was poor
- Pipeline cited as major strategic rationale for whole company acquisition

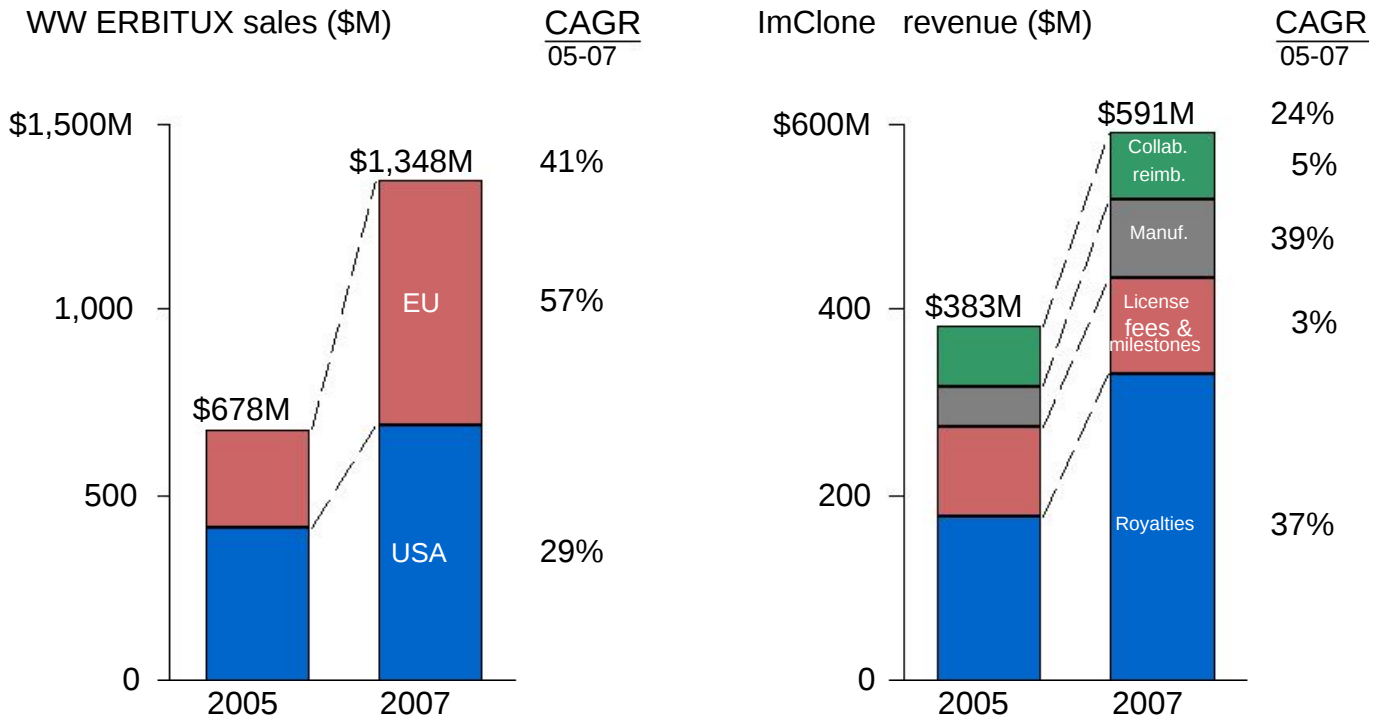
- **Changed culture**

- ImClone morale poor due to lack of strategic direction from prior management
- Took steps to institute a new culture
  - Emphasis on cash flow
  - Investment in R&D
  - Gave responsibility to scientists and clinicians

- **Settled litigation**

- Settled litigation including Yeda, Abbott and Repligen

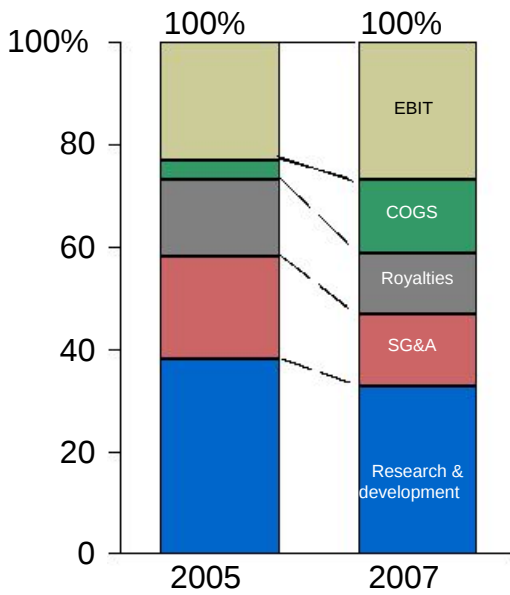
# From 2005 to 2007, ImClone royalty revenue grew by 37% annually



Note: 2005 most recent full year prior to formation of new executive committee; 2007 most recent full year available; Collab. reimb. represents collaborative agreement reimbursements; Manuf. represents manufacturing revenues  
 Source: UBS, January 2008; UBS, April 2008; Company documents

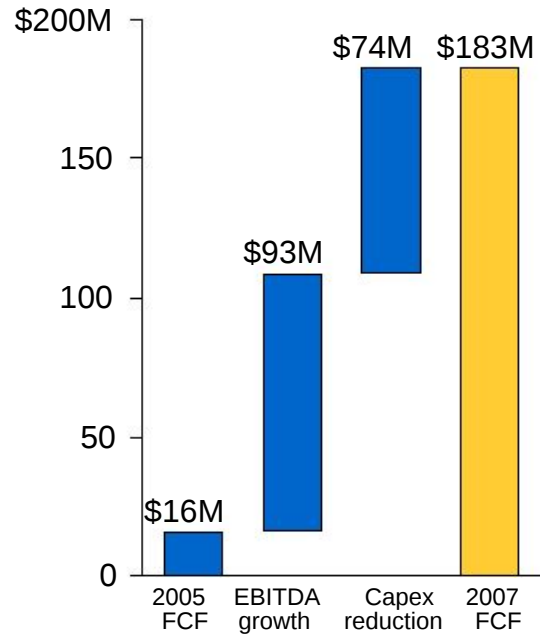
# Tighter cost controls contributed to higher free cash flow

ImClone % of revenue



EBIT margin %      23%                      27%

ImClone FCF (\$M)



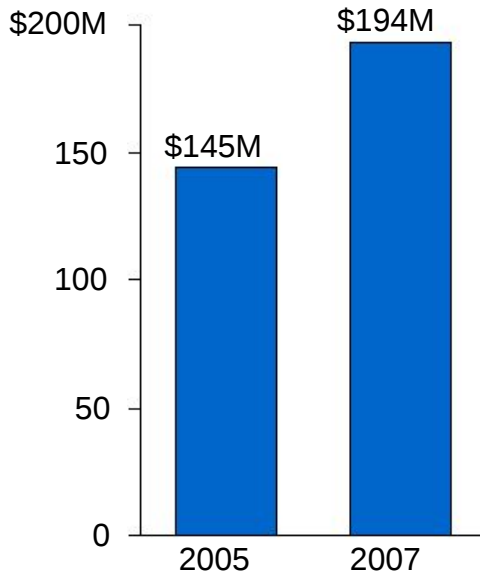
Note: 2005 most recent full year prior to formation of new executive committee; 2007 most recent full year available; EBIT excludes one-time charges; FCF represents free cash flow; Capex represents capital expenditures; FCF = EBITDA - Capex  
 Source: Company documents

# Increased R&D investment to improve pipeline and future competitive position

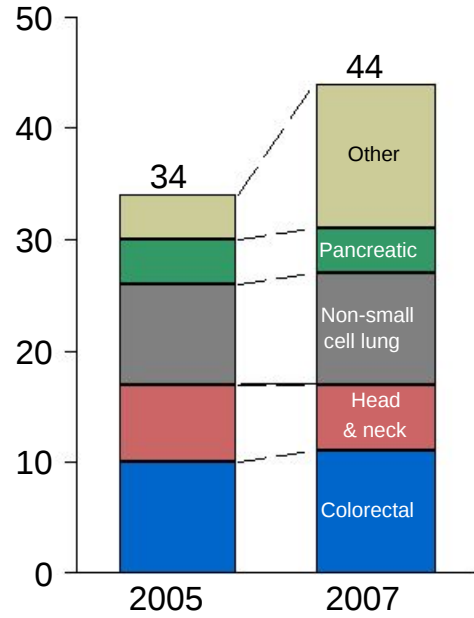
ImClone R&D spend (\$M)

CAGR  
05-07

ImClone product candidates



16%



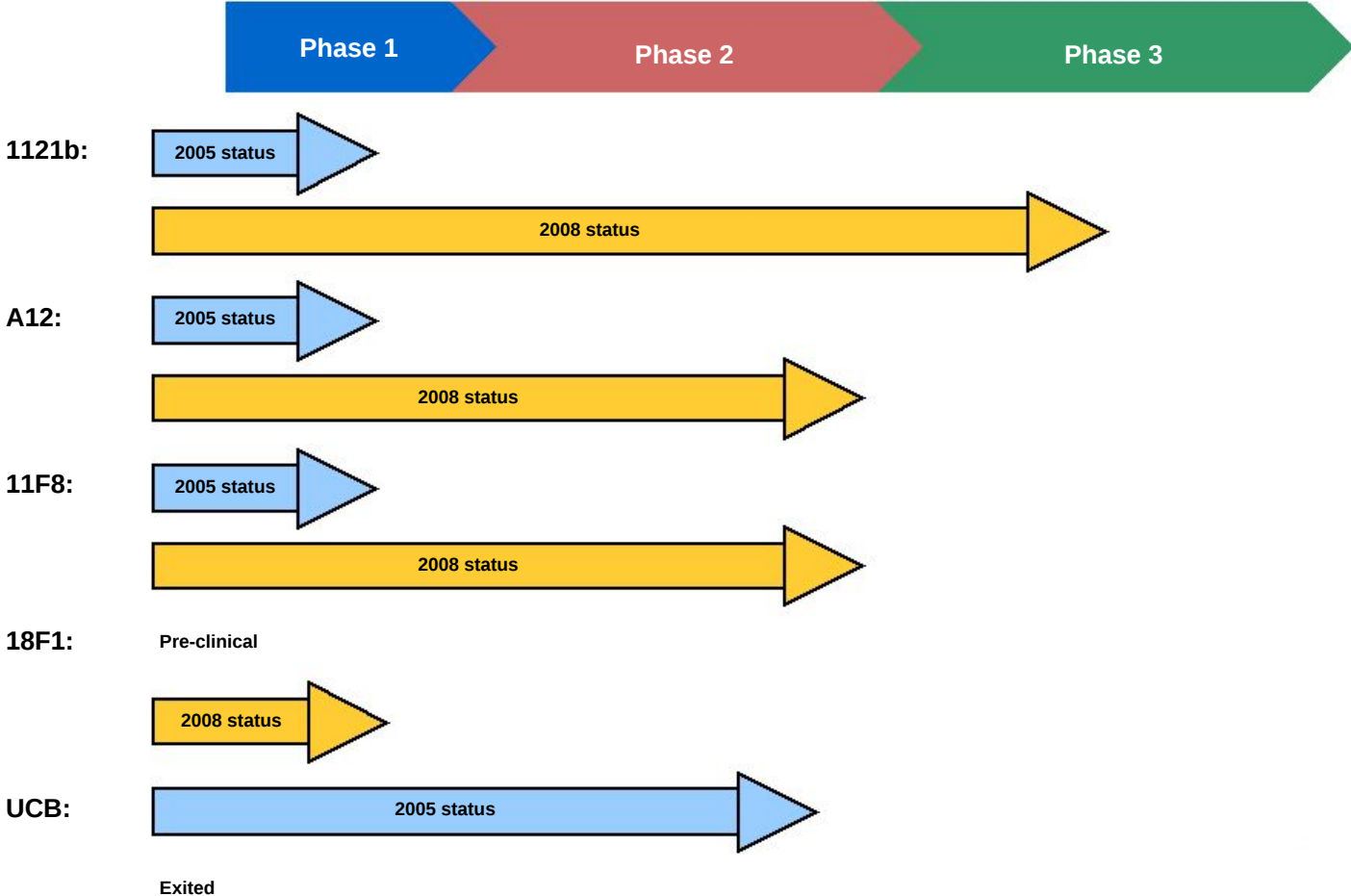
R&D %  
of sales

38%

33%

Note: 2005 most recent full year prior to formation of new executive committee; 2007 most recent full year available  
Source: Company documents

# Increased R&D investment improved pipeline



# We believe ImClone and Biogen Idec situations analogous

	ImClone Systems	Biogen Idec
<b>Partner relations</b>	<ul style="list-style-type: none"> <li>Relationships with Bristol Myers Squibb were strained</li> <li>Renegotiated agreement with BMS, leading to increased support and sales</li> </ul>	<ul style="list-style-type: none"> <li>Relationships with Genentech, Roche and Elan are strained</li> </ul>
<b>Cost structure</b>	<ul style="list-style-type: none"> <li>Cost structure was not appropriate for company needs</li> <li>Reallocated costs, led to margin expansion and free cash flow growth</li> </ul>	<ul style="list-style-type: none"> <li>Excluding Rituxan, operating margins below peers</li> </ul>
<b>Product pipeline</b>	<ul style="list-style-type: none"> <li>Pipeline poorly regarded by industry</li> <li>Conducted review and increased investments in certain candidates</li> <li>Pipeline key rationale for acquisition</li> </ul>	<ul style="list-style-type: none"> <li>Pipeline has not advanced significantly over last five years</li> <li>Poor product lifecycle management</li> </ul>
<b>Strategic direction</b>	<ul style="list-style-type: none"> <li>Strategic direction lacking and morale poor as a result</li> <li>Installed new leadership and established clear strategic priorities</li> </ul>	<ul style="list-style-type: none"> <li>Strategic direction unclear as focus diffused over too many therapeutic areas</li> </ul>
<b>Litigation</b>	<ul style="list-style-type: none"> <li>Settled litigation including Yeda, Abbott, and Repligen</li> </ul>	<ul style="list-style-type: none"> <li>Adverse Genentech arbitration settlement is valuation overhang</li> </ul>



**Electing our directors with directly relevant experience could help Biogen Idec**

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# We have several proposals

- Board should study potential splitting of Biogen IDEC into neurology-focused and cancer-focused companies
- Examine cost structure
- Prioritize, improve focus, and re-invigorate R&D efforts
- Improve partner relationships



# Board should evaluate whether separating assets will enhance value

## Neurology-Focused Company

- NF Co. had \$2,926M of 2008 sales
- NF Co. assets include the following:
  - Key products include AVONEX and TYSABRI
  - Related pipeline such as BG-12, Lixivaptan, ADENTRI and other neurology and cardiovascular product candidates
  - Biologics manufacturing plants in North Carolina, Massachusetts and Denmark
  - Majority of existing research & development infrastructure and sales force
  - Collaboration with Elan on TYSABRI
- NF Co. will benefit from improved focus on core neurology competency

## Cancer-Focused Company

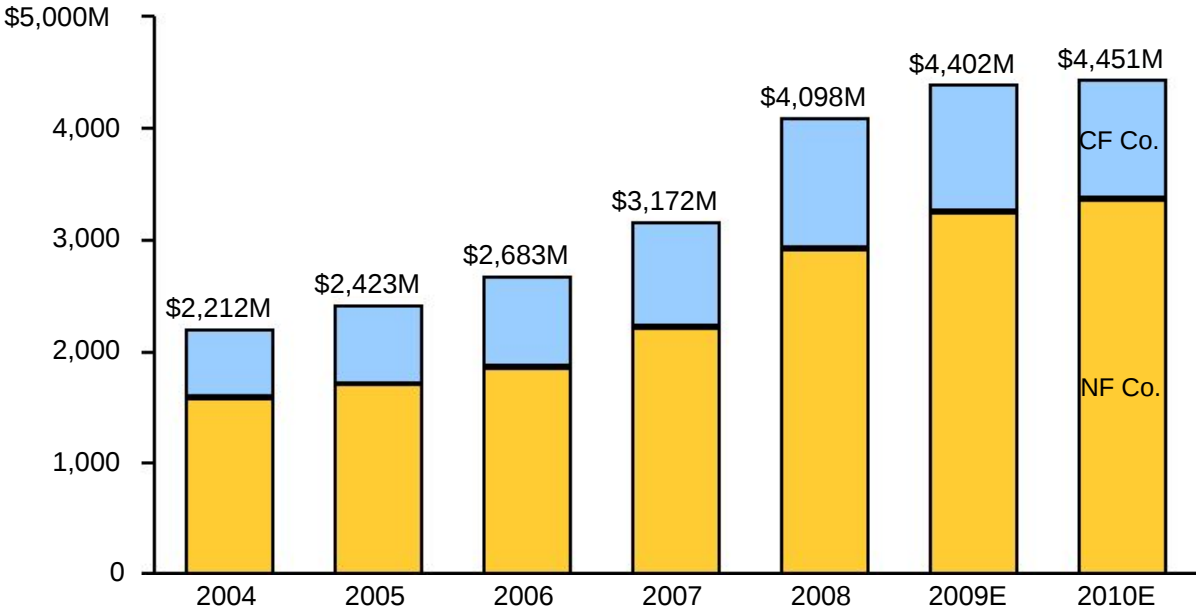
- CF Co. had \$1,172M of 2008 sales
- CF Co. assets include the following:
  - Key products include RITUXAN and FUMADERM
  - Related pipeline such as galixibam, lumiliximab, ocrelizumab and other oncology and autoimmune product candidates
  - Collaboration with Genentech in the US, Zenyaku and Chugai in Japan and Roche in the rest of the world
- CF Co. will benefit from improved focus on core oncology competency



**Separating Biogen assets will enhance shareholder value as management focus should improve and disparate assets appeal to different buyers**

# Separated assets have different growth profiles

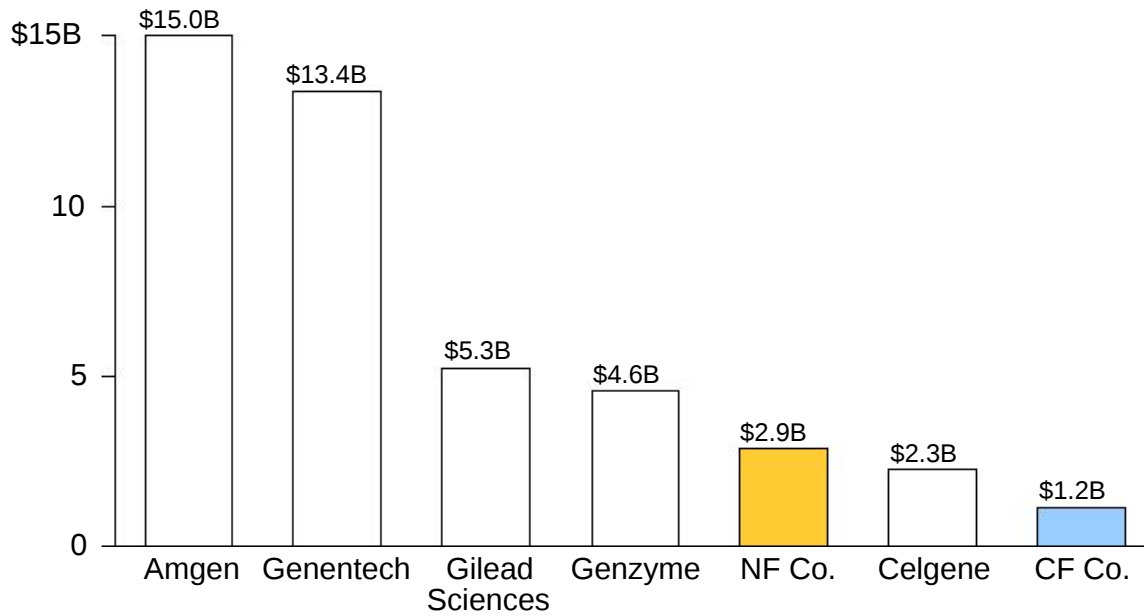
Biogen Idec revenue (\$M)



Source: Goldman Sachs, March 2009; Company documents

# Separated assets viable as standalone companies

2008 revenue (\$B)



Equity value (\$B)

\$51B	\$101B	\$43B	\$16B	?	\$18B	?
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# Overhead spending can be reduced

## Overhead assumptions

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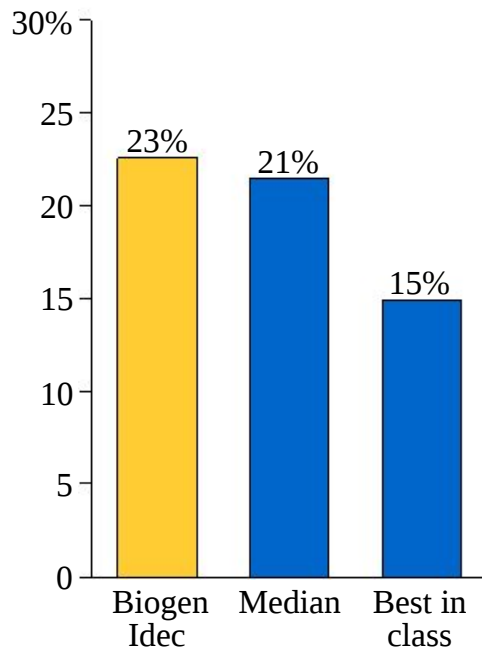
- In 2008, Biogen Idec spent 23% of sales on selling, general and administrative expenses

- Median biotech company = 21%
- Best in class company = 15%

- Reducing overhead spending will improve cash flows

- Applying median SG&A % of sales generates \$46M of cost savings
- Applying best in class SG&A % of sales generates \$309M of cost savings

2008 SG&A % of sales (%)



Note: Peer group includes Genentech, Amgen, Gilead Sciences and Celgene  
Source: Company documents

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## We would push hard to reinvigorate R&D and improve productivity

- Identify most promising products
- Focus investment in key therapeutic areas
- Rationalize pipeline products not part of overall strategy

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## Electing our directors could help maximize shareholder value

- Board and management have failed to achieve the full potential of Biogen Idec
- Quality of board and management especially crucial today
- Electing our directors could help maximize shareholder value



**Better management of Biogen Idec assets  
will enhance value for all shareholders**

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We have shown that  
management has failed  
shareholders  
strategically and  
operationally, resulting  
in a company not well  
positioned for future  
challenges!

## PARTICIPANTS

The participants in the solicitation of proxies (the "Participants") from stockholders of Biogen Idec Inc. ("Biogen" or the "Corporation") include the following: Mr. Carl C. Icahn, Icahn Partners LP, a Delaware limited partnership ("Icahn Partners"), Icahn Partners Master Fund LP, a Cayman Islands limited partnership ("Icahn Master"), Icahn Partners Master Fund II LP, a Cayman Islands limited partnership ("Icahn Master II"), Icahn Partners Master Fund III LP, a Cayman Islands limited partnership ("Icahn Master III"), High River Limited Partnership, a Delaware limited partnership ("High River"), Barberry Corp., a Delaware corporation ("Barberry"), Hopper Investments LLC, a Delaware limited liability company ("Hopper"), Beckton Corp., a Delaware corporation ("Beckton"), Icahn Enterprises G.P. Inc., a Delaware corporation ("Icahn Enterprises GP"), Icahn Enterprises Holdings L.P., a Delaware limited partnership ("Icahn Enterprises Holdings"), IPH GP LLC, a Delaware limited liability company ("IPH"), Icahn Capital LP, a Delaware limited partnership ("Icahn Capital"), Icahn Onshore LP, a Delaware limited partnership ("Icahn Onshore"), Icahn Offshore LP, a Delaware limited partnership ("Icahn Offshore"), Dr. Alexander J. Denner, Dr. Richard C. Mulligan, Dr. Thomas Deuel, Dr. David Sidransky, Mr. Mayu Sris, Dr. Eric Ende and Mr. Jeffrey Meckler.

The address of Icahn Partners, High River, Barberry, Hopper, Icahn Enterprises GP, Icahn Enterprises Holdings, Beckton, IPH, Icahn Capital, Icahn Onshore and Icahn Offshore is White Plains Plaza, 445 Hamilton Avenue - Suite 1210, White Plains, NY 10601. The address of Icahn Master, Icahn Master II and Icahn Master III is c/o Walkers SPV Limited, P.O. Box 908GT, 87 Mary Street, George Town, Grand Cayman, Cayman Islands. Mr. Icahn's, Dr. Denner's, Mr. Sris', Dr. Ende's and Mr. Meckler's business address is c/o Icahn Associates Corp., 767 Fifth Avenue, 47<sup>th</sup> Floor, New York, NY 10153. Dr. Mulligan's business address is Harvard Gene Therapy Initiative, Harvard Institutes of Medicine, Suite 407, 4 Blackfan Circle, Boston, MA 02115. Dr. Deuel's business address is The Scripps Research Institute, MEM 268, 10550 North Torrey Pines Road, La Jolla, CA 92037. Dr. Sidransky's business address is Johns Hopkins University - Cancer Research Building II, 1550 Orleans Street, Suite 503, Baltimore, MD 21231.

Icahn Partners, Icahn Master, Icahn Master II, Icahn Master III and High River (collectively, the "Icahn Parties") are entities controlled by Mr. Icahn. Dr. Denner and Mr. Sris. are employees and/or officers and directors of the Icahn Parties and various other entities controlled by Mr. Icahn who may also participate in soliciting proxies from Biogen Stockholders. Dr. Ende and Mr. Meckler are consultants hired by the Icahn Parties. Dr. Denner, Mr. Sris, Dr. Ende and Mr. Meckler do not own beneficially any interest in securities of Biogen. Neither Dr. Denner nor Mr. Sris will receive any special compensation in connection with the solicitation of proxies. In connection with his employment by Mr. Icahn and his affiliated companies, Dr. Denner, among other employees, has a participatory interest in the profits and fees derived by Mr. Icahn and/or his affiliated entities from Icahn Partners, Icahn Master, Icahn Master II and Icahn Master III (collectively, the "Funds"). Because only a portion of such profit interests are distributed and because of their other investments in the Funds, Dr. Denner also has capital accounts in the Funds. Generally, in the aggregate, Dr. Denner's profit interests and capital accounts in the Funds entitle him to less than 2% of the profits generated by the Funds. Dr. Ende and Mr. Meckler are independent consultants retained by the Icahn Parties to solicit proxies and provide consulting services relating to this solicitation, and another solicitation of proxies by the Icahn Parties, as well as general consulting services relating to other investments by the Icahn Parties. Assuming the Annual Meeting of Biogen and the annual meeting relating to the other solicitation are each held in May and further assuming each contest is successful, the consulting agreements referenced herein may provide for payments to Dr. Ende and Mr. Meckler of up to approximately \$325,000 in the aggregate.



None of Dr. Richard C. Mulligan, Dr. Thomas Deuel or Dr. David Sidransky own beneficially any interest in the securities of Biogen. Each of Dr. Richard C. Mulligan, Dr. Thomas Deuel and Dr. David Sidransky have an interest in the election of directors at the Biogen 2009 Annual Meeting of Stockholders pursuant to a Nominee Agreement among each of Dr. Richard C. Mulligan, Dr. Thomas Deuel and Dr. David Sidransky and the Icahn Parties, pursuant to which the Icahn Parties have agreed to pay each of Dr. Richard C. Mulligan, Dr. Thomas Deuel and Dr. David Sidransky a fee of \$25,000.

Barberry is the sole member of Hopper, which is the general partner of High River. Beckton is the sole stockholder of Icahn Enterprises GP, which is the general partner of Icahn Holdings. Icahn Holdings is the sole member of IPH, which is the general partner of Icahn Capital. Icahn Capital is the general partner of each of Icahn Onshore LP and Icahn Offshore. Icahn Onshore is the general partner of Icahn Partners. Icahn Offshore is the general partner of each of Icahn Master, Icahn Master II and Icahn Master III. Each of Barberry and Beckton is 100 percent owned by Carl C. Icahn. As such, Mr. Icahn is in a position indirectly to determine the investment and voting decisions made by each of the Icahn Parties.

As of 5:00 p.m. Eastern Standard Time on May 11, 2009, the Icahn Parties may be deemed to beneficially own, in the aggregate, 16,075,256 shares of common stock, par value \$.0005 per share, issued by Biogen (the "Shares"), representing approximately 5.57% of the Corporation's outstanding Shares (based upon the 288,541,467 Shares stated to be outstanding as of April 6, 2009 by the Corporation in the Corporation's Proxy Statement filed with the Securities and Exchange Commission on April 27, 2009).

High River has sole voting power and sole dispositive power with regard to 3,215,051 Shares. Each of Hopper, Barberry and Mr. Icahn has shared voting power and shared dispositive power with regard to such Shares. Icahn Partners has sole voting power and sole dispositive power with regard to 4,532,847 Shares. Each of Icahn Onshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn has shared voting power and shared dispositive power with regard to such Shares. Icahn Master has sole voting power and sole dispositive power with regard to 5,888,807 Shares. Each of Icahn Offshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn has shared voting power and shared dispositive power with regard to such Shares. Icahn Master II has sole voting power and sole dispositive power with regard to 1,761,077 Shares. Each of Icahn Offshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn has shared voting power and shared dispositive power with regard to such Shares. Icahn Master III has sole voting power and sole dispositive power with regard to 677,474 Shares. Each of Icahn Offshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn has shared voting power and shared dispositive power with regard to such Shares.

Each of Hopper, Barberry and Mr. Icahn, by virtue of their relationships to High River, are deemed to beneficially own the Shares which High River directly beneficially owns. Each of Icahn Onshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn, by virtue of their relationships to Icahn Partners, are deemed to beneficially own the Shares which Icahn Partners directly beneficially owns. Each of Icahn Offshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn, by virtue of their relationships to Icahn Master, Icahn Master II and Icahn Master III, are deemed to beneficially own the Shares which Icahn Master, Icahn Master II and Icahn Master III directly beneficially own.