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Regeneron and Bayer To Jointly Develop Novel Combination Therapy for Eye Diseases

TARRYTOWN, N.Y., March 24, 2016 /PRNewswire/ -- Regeneron Pharmaceuticals, Inc. (NASDAQ: **REGN**) and Bayer will jointly develop a combination therapy of the angiopoietin2 (Ang2) antibody nesvacumab and the vascular endothelial growth factor (VEGF) trap aflibercept, for the treatment of serious eye diseases. Two separate Phase 2 clinical studies are evaluating the combination therapy as a co-formulated single intravitreal injection in patients with wet age-related macular degeneration or diabetic macular edema.

Discovered by scientists at Regeneron, angiopoietins are a family of vascular growth factors. Preclinical data demonstrates that angiopoietins act together with the VEGF family to promote the formation and maturation of blood and lymphatic vessels in the eye. Ang2 and VEGF together therefore have the potential to influence the pathological development of new blood vessels and the permeability of blood vessel walls in certain diseases of the eye.

"Our collaboration with Bayer has been extremely successful to date, as we work together to combat vision loss around the world. Vision loss can often have devastating consequences to an individual's quality of life," said George D. Yancopoulos, M.D., Ph.D., Chief Scientific Officer of Regeneron and President of Regeneron Laboratories. "This new agreement reflects our shared commitment to being leaders in ophthalmology and to improving anatomical and visual outcomes for patients with retinal eye diseases."

"Bayer is strongly committed to further expanding its ophthalmology portfolio with innovative therapies for patients suffering from vision impairment. Addressing multiple pathways offers potential additional benefit to patients with devastating retinal eye diseases," said Dr. Joerg Moeller, member of the Executive Committee of Bayer AG's Pharmaceuticals Division and Head of Development. "Inhibiting the Angiopoietin 2 pathway is a promising new approach for a combination therapy, and we are looking forward to working on it together with Regeneron."

Under the terms of the agreement, Regeneron will receive a $50 million upfront payment and will share global development costs for the program with Bayer. Bayer will have exclusive commercialization rights to the combination product outside the United States and will share potential profits equally with Regeneron. Within the U.S., Regeneron retains exclusive commercialization rights and will retain 100 percent of profits from U.S. sales. Regeneron is also eligible to receive up to $80 million in potential payments related to development and regulatory milestones.

Regeneron and Bayer currently collaborate on the global development and commercialization of EYLEA® (aflibercept) Injection and on the global development of REGN2176-3, the Platelet Derived Growth Factor Receptor Beta (PDGFR-beta) antibody rinucumab co-formulated in a single intravitreal injection with aflibercept, which is currently in Phase 2 clinical trials for patients with wet age-related macular degeneration.

About Bayer: Science For A Better Life

Bayer is a global enterprise with core competencies in the Life Science fields of health care and agriculture. Its products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2015, the Group employed around 117,000 people and had sales of EUR 46.3 billion. Capital expenditures amounted to EUR 2.6 billion, R&D expenses to EUR 4.3 billion. These figures include those for the high-tech polymers business, which was floated on the stock market as an independent company named Covestro on October 6, 2015. For more information, go to www.bayer.com.

About Regeneron Pharmaceuticals, Inc.

Regeneron (NASDAQ: **REGN)** is a leading science-based biopharmaceutical company based in Tarrytown, New York that discovers, invents, develops, manufactures and commercializes medicines for the treatment of serious medical conditions. Regeneron commercializes medicines for high LDL cholesterol, eye diseases and a rare inflammatory condition and has product candidates in development in other areas of high unmet medical need, including oncology, rheumatoid arthritis, asthma, atopic dermatitis, pain, and infectious diseases. For additional information about the company, please visit www.regeneron.com or follow @Regeneron on Twitter.

Regeneron Forward-Looking Statements and Use of Digital Media

This news release includes forward-looking statements that involve risks and uncertainties relating to future events and the future performance of Regeneron Pharmaceuticals, Inc. ("Regeneron" or the "Company"), and actual events or results may differ materially from these forward-looking statements. Words such as "anticipate," "expect," "intend," "plan," "believe," "seek," "estimate," variations of such words, and similar expressions are intended to identify such forward-looking statements, although not all forward-looking statements contain these identifying words. These statements concern, and these risks and uncertainties include, among others, the nature, timing, and possible success and therapeutic applications of Regeneron's products, product candidates, and research and clinical programs now underway or planned, including without limitation the combination therapy of the angiopoietin2 antibody nesvacumab and vascular endothelial growth factor antibody aflibercept (REGN910-3) discussed in this news release; unforeseen safety issues and possible liability resulting from the administration of products and product candidates (including without limitation REGN910-3) in patients; serious complications or side effects in connection with the use of Regeneron's products and product candidates in clinical trials, such as the Phase 2 clinical studies of REGN910-3 in patients with wet age-related macular degeneration or diabetic macular edema; ongoing regulatory obligations and oversight impacting Regeneron's marketed products, research and clinical programs, and business, including those relating to patient privacy; determinations by regulatory and administrative governmental authorities which may delay or restrict Regeneron's ability to continue to develop or commercialize Regeneron's products and product candidates; the likelihood, timing, and scope of possible regulatory approval and commercial launch of Regeneron's late-stage product candidates and new indications for marketed products, including without limitation REGN910-3; competing drugs and product candidates that may be superior to Regeneron's products and product candidates; uncertainty of market acceptance and commercial success of Regeneron's products and product candidates and the impact of studies (whether conducted by Regeneron or others and whether mandated or voluntary) on the commercial success of Regeneron's products and product candidates; the ability of Regeneron to manufacture and manage supply chains for multiple products and product candidates; coverage and reimbursement determinations by third-party payers, including Medicare and Medicaid; unanticipated expenses; the costs of developing, producing, and selling products; the ability of Regeneron to meet any of its sales or other financial projections or guidance and changes to the assumptions underlying those projections or guidance; the potential for any license or collaboration agreement, including Regeneron's agreements with Sanofi and Bayer HealthCare LLC (such as the collaborations for the joint development and commercialization of EYLEA® (aflibercept) Injection, REGN910-3, and an antibody to Platelet Derived Growth Factor Receptor Beta co-formulated in a single intravitreal injection with aflibercept discussed in this news release), to be cancelled or terminated without any product success; and risks associated with intellectual property of other parties and pending or future litigation relating thereto. A more complete description of these and other material risks can be found in Regeneron's filings with the United States Securities and Exchange Commission, including its Form 10-K for the year ended December 31, 2015. Any forward-looking statements are made based on management's current beliefs and judgment, and the reader is cautioned not to rely on any forward-looking statements made by Regeneron. Regeneron does not undertake any obligation to update publicly any forward-looking statement, including without limitation any financial projection or guidance, whether as a result of new information, future events, or otherwise.

Regeneron uses its media and investor relations website and social media outlets to publish important information about the Company, including information that may be deemed material to investors. Financial and other information about Regeneron is routinely posted and is accessible on Regeneron's media and investor relations website (http://newsroom.regeneron.com) and its Twitter feed (http://twitter.com/regeneron).

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