

ROYALTY PHARMA



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**Royalty Pharma acquires a portion of Memorial Sloan-Kettering Cancer Center's
U.S. royalty interest in Neupogen/Neulasta**

New York, NY, January 22, 2004 – Royalty Pharma acquired a portion of Memorial Sloan-Kettering Cancer Center's ("MSKCC") U.S. royalty interest in Neupogen/Neulasta, the entities announced today. Under the agreement, MSKCC received \$263 million in cash up-front plus certain additional payments should Neupogen/Neulasta yearly sales exceed certain agreed sales hurdles. In addition, as part of the agreement, MSKCC has made a \$7 million investment in Royalty Pharma.

"We are delighted to have successfully completed this important, ground-breaking transaction with MSKCC," said Pablo Legorreta, Chief Executive Officer of Royalty Pharma. "We often assist research institutions and companies in the monetization of all or part of a royalty interest to fund capital projects, more research or other expenditures, instead of having to wait a decade or more to collect royalties. In this particular case, in addition to the cash consideration received up-front, MSKCC has decided to become one of our shareholders by retaining an interest in Royalty Pharma. This provides them with additional upside from ownership of a diversified portfolio, which includes some of the most exciting biopharmaceutical products. From Royalty Pharma's perspective, we are delighted to have the world's leading cancer research institution as one of our shareholders."

"We are pleased to have concluded this innovative transaction with Royalty Pharma," said John R. Gunn, Executive Vice President of MSKCC. "This is one of Memorial Sloan-Kettering Cancer Center's most notable scientific achievements, a product which is very useful in the treatment of cancer."

"Importantly, by monetizing only a portion of our royalty interest, while still retaining a meaningful on-going royalty interest in the product, we better diversify the assets of the institution," said Michael P. Gutnick, Senior Vice President, Finance of MSKCC.

About Neupogen/Neulasta

Neupogen, or granulocyte colony stimulating factor (G-CSF), is a genetically engineered version of a naturally occurring protein that is the body's primary defense against bacterial infection. The product was launched by Amgen in February of 1991. Neupogen is indicated for use in cancer patients receiving myelosuppressive chemotherapy, patients with acute myeloid leukemia receiving induction or consolidation chemotherapy, cancer patients receiving bone marrow transplant, patients undergoing peripheral blood

progenitor cell collection and therapy and patients with severe chronic neutropenia. Neulasta is a long lasting version of Neupogen that was launched in the second quarter of 2002 in the United States. Because of its longer half-life in the body, a single injection of Neulasta can take the place of 7-10 daily injections of Neupogen.

About Royalty Pharma

Royalty Pharma invests in pharmaceutical and biotechnology product royalties and other revenue-producing intellectual property. Royalty Pharma has been providing capital to research institutions, inventors and life science companies in exchange for royalty interests since 1996. In addition to its existing royalty interest in Neupogen/Neulasta®, and the additional interest acquired from MSKCC, the company owns royalty interests in nine other leading marketed biopharmaceuticals: Genentech's and Biogen Idec's Rituxan®, Celgene's Thalomid®, Eli Lilly's and J&J/Centocor's ReoPro®, Centocor's Retavase, Chiron's TOBI®, Novartis' Simulect®, Roche's Zenapax®, Ligand's Targretin Capsules® and Bristol-Myers Squibb's Zerit®. Royalty Pharma also owns royalty interests in four product candidates: Organon's Variza®, GlaxoSmithKline's and Adolor's Entereg®, Pfizer's lasofoxifene and Wyeth's bazedoxifene. More information on Royalty Pharma is available at www.royaltypharma.com.

About Memorial Sloan Kettering Cancer Center

Founded in 1884, Memorial Sloan-Kettering Cancer Center ("MSKCC") (www.mskcc.org) is the world's oldest and largest institution devoted to prevention, patient care, research, and education in cancer. Its scientists and clinicians generate innovative approaches to better understand, diagnose, and treat cancer. Sloan-Kettering specialists are leaders in biomedical research and in translating the latest research to advance the standard of cancer care worldwide.

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