

# ROYALTY PHARMA

## ROYALTY PHARMA RAISES \$600 MILLION OF DEBT

**NEW YORK – May 24, 2012** – Royalty Pharma, the industry leader in acquiring royalty interests in marketed and late stage biopharmaceutical products, announced that it has successfully issued \$600 million of incremental Term Loan B debt through RPI Finance Trust (“RPIFT”), bringing total debt outstanding at RPIFT to approximately \$3.4 billion. Proceeds will be used to fund future acquisitions.

The new \$600 million tranche was priced at 98.5 with a borrowing spread of Libor + 3.00% and matures on November 9, 2018, but otherwise has the same terms and conditions as RPIFT’s existing Term Loan B facilities, which consist of a \$850 million tranche maturing on November 9, 2016 with a borrowing spread of Libor + 2.75%; and a \$1.9 billion tranche maturing on May 9, 2018 with a borrowing spread of Libor + 3.00%. The new tranche was very well received, with strong demand resulting in the issue size being increased from \$500 million to \$600 million. Upon issuance of the new debt, RPIFT continues to have a conservative leverage ratio (measured as total debt to EBITDA) of 3.5x, compared to 2.9x prior to issuance. All three rating agencies, Moody’s Investor Service, Standard & Poor’s and Fitch have affirmed RPIFT’s investment grade ratings.

Pablo Legorreta, Founder & Chief Executive Officer, commented, “Overall, we are very pleased with the positive outcome of this transaction, especially in light of the current market conditions. We believe the robust execution and our ability to maintain the same borrowing spread underscores the strength of Royalty Pharma’s reputation in the debt markets and the underlying high quality of our well diversified royalty portfolio. Despite the weak current market, from a long term perspective the overall cost of this debt financing is extremely attractive.”

Susannah Gray, Executive Vice President and Chief Financial Officer, commented, “We appreciate the continued support of our existing lenders and welcome the new lenders to our borrowing group. We believe our ability to place this additional debt demonstrates our lenders confidence in Royalty Pharma’s credit profile.”

Bank of America Merrill Lynch acted as lead book runner. Goldman Sachs and Citigroup acted as joint-book runners. Davis Polk & Wardwell acted as legal advisor to Royalty Pharma.

### About Royalty Pharma

Royalty Pharma is the industry leader in acquiring royalty interests in marketed and late stage biopharmaceutical products. With over \$7.5 billion in assets, including royalty assets of \$7 billion, the company owns royalty interests in over 30 marketed and late stage biopharmaceutical products. Leading products in Royalty Pharma’s portfolio include: Abbott’s *Humira*®, Johnson and Johnson’s *Remicade*® and *Prezista*®, Gilead’s *Atripla*®, *Truvada*®, *Complera*® and *Emtriva*®, Pfizer’s *Lyrice*®, Amgen’s *Neupogen*® and *Neulasta*®, Genentech’s *Rituxan*®, Forest’s *Savella*®, Astella’s *Lexiscan*®, Merck’s *Januvia*/*Janumet*®, Roche and UCB’s *Cimzia*® and *Mircera*®. The company has a fifteen year history of providing value to holders of royalty interests, including its \$700 million acquisition of AstraZeneca’s *Humira*® royalty, its \$700 million purchase of a portion of Northwestern University’s *Lyrice*® royalty, its \$650 million purchase of New York University’s *Remicade*® royalty, its joint \$525 million acquisition with Gilead Sciences of Emory University’s emtricitabine royalty interests, its \$609 million acquisition of Astellas’ *DPP-IV* patent estate and associated royalty interests, and its \$761 million acquisition of an interest in the amounts payable to the former shareholders of Fumapharm on Biogen Idec’s BG-12.

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