

ROYALTY PHARMA

Royalty Pharma Announces \$761 Million Acquisition of Interest in BG-12 and Fumaderm

Purchase of Interest in Fumapharm Earn-Out Represents Interest in BG-12 and Fumaderm

NEW YORK, May 2, 2012 – Royalty Pharma announced today that it had acquired an interest in the earn-out payable to the former shareholders of Fumapharm AG for \$761 million in cash.

The Fumapharm earn-out primarily represents an indirect interest in Biogen Idec's BG-12 (dimethyl fumarate), an oral therapeutic candidate for the treatment of relapsing-remitting multiple sclerosis (RRMS). The earn-out also includes an interest in Fumaderm™, a therapeutic approved in Germany for the treatment of moderate to severe plaque psoriasis.

Last week, Biogen Idec presented positive data on BG-12 from the Phase 3 CONFIRM trial, the second positive Phase 3 study of BG-12 in the treatment of RRMS, at the 64th Annual Meeting of the American Academy of Neurology (AAN). The BG-12 clinical development program now includes robust data sets from two global, placebo-controlled Phase 3 pivotal studies with more than 2,600 RRMS patients. In February 2012, Biogen submitted a New Drug Application to the U.S. Food and Drug Administration for marketing approval of BG-12 and, in March 2012, Biogen submitted a Marketing Authorisation Application for BG-12 to the European Medicines Agency.

"We are pleased to acquire an interest in one of the most promising new therapies addressing the needs of patients with relapsing-remitting multiple sclerosis," said Pablo Legorreta, Chief Executive Officer of Royalty Pharma. "The combination of efficacy, safety and tolerability of BG-12 shown in the DEFINE and CONFIRM Phase 3 trials, the oral dosing regimen and Biogen Idec's deep commitment to this disease category, leads us to believe that BG-12 has blockbuster potential."

"The management and shareholders of Fumapharm AG deserve credit for identifying this breakthrough therapy that has the potential to improve the lives of thousands of patients with relapsing-remitting multiple sclerosis," Mr. Legorreta added. "We are also pleased to have been able to offer the former Fumapharm shareholders an opportunity to realize immediate liquidity for a portion of their interest in the Fumapharm earn-out, and to mitigate the risks associated with owning such a concentrated financial asset."

About Royalty Pharma

Royalty Pharma is the industry leader in acquiring royalty interests in marketed and late stage biopharmaceutical products, with royalty interests in 30 products (including Abbott's Humira®, J&J's Remicade®, Merck's Januvia®, Gilead's Atripla® and Truvada®, Pfizer's Lyrica®, Amgen's Neupogen® and Neulasta®, and Genentech's Rituxan®) valued at over \$7bn. Royalty Pharma has a sixteen year history of providing value to royalty holders, including its \$400m purchase of 80% of Memorial Sloan-Kettering Cancer Center's Neupogen®/Neulasta® royalty, its \$700m acquisition of AstraZeneca's Humira royalty, its \$700m purchase of a portion of Northwestern University's Lyrica royalty, its \$650m purchase of NYU's Remicade royalty, its joint \$525m acquisition with Gilead Sciences of Emory University's emtricitabine royalty, and most recently its \$609m acquisition of Astellas' patent estate and associated royalty stream relating to the use of dipeptidyl peptidase IV (DPP-IV) inhibitors for the treatment of type 2 diabetes. More information on Royalty Pharma is available at www.royaltypharma.com.

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