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Press Release

Nycomed adds veltuzumab for autoimmune diseases to R&D pipeline

- Licensing agreement with Immunomedics
- Worldwide rights for veltuzumab in non-oncology indications and subcutaneous application
- First subcutaneous anti-CD20 tested in clinical trials
- Significant enhancement to Nycomed's autoimmune and inflammation pipeline

Nycomed and Immunomedics today announced a collaboration and licensing agreement on Immunomedics' veltuzumab. Under the agreement, Nycomed will receive the exclusive, worldwide rights to develop, manufacture and commercialise the subcutaneous formulation of veltuzumab for the treatment of all non-cancer indications. Veltuzumab presents a significant enhancement to Nycomed's autoimmune and inflammation pipeline.

Veltuzumab is a humanised antibody that is currently in clinical phase I/II in cancer as well as in ITP (immune thrombocytopenic purpura), a haematological autoimmune disease. Veltuzumab targets B-cells, which play an important role in the production of autoantibodies, the major cause of various autoimmune diseases including rheumatoid arthritis (RA). Worldwide there are more than 6 million patients suffering from rheumatoid arthritis, and – as a consequence of the ageing population – this number is expected to grow within the next 20 years.

Nycomed will develop veltuzumab in RA as the primary indication. The agreement also provides Immunomedics with an option to co-promote veltuzumab for the ITP indication in the United States. ITP is treated by the same physician specialty (hematologists/oncologists) that treat blood cancers such as non-Hodgkin's lymphoma and chronic lymphocytic leukemia.

Targeting CD20 has been successfully proven by rituximab's approval for RA in 2006. Veltuzumab is the first anti-CD20 with a subcutaneous administration tested in clinical trials. Thereby, veltuzumab has the potential to contribute to an improved safety profile versus the currently intravenously applied anti-CD20s by avoiding infusion-related side effects and increasing convenience for the patient via its subcutaneous route. Anti-CD20 antibodies are considered to be one of the strongest growing segments within the RA market and offer additional market potential by extending into other autoimmune and inflammatory diseases.

"Nycomed is the ideal partner for veltuzumab. We believe their new research and development strategy that focuses on target areas outside of the field of oncology means that Nycomed will vigorously develop the full potential of veltuzumab in the field of autoimmune and inflammatory diseases," commented Cynthia L. Sullivan, President and CEO of Immunomedics. "We are pleased to have an option to co-promote the ITP indication as this presents us with an opportunity to

begin to build a hematology-oncology sales force, if we deem it to be advisable in the future," she added.

"This alliance with Immunomedics is a significant step for Nycomed to extend its network with leading biopharmaceutical companies. Nycomed strengthens its clinical pipeline and veltuzumab offers an excellent strategic fit with Nycomed's other programs in the field of autoimmune and inflammatory diseases," said Håkan Björklund, Nycomed's Chief Executive Officer. "Within the growing market of anti-CD20s in the autoimmune area, we believe that veltuzumab differentiates and can offer significant medical benefit through its subcutaneous application route," he continued.

About veltuzumab

Constructed using the same donor frameworks as epratuzumab, Immunomedics' anti-CD22 humanized antibody, veltuzumab is an anti-CD20 monoclonal antibody having 90-95% human antibody sequences. Antibody-dependent cell-mediated cytotoxicity, apoptosis and growth inhibition are similar between rituximab and veltuzumab. However, veltuzumab has a significantly lower off-rate (increased residence time on lymphoma cells) in all lymphoma cell lines tested, and demonstrates significantly higher complement-dependent cytotoxicity in certain human lymphoma cells in vitro. Veltuzumab is the first subcutaneously applied anti-CD20 antibody tested in clinical trials and has an excellent safety and tolerability profile, providing convenience to patients and physicians. To-date, no patients have shown an elevated immune response to repeated injections of veltuzumab. Veltuzumab has completed Phase II clinical trials in patients with non-Hodgkin's lymphoma (NHL), showing a high complete response rate in follicular lymphoma, even at low doses of 80-120 mg/m² once-weekly for 4 weeks. Patients with ITP have also responded to low doses of veltuzumab in an ongoing Phase I/II clinical trial.

Transaction terms

Under the terms of the agreement, Nycomed will receive the exclusive, worldwide rights to develop, manufacture and commercialise the subcutaneous formulation of veltuzumab for the treatment of non-cancer indications, and will be responsible for all associated costs. Immunomedics will continue to conduct the ongoing Phase I/II trial in ITP and will be reimbursed by Nycomed for all such expenses.

Immunomedics will receive a non-refundable initial cash payment of \$40 million, subject to applicable Hart-Scott-Rodino Act approval, and could receive potential cash milestone payments of up to \$580 million upon completion of certain clinical, regulatory, and sales-based milestones, as well as escalating double-digit royalties on sales of veltuzumab.

The agreement also provides Immunomedics with an option to co-promote veltuzumab for the immune thrombocytopenic purpura (ITP) indication, which is an autoimmune disease treated by the same physician specialty (hematologists/oncologists) that treat blood cancers such as non-Hodgkin's lymphoma and chronic lymphocytic leukemia. If Immunomedics exercises its option, it will have sole responsibility for all sales calls for ITP in the United States, with profits from these sales shared between the two companies in accordance with a pre-arranged percentage allocation.

The agreement is not effective until the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

About Immunomedics

Immunomedics is a New Jersey-based biopharmaceutical company focused on the development of monoclonal, antibody-based products for the targeted treatment of cancer, autoimmune and other serious diseases. The company has developed a number of advanced proprietary technologies that allows them to create humanized antibodies. Immunomedics has exclusively licensed their lead product candidate, epratuzumab, to UCB for the treatment of all autoimmune disease indications worldwide. The company also has a majority ownership in IBC Pharmaceuticals, Inc. Immunomedics portfolio of intellectual property includes approximately 116 patents issued in the United States and more than 295 other patents issued worldwide.

For additional information, please visit their website at <http://www.immunomedics.com>.

About Nycomed

Nycomed is a privately owned pharmaceutical company that provides medicines for hospitals, specialists and general practitioners, as well as over-the-counter medicines in selected markets.

The company is active in a range of therapeutic areas, focusing on gastroenterology, respiratory, inflammation, pain management, osteoporosis and surgical management. New products are sourced both from its own research and from business partners.

Nycomed is European based with a presence in over 50 countries worldwide and an increasing emphasis on fast growing markets.

The combined group employs 12,000 people. In 2007, it had annual sales of € 3.5 billion and an adjusted EBITDA of € 1.2 billion.

For more information visit www.nycomed.com

For further information

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