



Janssen Affiliate Cilag GmbH International Acquires Covagen AG

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Clinical Candidate COVA 322 and FynomAb® Technology Platform Further Strengthen Immunology Portfolio and Capabilities

Zug, Switzerland, August 25, 2014 - Cilag GmbH International, an affiliate of the Janssen Pharmaceutical Companies of Johnson & Johnson, announced today that it has acquired Covagen AG, a privately-held, biopharmaceutical company specializing in the development of multispecific protein therapeutics through the FynomAb® technology platform. The opportunity was identified and facilitated through the Johnson & Johnson Innovation Center in London. The company's lead product, COVA 322, a bispecific anti-tumor necrosis factor (TNF)-alpha/anti-interleukin (IL)-17A FynomAb, is in Phase 1b study for psoriasis and holds potential as a treatment for a broad range of inflammatory diseases including rheumatoid arthritis. Covagen develops FynomAbs, multi-specific protein therapeutics, by fusing its fully human Fynomer binding proteins to antibodies. Fynomers are small binding proteins engineered to bind to target molecules with the same affinity and specificity as antibodies. The tailored architecture and novel mode of action of FynomAb therapeutics may offer enhanced efficacy in the treatment of a broad range of inflammatory diseases and other conditions. Financial terms of the transaction have not been disclosed.

"Our goal is to translate advancements in immunology science into next-generation therapies that improve patient outcomes," said Susan B. Dillon, Ph.D., Global Therapeutic Area Head, Immunology, Janssen Research & Development, LLC. "Our interest in Covagen stems from the company's scientific acumen, their novel FynomAb platform, and the potential of COVA 322, a bispecific designed to achieve better control of inflammation by blocking two key cytokines that have been implicated in disease pathogenesis and progression. We look forward to progressing COVA 322 development, and to further expanding the potential of multispecific biologics for immunologic and other diseases. This exciting opportunity underscores the value of co-locating scientific innovation leads at our regional hubs in thriving life science communities as part of our strategy to identify and realize new opportunities and build long-term competitive advantage."

Covagen will maintain a research presence in Zurich-Schlieren, Switzerland, and will continue to focus on the further development and application of the Fynomer technology. "We are very excited to further develop our pipeline and innovative FynomAb platform as part of Janssen," said Julian Bertschinger, Ph.D., co-founder and former CEO of Covagen. "Janssen's tremendous knowledge in the research and development of biologics provides us with a great environment to develop novel FynomAb-based therapeutics addressing unmet medical needs."

Covagen was co-founded in 2007 by Julian Bertschinger, Ph.D., and Dragan Grabulovski, Ph.D. as a spin-off company of ETH Zurich, Switzerland.

About Cilag GmbH International

Cilag GmbH International was founded in 1984 as the supply chain coordination center for the pharmaceuticals sector in Zug. Today, it offers a wide range of support activities for numerous Swiss companies in the pharmaceutical, consumer and medical device and diagnostics segments of the Johnson & Johnson Family of Companies.

About the Janssen Pharmaceutical Companies of Johnson & Johnson

The Janssen Pharmaceutical Companies of Johnson & Johnson are dedicated to addressing and solving the most important unmet medical needs of our time, including oncology (e.g., multiple myeloma and prostate cancer), immunology (e.g., rheumatoid arthritis, inflammatory bowel disease and psoriasis), neuroscience (e.g., schizophrenia, dementia and pain), infectious disease (e.g., HIV/AIDS, Hepatitis C and tuberculosis), and cardiovascular and metabolic diseases (e.g., diabetes).

Driven by our commitment to patients, we develop sustainable, integrated healthcare solutions by working side-by-side with healthcare stakeholders, based on partnerships of trust and transparency. To learn more, visit www.janssen.com.

About Johnson & Johnson Innovation

Johnson & Johnson Innovation Ltd focuses on accelerating early-stage innovation worldwide and forming collaborations between entrepreneurs and Johnson & Johnson's global healthcare businesses. Johnson & Johnson Innovation provides scientists, entrepreneurs and emerging companies one-stop access to science and technology experts who can facilitate collaborations across the pharmaceutical, medical device and diagnostics and consumer companies of Johnson & Johnson. Johnson & Johnson Innovation includes local deal-making capabilities with the flexibility to adapt deal structures to match early-stage opportunities and establish novel collaborations that speed development of innovations to solve unmet needs in patients. For more information please visit: www.jnjinnovation.com.

(This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 related to the acquisition of Covagen and development of COVA 322. The reader is cautioned not to rely on these forward-looking statements. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections of Cilag GmbH International, Janssen Research & Development, LLC, and/or Johnson & Johnson. Risks and uncertainties include, but are not limited to: challenges related to integrating the operations and clinical work of Covagen; challenges inherent in new product development, including obtaining regulatory approvals; competition, including technological advances, new products and patents attained by competitors; challenges to patents; changes in behavior and spending patterns or financial distress of purchasers of health care products and services; general industry conditions, including trends toward health care cost containment; and increased scrutiny of the health care industry by government agencies. A further list and description of these risks, uncertainties and other factors can be found in Johnson & Johnson's Annual Report on Form 10-K for the fiscal year ended December 29, 2013, including in Exhibit 99 thereto, and the company's subsequent filings with the Securities and Exchange Commission. Copies of these filings are available online at www.sec.gov, www.jnj.com or on request from Johnson & Johnson. Cilag GmbH International, Janssen Research & Development, LLC, and Johnson & Johnson do not undertake to update any forward-looking statement as a result of new information or future events or developments.)

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