



KNS-760704 (dexpramipexole) Licensing Agreement Overview

August 18, 2010



biogen idec

Forward Looking Statements

This presentation contains “forward-looking statements,” including statements relating to planned regulatory filings and clinical development programs. All forward-looking statements are based on the companies’ current assumptions and expectations and involve risks, uncertainties and other important factors, specifically including the uncertainties inherent in clinical trials and product development programs, the availability of funding to support continued research and studies, the availability or potential availability of alternative therapies or treatments, the availability of patent protection for the discoveries, and strategic alliances, as well as additional factors that may cause actual results to differ from the companies’ expectations, including those set forth in the Risk Factors section of Biogen Idec’s most recent annual or quarterly report filed with the SEC. There can be no assurance that KNS-760704 will be successfully developed or manufactured or that final results of clinical studies will be supportive of regulatory approvals required to market the products. The companies undertake no obligation to update or revise any such forward-looking statements, whether as a result of new information, future events, or otherwise.

KNS-760704 Executive Summary

Key Facts

KNS-760704 (dexpramipexole)

- (R)-(+)
- In development for the treatment of ALS
- Orphan designation in US and EU
- Fast-track designation in US



Rationale

Aligned with BIIB Strategy

- Addresses high unmet need
- Requires specialty commercial expertise
- Has potential for near term revenue generation
- Allows disciplined expansion into other neurologic diseases

KNS-760704 (dexpramipexole)

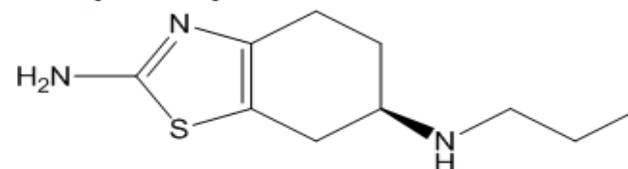
(R)-(+)-enantiomer of pramipexole, which is approved as a treatment for Parkinson's disease and restless legs syndrome in the US (Mirapex®) and EU (Mirapexin®/Sifrol®)

- Pramipexole is not a racemic mixture of both enantiomers, but exclusively the (S)-(-)-enantiomer

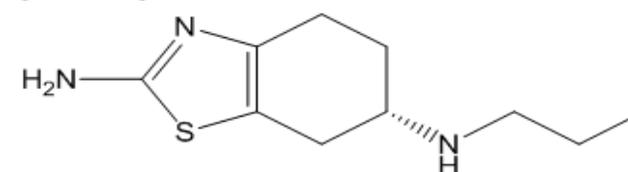
Clearly defined clinical endpoints based on Amyotrophic Lateral Sclerosis Functional Rating Scale (ALSFRS-R), a surrogate marker for survival

- Gross motor activity
- Fine motor activity
- Respiratory function
- Bulbar function (speech, swallowing)

dexpramipexole

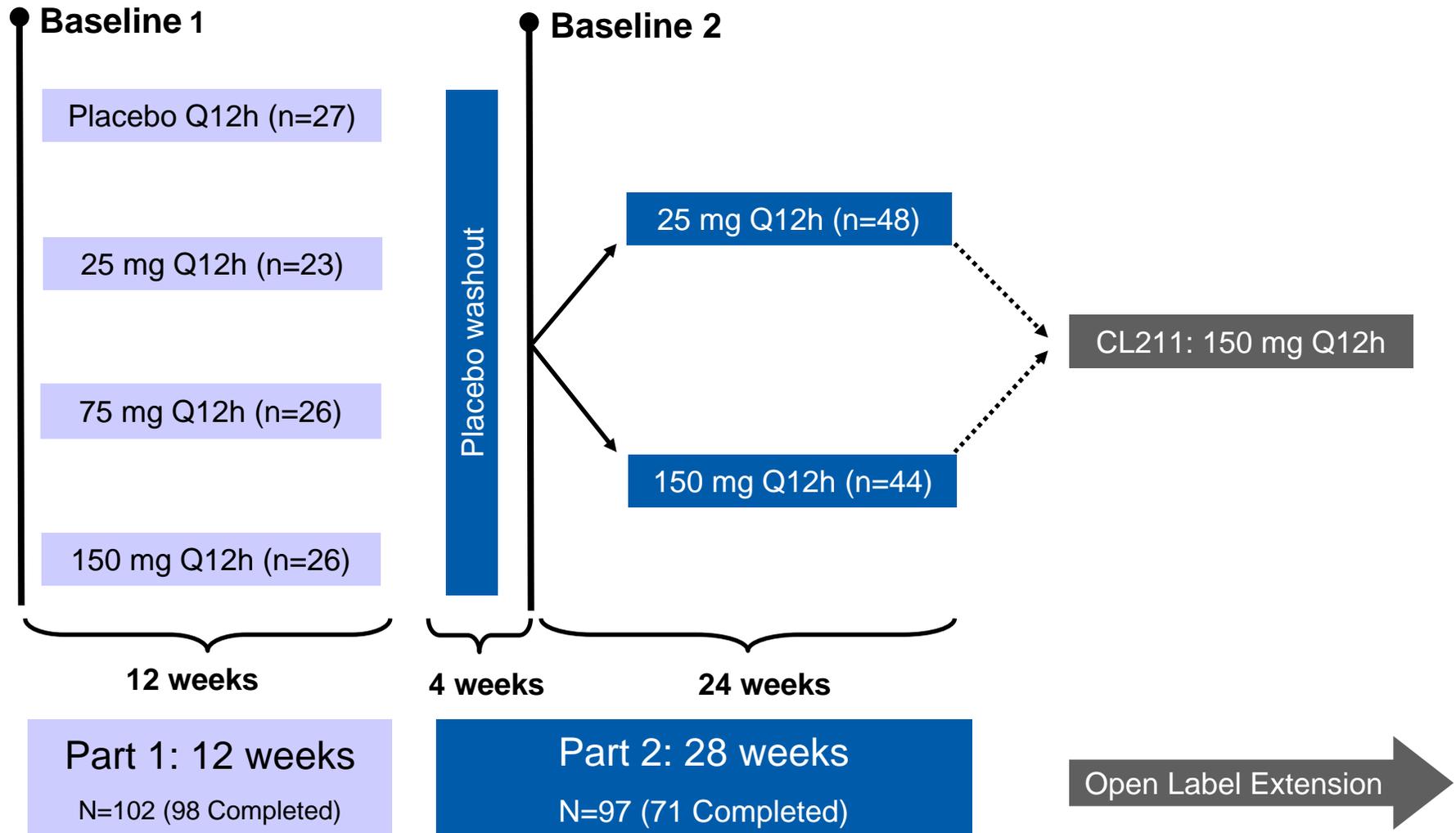


pramipexole



- In vitro studies of Synthetic amino-benzothiazole demonstrated neuroprotective properties
- Water-soluble
- Highly orally bioavailable
- Rapidly absorbed

Phase 2 Study Completed



Phase 2 Results

Part 1 (12 weeks)

- KNS-760704 achieved its primary endpoint evaluating safety and tolerability
- Also showed a dose-dependent trend in slowing the rate of disease progression as measured by the ALSFRS-R
- Greatest benefit observed in the 300 mg dose group

Part 2 (24 weeks active Tx)

- Following re-randomization after a placebo washout, results again suggested a dose-dependent trend in slowing the rate of disease progression as measured by the ALSFRS-R
- Trend toward a survival benefit in the 300 mg group compared with the 50 mg group
- In an exploratory test combining mortality and functional outcomes, subjects in the 300 mg group had a significantly improved outcome compared with the 50 mg group

Amyotrophic Lateral Sclerosis Market Opportunity

High Unmet Need

- Devastating illness with progressive muscle wasting and weakness
- Death occurs in 3-5 years from symptom onset on average

Orphan Market

- ~40,000 patients in the US and EU in 2009

Few Alternatives

- Only 1 therapy approved

Specialty Market / Clinical Sell

- Specialist call point
- Significant internal clinical development expertise

Key Agreement Terms

- Exclusive global license for KNS-760704
- Biogen Idec assumes global responsibility for development, manufacturing and commercialization
- Knopp Neurosciences provides development and US commercialization support
- Mutually aligned financial terms
 - Biogen Idec will make a \$20 million upfront payment to Knopp
 - Biogen Idec will purchase \$60 million of Knopp stock
 - Biogen Idec may make additional payments of up to \$265 million based on the achievement of development, regulatory, and sales milestones
 - Knopp will receive tiered, double-digit royalties on WW sales

Q3 2010 Financial Impact

- ❖ \$6M paid to Knopp for reimbursable expenses
 - Recorded as R&D expense
 - Applicable to both GAAP and non-GAAP earnings
 - A portion of the payments will be made by a non-US affiliate

- ❖ \$20M upfront payment
 - Recorded as R&D expense
 - Applicable to both GAAP and non-GAAP earnings
 - A portion of the payments will be made by a non-US affiliate

- ❖ \$60M equity purchase
 - Recorded as unfavorable increase in Acquired In-Process R&D, partially offset by Net income attributable to non-controlling interest, net of tax
 - Applicable to GAAP earnings only

- ❖ Unfavorable impact on GAAP and non-GAAP tax rate due to payments made by non-US affiliate

Agreement Summary

KNS-760704 provides a unique opportunity

- Differentiates itself as a first in class ALS therapy through POC Phase II clinical results
- Addresses a high unmet need with a small, focused specialty neurology sales force
- Allows the Biogen Idec Neurology franchise to expand outside of MS into a priority indication
- Leverages Biogen Idec's existing expertise and infrastructure