



---

## PRESS RELEASE

Basel, Switzerland, 3<sup>rd</sup> February 2005

### **Basilea Enters a Global Collaboration with Johnson & Johnson's Affiliate Cilag AG International for Basilea's Phase III, First-in-Class Antibiotic Ceftobiprole (BAL5788)**

Basilea Pharmaceutica AG announced today that it has entered into an exclusive worldwide agreement with Cilag AG International, a Johnson & Johnson company, to develop, manufacture and market ceftobiprole, Basilea's novel broad-spectrum cephalosporin antibiotic that has activity against methicillin-resistant *Staphylococcus aureus* (MRSA). Ceftobiprole is in phase III clinical trials in complicated skin and skin structure infections and hospital-acquired pneumonia trials are in preparation. Both indications have been granted fast track designation by the U.S. Food & Drug Administration.

Under the terms of the agreement, Basilea will receive a substantial upfront payment and is eligible for additional payments on achievement of pre-specified clinical, regulatory and sales milestones. Upfront and milestone payments may together total up to 370 million Swiss Francs. Basilea will also receive significant double-digit royalties on worldwide sales. Ortho-McNeil Pharmaceutical, Inc., another Johnson & Johnson company, will market ceftobiprole in the U.S. and its affiliate companies, known as Janssen-Cilag, will market the product outside the U.S. Basilea has retained an option to co-promote ceftobiprole in the U.S., in major European countries, Japan and China. Ortho-McNeil's research affiliate, Johnson & Johnson Pharmaceutical Research and Development, L.L.C., will develop ceftobiprole in collaboration with Basilea.

"Ceftobiprole has the potential to become an important hospital antibiotic in the fight against drug resistant bacterial infections," said Anthony Man, M.D., Chief Executive Officer for Basilea. "Ortho-McNeil's commitment to anti-infectives and track record with LEVAQUIN®, as well as the powerful global marketing capabilities of Janssen-Cilag, make it an ideal partner to realize the full market potential of ceftobiprole. We are delighted to be able to work with Ortho-McNeil and its affiliates as this collaboration combines the complementary skills of both companies to bring ceftobiprole to patients and healthcare providers throughout the world."

#### **About ceftobiprole**

Ceftobiprole is the first of a new class of broad-spectrum anti-MRSA cephalosporin antibiotics that was specially designed to bind to the novel penicillin-resistant proteins in Gram-positive cocci, resulting in potent bactericidal activity towards MRSA and penicillin-resistant *Streptococcus pneumoniae* (PRSP). Ceftobiprole has not only maintained a broad-spectrum profile targeting other Gram-positive, as well as Gram-negative pathogens, but has also shown a low potential to induce resistance *in vitro*.



In March 2003, the FDA granted ceftobiprole fast track designation for the treatment of complicated skin and skin structure infections due to methicillin-resistant *Staphylococcus* species. In June 2004, FDA granted fast track designation for a second indication for the treatment of hospital-acquired pneumonia, including ventilator-associated pneumonia due to suspected or proven methicillin-resistant *Staphylococcus aureus* (MRSA).

### About Basilea

Basilea Pharmaceutica AG (BSLN) is an independent biopharmaceutical company headquartered in Basel, Switzerland that is actively engaged in the discovery and development of innovative medicines for the treatment of unmet medical needs.

The company's fully integrated research and development operations are currently focused on new anti-bacterial, anti-fungal agents and dermatology drugs. Basilea was founded in October 2000 to discover, develop and bring innovative medicines to market. Basilea is listed on the SWX (Swiss Exchange). In the last three months Basilea also announced three additional major company milestones including entry of ceftobiprole into phase III, entry of alitretinoin (BAL4079) for severe chronic hand dermatitis into phase III, and the entry of BAL8557 in severe fungal infections into phase II.

### Disclaimer

This communication expressly or implicitly contains certain forward-looking statements concerning Basilea Pharmaceutica AG and its business. Such statements involve certain known and unknown risks, uncertainties and other factors which could cause the actual results, financial condition, performance or achievements of Basilea Pharmaceutica AG to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Basilea Pharmaceutica AG is providing this communication as of this date and does not undertake to update any forward-looking statements contained herein as a result of new information, future events or otherwise. For further information, please contact the following:

### Contact

General Information	Investor Relations
<a href="mailto:information@basilea.com">information@basilea.com</a>	Barbara Zink <a href="mailto:investor_relations@basilea.com">investor_relations@basilea.com</a>

**Basilea Pharmaceutica AG**  
**Corporate Information**  
**P.O. Pox**  
**CH-4005 Basel**  
**Switzerland**