Dupont Pharmaceuticals, Janssen Pharmaceutica and Neurocrine Biosciences Enter Into CRF Agreement

September 30, 1999

SAN DIEGO, Sept. 30 /PRNewswire/ -- Neurocrine Biosciences, Inc. (Nasdaq: NBIX) today announced that Neurocrine, Janssen Pharmaceutica, a subsidiary of Johnson & Johnson, and DuPont Pharmaceuticals Company have entered into a three way licensing agreement of patents and patent applications relating to a series of small molecule CRF receptor antagonists compounds. Under the agreement, Neurocrine and Janssen receive exclusive rights to a subset of DuPont Pharmaceuticals' CRF antagonist compounds and DuPont Pharmaceuticals receives exclusive rights to a subset of CRF antagonist compounds jointly developed by Neurocrine and Janssen. Janssen and DuPont Pharmaceuticals have agreed to certain milestone payments and royalties on product sales.

In addition, Neurocrine has licensed to DuPont Pharmaceuticals exclusive rights to a subset of CRF receptor antagonist compounds independently developed by Neurocrine. DuPont Pharmaceuticals will make milestone payments to Neurocrine as compounds achieve certain developmental and regulatory goals and, in the event of commercialization, DuPont Pharmaceuticals will pay Neurocrine royalties on worldwide sales. DuPont Pharmaceuticals also received an option to a non-exclusive sub-license to use the CRF receptor for research purposes.

Neurocrine entered into a collaboration with Janssen in February 1995 to focus on the research and development of small molecule CRF antagonist, which has resulted in the compound (R121919) currently in Phase II clinical development for anxiety and depression. Neurocrine recently announced an expansion of this agreement providing for two additional years of funding for a team of Neurocrine scientists. In addition to the research funding, Neurocrine will receive an up front payment, milestone payments and royalties.

"The interest shown in these CRF antagonist compounds by top tier pharmaceutical companies like DuPont and Janssen confirms the significant opportunity that we believe exists in the CRF platform. The current worldwide market for anxiety and depression is in excess of $8 billion worldwide. This agreement will provide Neurocrine an opportunity to share in the successful development of CRF antagonist compounds by both DuPont and Janssen, two highly respected companies. We are also enthusiastic about the opportunities provided by Neurocrine's independent efforts in this field and its portfolio of proprietary CRF antagonist compounds," said Gary A. Lyons, President and CEO of Neurocrine Biosciences. "We believe this agreement solidifies our leadership position in the CRF field by enhancing our strong intellectual property position," added Lyons.

CRF was first cloned and identified by Neurocrine co-founder, Dr. Wylie Vale and his colleagues at the Salk Institute. Neurocrine holds the patent rights to CRF receptors and has developed selective, potent, small molecule antagonists for these receptors. CRF functions as a neurotransmitter in the brain and plays a critical role in coordinating the body's responses to stress. The CRF1 receptor subtype largely mediates these effects. In preclinical models, selective CRF1 receptor antagonists block stress responses providing evidence that this novel mechanism may result in improved anti-anxiety and anti-depressant drugs. CRF1 antagonists have not shown evidence of sexual dysfunction or addictive properties in preclinical models. In addition some data suggest that CRF1 antagonists may have a more rapid onset of action compared to the currently marketed anti-depressants.

Neurocrine Biosciences is a leading neuroscience company focused on the discovery and development of novel therapeutics for neuropsychiatric, neuroinflammatory and neurodegenerative diseases and disorders. The Company's neuroscience, endocrine and immunology disciplines provide a unique biological understanding of the molecular interaction between central nervous, immune and endocrine systems for the development of therapeutic interventions for anxiety, depression, Alzheimer's disease, insomnia, stroke, malignant brain tumors, multiple sclerosis, obesity and diabetes.

Neurocrine Biosciences, Inc. news releases are available free of charge though PR Newswire's Company News On-Call fax service. For a menu of Neurocrine's previous releases, or to receive a specific release via fax call: (800) 758-5804, ext. 604138, or use the Internet via http://www.prnewswire.com.

In addition to historical facts, this press release contains forward looking statements that involve a number of risks and uncertainties. Among the factors that could cause actual results to differ materially from those indicated in the forward looking statements are risks and uncertainties associated with Neurocrine's research and development programs and business and finances including, but not limited to, risks and uncertainties associated with, or arising out of, drug discovery, pre-clinical and clinical development of products including risk that research may not generate development candidates, development candidates will not successfully proceed through early clinical trials or that in later stage clinical trials will not show that they are effective in treating humans; determinations by regulatory and governmental authorities; changes in relationships with strategic partners and dependence upon strategic partners for performance of clinical and commercialization activities under collaborative agreements including potential for any collaboration agreement to be terminated without any product success; uncertainties relating to patent protection and intellectual property rights of third parties; impact of competitive products and technological changes; availability of capital and cost of capital; and other material risks. A more complete description of these risks can be found in the Company's Form 10K for the year ended December 31, 1998 and the current form 10Q each of which should be read before making any investment in Neurocrine common stock. Neurocrine undertakes no obligation to update the statements contained in this press release after the date hereof.
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