

Baxalta and Symphogen Establish Strategic Collaboration to Accelerate Innovation in Immuno-Oncology

- **Partnership aims to advance development of novel immune checkpoint therapies as Baxalta expands oncology leadership in orphan diseases**
- **Symphogen to receive \$175 million (€160 million) upfront, in addition to potential future milestone payments and royalties**

BANNOCKBURN, Ill. and COPENHAGEN, Denmark, Jan. 4, 2015 – Baxalta Incorporated (NYSE: BXLN), a global biopharmaceutical leader dedicated to delivering transformative therapies to patients with orphan diseases and underserved conditions, and Symphogen, a private biopharmaceutical company developing recombinant antibodies and antibody mixtures, today announced a broad strategic immuno-oncology collaboration.

Under the terms of the agreement, Baxalta and Symphogen will advance novel therapeutics against six checkpoint targets, with the first program to enter clinical studies in 2017. On a product-by-product basis, following successful completion of Phase 1 clinical trials, Baxalta will have exclusive option rights to complete late-stage development and worldwide commercialization. Symphogen will receive an upfront payment of \$175 million (€160 million) from Baxalta in exchange for the exclusive option rights for six checkpoint therapies. Symphogen will be responsible for performing R&D through Phase 1 clinical trials at its own expense. The agreement holds a total potential value up to €1.4 billion (\$1.6 billion) in option fees and milestones over the long-term, in addition to royalties on worldwide sales. Additional terms, including therapeutic targets, were not disclosed.

“This exciting partnership aligns well to Baxalta’s strategy to invest in immuno-oncology and build an innovative portfolio of immunotherapies,” said David Meek, executive vice president and president, Oncology, Baxalta. “With the expertise Symphogen offers in this category and their broad portfolio of early-stage immuno-oncology programs, this collaboration allows us to actively advance one of the most innovative areas of this field. For Baxalta, this is just the beginning of our focus in building world-class capabilities in immuno-oncology.”

“Baxalta’s dedication to delivering transformative therapies and its global commercial presence make it an ideal strategic partner for Symphogen, as we complement Baxalta with R&D competencies within the immuno–oncology area,” said Kirsten Drejer, Ph.D., Chief Executive Officer, Symphogen. “We look forward to providing Baxalta with innovative immuno–oncology product candidates under this broad collaboration.”

Dr. Göran Ando, Chairman of Symphogen’s Board of Directors added, “This collaboration also provides strong validation for Symphogen’s antibody approach and capabilities within the exciting field of immuno–oncology therapy.”

Immuno–oncology, a field focusing on activating and directing a patient’s immune system against tumor growth and proliferation, is a highly attractive area of research that is generating promising new therapeutic advances. Recent research indicates that these immunotherapies, both as single agents and as combination therapies, are likely to significantly improve outcomes for a variety of cancers.

About Baxalta

Baxalta Incorporated (NYSE: BXLT) is a \$6 billion global biopharmaceutical leader developing, manufacturing and commercializing therapies for orphan diseases and underserved conditions in hematology, oncology and immunology. Driven by passion to make a meaningful impact on patients’ lives, Baxalta’s broad and diverse pipeline includes biologics with novel mechanisms and advanced technology platforms such as gene therapy. The Baxalta Global Innovation and R&D Center is located in Cambridge, Massachusetts. Launched in 2015 following separation from Baxter International Inc, Baxalta’s heritage in biopharmaceuticals spans decades. Baxalta’s therapies are available in more than 100 countries and it has advanced biological manufacturing operations across 12 facilities, including state–of–the–art recombinant production and plasma fractionation. Headquartered in Northern Illinois, Baxalta employs 16,000 employees worldwide.

About Symphogen A/S

Symphogen is developing next–generation antibody therapeutics for the treatment of cancer and is dedicated to bringing truly innovative oncology products to the market. The company has advanced the frontier of antibody discovery by creating well–characterized antibody mixtures that address multiple oncology targets in a single drug product. The company has matured its pipeline, currently has two product candidates in the clinic, and is researching promising novel immuno–oncology opportunities.

The company's productive technology suite – capable of identifying, selecting and manufacturing optimal antibody mixtures – fuels Symphogen's innovative pipeline.

Forward-Looking Statements

This release includes forward-looking statements concerning a collaboration between Baxalta Incorporated and Symphogen, including expectations with regard to clinical studies, commercial launch and potential financial impact of the arrangements. Such statements are made of the date that they were first issued and are based on current expectations, beliefs and assumptions of management. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond Baxalta's control and which could cause actual results to differ materially from those in the forward-looking statements, including the following: clinical trial results; satisfaction of regulatory and other requirements; actions of regulatory bodies and other governmental authorities; changes in laws and regulations; product quality, manufacturing or supply issues; patient safety issues; and other risks identified in Baxalta's filings with the Securities and Exchange Commission, all of which are available on Baxalta's website. Baxalta expressly disclaims any intent or obligation to update these forward-looking statements except as required by law.

###

Baxalta Media Relations

Kellie Hotz, +1-224-940-2202, media@baxalta.com

Baxalta Investor Relations

Mary Kay Ladone, +1-224-948-3371, mary.kay.ladone@baxalta.com

Lorna Williams, +1-224-948-3511, lorna.williams@baxalta.com

Symphogen Contacts

Kirsten Drejer, Chief Executive Officer, + 45 22 10 99 59, kd@symphogen.com

Gayle Mills, Chief Business Officer, +1-650-464-3656, gmm@symphogen.com

Symphogen Media Inquiries

Heidi K. Roennest, Executive Office Manager

+45 4526 5050, hkr@symphogen.com

Consilium Strategic Communications

Mary-Jane Elliott, Amber Bielecka, Lindsey Neville

Phone: +44 20 3709 5700

E-mail: symphogen@consilium-comms.com

Annes Associates

Shari Annes

Phone: 650-888-0902

E-mail: sannes@annesassociates.com