

9.23.2010 - Abbott and Reata Pharmaceuticals Announce Agreement to Develop and Commercialize Bardoxolone Methyl for Chronic Kidney Disease Outside the U.S.

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ABBOTT PARK, Ill. and IRVING, Texas, Sept. 23, 2010 -- Abbott and Reata Pharmaceuticals today announced that they have entered into a collaboration agreement to develop and commercialize bardoxolone methyl (bardoxolone), which is currently in late Phase 2 trials for the treatment of chronic kidney disease (CKD).

Under terms of the agreement, Reata will grant to Abbott exclusive rights to develop and commercialize bardoxolone outside the U.S., excluding certain Asian markets. Reata will receive upfront and near-term cash payments of \$450 million for the licensing rights to bardoxolone and a minority equity investment in the company. Upon completion of certain development and approval objectives for bardoxolone and other molecules in the licensed territories, Reata will receive additional milestone payments. Reata also will receive royalties on any future product sales in the Abbott territories. Additionally, Abbott obtains rights to develop and commercialize certain other Reata compounds for chronic kidney disease, and for cardiovascular and metabolic indications, in these territories.

"Early clinical studies suggest that bardoxolone could be a significant improvement to the current standard of care for CKD and possibly prevent patients from progressing to the later stages of the disease and dialysis," said John Leonard, M.D., senior vice president, pharmaceuticals, research and development, Abbott. "This agreement builds on Abbott's existing experience in renal care, while adding a promising compound to our later-stage pipeline."

Bardoxolone is an oral, first-in-class antioxidant inflammation modulator that works by increasing the estimated glomerular filtration rate (eGFR) of the kidneys. In two Phase 2 clinical trials, bardoxolone significantly improved kidney function in patients with advanced CKD and Type 2 diabetes. CKD currently affects more than 50 million adults worldwide, and the number of patients is rapidly increasing throughout the world.

"Reata is very pleased to have Abbott as our partner and believe that its existing renal capabilities will be a great asset to the global program," said Warren Huff, chief executive officer of Reata. "This partnership allows us to meet our strategic goal of establishing our own commercial presence in the U.S. and building a sustainable, fully integrated pharmaceutical company."

This transaction does not impact Abbott's previously issued ongoing earnings-per-share guidance for 2010. Abbott expects to incur one-time specified items in the fourth quarter of 2010, primarily related to in-process research and development.

About Bardoxolone Methyl

Bardoxolone methyl is an antioxidant inflammation modulator (AIM) that activates Nrf2, thereby inducing the transcription of more than 250 genes that decrease the level of oxidative stress and suppress several inflammatory mediators. In two Phase 2a studies, bardoxolone methyl was shown to produce a statistically significant increase in estimated glomerular filtration rate as well as improvements in other key markers of renal function in Stage 3b and 4 CKD patients with Type 2 diabetes.

About Chronic Kidney Disease and Diabetic Kidney Disease (Nephropathy)

CKD is a highly prevalent condition, affecting more than 50 million adults around the world. Half of CKD patients also have diabetes, a percentage that is expected to grow as rates of diabetes increase. Diabetes is the leading cause of CKD, with as many as 30 to 40 percent of Type 2 diabetics developing the disease. Available therapies modestly slow the progression of CKD, and patients ultimately progress to dialysis.

About Reata Pharmaceuticals

Reata Pharmaceuticals is the leader in discovering and developing novel, oral anti-inflammatory drugs that activate Nrf2, the primary regulator of cellular antioxidant and detoxification enzymes. Activation of this important biological target protects against a broad range of diseases associated with inflammation and oxidative stress. Reata is developing bardoxolone methyl, its lead product candidate, as the first disease-modifying treatment for chronic kidney disease. In January 2010, Reata and Kyowa Hakko Kirin announced a licensing agreement providing KHK with the exclusive rights to develop and commercialize bardoxolone in Japan and other selected Asian markets.

For more information please visit the company's Web site at www.reatapharma.com.

About Abbott Laboratories

Abbott is a global, broad-based health care company devoted to the discovery, development, manufacture and marketing of pharmaceuticals and medical products, including nutritionals, devices and diagnostics. The company employs nearly 90,000 people and markets its products in more than 130 countries.

Abbott's news releases and other information are available on the company's Web site at www.abbott.com

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Abbott Forward Looking Statement

Some statements in this news release may be forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995. Abbott cautions that these forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements. Economic, competitive, governmental, technological and other factors that may affect Abbott's operations are discussed in Item 1A, "Risk Factors," to our Annual Report on Securities and Exchange Commission Form 10-K for the year ended Dec. 31, 2009, and in Item 1A, "Risk Factors," to our Quarterly Report on Securities and Exchange Commission Form 10-Q for the period ended March 31, 2010, and are incorporated by reference. Abbott undertakes no obligation to

release publicly any revisions to forward-looking statements as a result of subsequent events or developments.