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Capricor Therapeutics and Janssen Biotech, Inc. Enter Into Collaboration Agreement and Exclusive License Option

LOS ANGELES, Jan. 6, 2014 (GLOBE NEWSWIRE) -- Capricor Therapeutics, Inc. (OTCBB:CAPR) today announced that it has executed a collaboration agreement and exclusive license option with Janssen Biotech, Inc. (Janssen). Under the terms of the agreement, Capricor and Janssen agreed to collaborate on the development of Capricor's cell therapy program for cardiovascular applications, including its lead product, CAP-1002. CAP-1002 is an allogeneic cardiosphere-derived cell (CDC) therapeutic under evaluation in patients who have suffered a large myocardial infarction. Pursuant to the agreement, Capricor and Janssen will collaborate on elements of cell manufacturing development. Capricor will contribute to the costs of the manufacturing collaboration, and will receive an upfront payment of $12.5 million from Janssen.

Under the terms of the agreement, Janssen has the right to enter into an exclusive license agreement for CAP-1002 at any time until sixty days following delivery by Capricor of the six-month follow-up results from Phase II of Capricor's ALLSTAR clinical trial for CAP-1002. If Janssen exercises its option rights, Capricor will be eligible to receive up to $325 million in additional payments. In addition, a royalty would be paid on commercial sales of CAP-1002.

"This collaboration with Janssen, one of the world's largest and most respected healthcare companies with a strong presence in cardiovascular and metabolism, is a tremendous milestone for Capricor Therapeutics and an important validation of our lead product, CAP-1002, and the underlying science. We are proud to be working with Janssen to support the continued development of CAP-1002 and for the additional non-dilutive capital to further our research and development that will add to our pipeline," said Capricor CEO, Dr. Linda Marbán.

About Capricor Therapeutics

Capricor Therapeutics, Inc. (CAPR), a publicly traded biotechnology company, is focused on the development of novel therapeutics to prevent and treat heart disease. The Company has two leading product candidates: CAP-1002 and Cenderitide. The Company was formed through the November 2013 merger between Capricor, Inc., a privately held company whose mission is to improve the treatment of heart disease by commercializing cardiac stem cell therapies for patients, and Nile Therapeutics, Inc., a clinical-stage biopharmaceutical company developing innovative products for the treatment of cardiovascular diseases. Capricor Therapeutics' stock began trading under the symbol "CAPR" December 20, 2013. For additional information visit www.capricor.com.

About CAP-1002

CAP-1002, Capricor's lead product candidate, is a proprietary allogeneic adult stem cell therapy for the treatment of heart disease. The product is derived from donor heart tissue. The cells are expanded in the laboratory using a specialized process and then introduced directly into a patient's heart via infusion into a coronary artery using standard cardiac catheterization techniques.

CAP-1002 is currently not an approved product and is strictly for investigational purposes.

Cautionary Note Regarding Forward-Looking Statements

Statements in this press release regarding the efficacy, safety, and intended utilization of Capricor's product candidates; the conduct, size, timing and results of discovery efforts and clinical trials; plans regarding regulatory filings, future research and clinical trials; plans regarding current and future collaborative activities and the ownership of commercial rights; future royalty streams, and any other statements about Capricor's management team's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing the words "believes," "plans," "could," "anticipates," "expects," "estimates," "plans," "should," "target," "will," "would" and similar expressions) should also be considered to be forward-looking statements. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements. More information about these and other risks that may impact our business are set forth in our Form 10-K for the year ended December 31, 2012, as filed with the Securities and Exchange Commission on June 21, 2013, in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, as filed with the Securities and Exchange Commission on November 14, 2013, and in our Definitive Proxy Statement on Schedule 14A, as filed with the Securities and Exchange Commission on October 10, 2013. All forward-looking statements in this press release are based on information available to us as of the date hereof, and we assume no obligation to update these forward-looking statements.

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