BIOCRYST PHARMACEUTICALS AND JOHNSON & JOHNSON ANNOUNCE WORLDWIDE INFLUENZA COLLABORATION

Birmingham, Ala. – September 15, 1998 – BioCryst Pharmaceuticals, Inc. (Nasdaq: BCRX) today announced a worldwide license agreement with the R.W. Johnson Pharmaceutical Research Institute (PRI) and Ortho-McNeil Pharmaceuticals, Inc., both Johnson & Johnson (NYSE: JNJ) companies, to develop and market products to treat and prevent viral influenza. Under the agreement, PRI and Ortho-McNeil received exclusive worldwide rights to BioCryst's proprietary influenza neuraminidase inhibitors, including its lead product candidates, BCX-1812, 1827, 1898 and 1923. These orally administered compounds have each demonstrated potent activity in preclinical models against a broad spectrum of influenza A and B viruses. Clinical studies will be required to determine the lead candidate and to assess the product's safety and efficacy in humans.

Under the terms of the agreement, BioCryst received $6 million in cash up front, and is scheduled to receive an additional $6 million from Johnson & Johnson Development Corporation in the form of a common stock equity investment. In addition to the up front payments, BioCryst may receive undisclosed cash payments upon achievement of specified developmental and regulatory milestones. The license agreement is subject to clearance under the Hart-Scott-Rodino Antitrust Improvement Act of 1976 and the stock purchase is subject to typical closing conditions.

PRI will be responsible for research and development of the compounds, including expenses. Ortho-McNeil will market products cleared for marketing in the U.S.; Janssen-Cilag and other Johnson & Johnson companies will market products cleared for marketing outside the U.S. BioCryst will receive undisclosed royalties on sales of any products marketed under the agreement.

"BioCryst is pleased to have Johnson & Johnson as a corporate partner for the development and potential commercialization of its influenza neuraminidase program," said Charles E. Bugg, Ph.D., Chairman and CEO of BioCryst. "We are confident that Johnson & Johnson is an ideal partner to facilitate the rapid development of this program given their strong commitment to new products, experience in compound development and global leadership position in healthcare."

"Throughout the negotiating process, we built a strong working relationship with R.W. Johnson Pharmaceutical Research Institute and Ortho-McNeil," said John R. Uhrin, Vice President, Corporate Development. "We are confident of Johnson & Johnson's ability to move the influenza neuraminidase program forward, thus ensuring that the compound's potential is maximized as quickly as possible."

Technology Background

BioCryst's BCX compounds came from a new class of proprietary small molecules discovered at BioCryst that work by inhibiting the influenza neuraminidase enzyme in a highly selective manner. Neuraminidase is critical to the replication cycle of influenza because it promotes the release of new viral particles produced by infected cells. Inhibition of neuraminidase blocks the ability of influenza to spread from cell to cell. Treatment with an effective neuraminidase inhibitor may decrease the duration and severity of influenza disease in infected individuals, and prophylactic use may prevent the development of symptoms in those exposed to the virus.

BioCryst's BCX compounds have demonstrated potent, broad-spectrum activity in preclinical models for the treatment and prevention of influenza A and B. Preclinical data have not been presented to date. BioCryst and PRI are working to complete the additional studies required to commence human clinical testing, which it anticipates will be later this year.

Influenza Background

Influenza, commonly known as the flu, is perceived by many people as a transient, inconvenient viral infection that leaves its sufferers bedridden for a few days. In truth, however, it is a virulent, sometimes deadly disease that affects up to 20 percent of the U.S. population (approximately 20 to 40 million people) each year and an estimated 120 million people in North America, Western Europe and Japan combined. People over age 65 can be especially susceptible to influenza infections.

During flu pandemics, which occur approximately every 10 years, highly virulent strains of the virus are responsible for significant morbidity and mortality. The worst known influenza pandemic occurred in 1918 and was estimated to have caused 700 million cases of flu and 20 million deaths worldwide.

The development of effective therapeutics has been challenging for medical researchers due to the seasonal variation in viral

strains and the highly infectious nature of influenza. While flu vaccines have had some success in preventing disease caused by strains of the virus, there are currently no effective means to treat established influenza infection, nor are the influenza vaccines universally useful or preventative.

Company Background

Founded in 1986, BioCryst Pharmaceuticals, Inc. designs and develops novel small-molecule pharmaceuticals using structure-based drug design, an approach to drug discovery that integrates advanced biology, biophysics and medicinal chemistry. The Company is in clinical trials with its purine nucleoside phosphorylase inhibitor drug candidate, BCX-34, for T-cell related disorders such as psoriasis, cutaneous T-cell lymphoma and HIV. In addition, the Company is in a clinical trial with its serine protease inhibitor drug candidate, BCX-1470, which is designed to inhibit activation of the complement pathway.

Johnson & Johnson, with approximately 90,500 employees, is the world's most comprehensive and broadly based manufacturer of health care products serving the consumer, pharmaceutical, diagnostics and professional markets. Johnson & Johnson has more than 180 operating companies in 51 countries around the world, selling products in more than 175 countries.

This press release contains projections or other forward-looking statements regarding future events or the future financial performance of the Company. These statements are only predictions and the actual events or results may differ materially. Some of the factors that could affect the forward-looking statements contained herein include, without limitation, that there can be no assurances that either Company's research or product development efforts as to any particular compound will be successfully completed, the agreement may be terminated according to its terms, no assurance can be given that the $6 million equity agreement will be completed, no assurance that research and testing will result in milestone or royalty payments under the agreement and no assurance as to timing by which products will be cleared for marketing, that the compounds currently under development will be safe or efficacious, or that required regulatory clearances can be obtained from the U.S. Food and Drug Administration. Please refer to the documents BioCryst files from time to time with the Securities and Exchange Commission, specifically BioCryst's most recent Form 10-K and Form 10-Q. These documents contain and identify important factors that could cause the actual results to differ materially from those contained in the projections or forward-looking statements.