UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1997

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 0-19034

REGENERON PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

New York	13-3444607
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

777 Old Saw Mill River Road Tarrytown, New York	10591-6707
(Address of principal executive offices)	(Zip code)

(914) 347-7000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of November 3, 1997:

Class of Common Stock	Number of Shares
Class A Stock, $0.001 par value	4,126,542
Common Stock, $0.001 par value	26,794,695

REGENERON PHARMACEUTICALS, INC.
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September 30, 1997

(*) Portions of this document have been omitted and filed separately with the Commission pursuant to requests for confidential treatment pursuant to Rule 24b-2.

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

REGENERON PHARMACEUTICALS, INC.
CONDENSED BALANCE SHEETS AT SEPTEMBER 30, 1997 AND DECEMBER 31, 1996 (Unaudited)

ASSETS	September 30, 1997	December 31, 1996
Current assets		
Cash and cash equivalents	$ 40,288,090	$ 34,475,060
Marketable securities	57,086,993	45,587,404
Receivable due from Sumitomo Pharmaceuticals Company, Ltd.	1,257,571	2,072,455
Receivable due from Merck & Co., Inc.	1,503,597	1,816,056
Receivable due from The Procter & Gamble Company	958,450	
Receivable due from Amgen-Regeneron Partners	330,999	446,269
Prepaid expenses and other current assets	651,865	611,435
Total current assets	102,077,565	85,008,679
Marketable securities	29,272,954	16,965,302
Investment in Amgen-Regeneron Partners	408,170	1,205,299
Property, plant and equipment, at cost, net of accumulated depreciation and amortization	32,882,412	34,297,843
Other assets	97,372	104,731
Total assets	$ 164,738,473	$ 137,581,854
LIABILITIES and STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	$ 4,131,356	$ 4,357,145
Capital lease obligations, current portion	2,623,308	3,505,221
Note payable, current portion	74,338	77,684
Deferred revenue, current portion	931,564	4,108,412
Total current liabilities	7,760,566	12,048,462
Capital lease obligations	2,333,848	3,400,015
Note payable	1,693,385	1,748,082
Other liabilities	227,686	183,426
Deferred revenue	14,483,586	13,270,870
Commitments and contingencies		
Stockholders' equity		
Preferred stock, $.01 par value; 30,000,000 shares authorized; issued and outstanding - none		
Class A Stock, convertible, $.001 par value; 40,000,000 shares authorized; 4,204,860 shares issued and outstanding in 1997		
4,355,994 shares issued and outstanding in 1996	4,205	4,356
Common Stock, $.001 par value; 60,000,000 shares authorized; 26,709,041 shares issued and outstanding in 1997		
21,319,896 shares issued and outstanding in 1996	26,709	21,320
Additional paid-in capital	308,074,066	264,742,236
Unearned compensation	(810,000)	(1,080,000)
Accumulated deficit	(169,134,756)	(157,029,112)
Net unrealized gain on marketable securities	79,178	272,199
Total stockholders' equity	138,239,402	106,930,999
Total liabilities and stockholders' equity	$ 164,738,473	$ 137,581,854

The accompanying notes are an integral part of the financial statements.

REGENERON PHARMACEUTICALS, INC.
CONDENSED STATEMENTS OF OPERATIONS (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	1997	1996	1997	1996
Revenues				
Contract research and development	$3,276,721	$4,306,232	$11,892,336	$13,085,518
Research progress payments	2,500,000		2,500,000	
Investment income	1,792,656	1,357,528	4,451,972	3,088,713
Contract manufacturing	1,304,023	557,927	2,858,989	1,394,287
	8,873,400	6,221,687	21,703,297	17,568,518
Expenses				
Research and development	6,802,711	7,660,787	20,759,498	21,389,751
Loss in Amgen-Regeneron Partners	654,784	4,109,300	2,834,129	10,288,380
General and administrative	1,428,275	1,422,479	4,580,478	4,519,978
Depreciation and amortization	969,608	1,497,494	3,336,110	4,513,749
Contract manufacturing	750,560	206,159	1,719,095	445,265
Interest	174,580	214,181	579,631	692,239
	10,780,518	15,110,400	33,808,941	41,849,362
Net loss	($1,907,118)	($8,888,713)	($12,105,644)	($24,280,844)
Net loss per share	($0.06)	($0.35)	($0.43)	($1.01)
Weighted average number of Common and Class A shares outstanding	30,894,514	25,605,159	27,962,070	24,066,180

The accompanying notes are an integral part of the financial statements.

REGENERON PHARMACEUTICALS, INC.
CONDENSED STATEMENTS OF CASH FLOWS (Unaudited)
Increase (Decrease) in Cash and Cash Equivalents

	Nine months ended September 30, 1997	1996
Cash flows from operating activities		
Net loss	($12,105,644)	($24,280,844)
Adjustments to reconcile net loss to net cash used in operating activities		
Loss in Amgen-Regeneron Partners	2,834,129	10,288,380
Depreciation and amortization	3,336,110	4,513,749
Stock issued in consideration for services rendered	270,000	270,000
Changes in assets and liabilities		
Decrease (increase) in amounts due from Amgen-Regeneron Partners	115,270	(1,303,670)
Decrease (increase) in amounts due from Sumitomo Pharmaceuticals Co., Ltd.	814,884	(603,437)
Decrease (increase) in amounts due from Merck & Co., Inc.	312,459	(1,280,082)
Increase in amounts due from The Procter & Gamble Company	(958,450)	
Increase in investment in Amgen-Regeneron Partners	(2,037,000)	(10,275,000)
Increase in prepaid expenses and other assets	(33,071)	(380,617)
(Decrease) increase in deferred revenue	(1,964,132)	3,003,040
Increase (decrease) in accounts payable, accrued expenses, and other liabilities	190,160	(158,504)
Total adjustments	2,880,359	4,073,859
Net cash used in operating activities	(9,225,285)	(20,206,985)
Cash flows from investing activities		
Purchases of marketable securities	(72,941,324)	(54,530,151)
Sales of marketable securities	48,941,062	30,689,585
Capital expenditures	(1,480,060)	(8,014,762)
Net cash used in investing activities	(25,480,322)	(31,855,328)
Cash flows from financing activities		
Net proceeds from the issuance of stock	43,337,068	59,367,260
Principal payments on note payable	(58,043)	(62,426)
Capital lease payments	(2,760,388)	(2,525,745)
Net cash provided by financing activities	40,518,637	56,779,089
Net increase in cash and cash equivalents	5,813,030	4,716,776
	34,475,060	32,736,026
Cash and cash equivalents at beginning of period		
Cash and cash equivalents at end of period	$ 40,288,090	$ 37,452,802
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 535,371	$ 631,865

The accompanying notes are an integral part of the financial statements.

REGENERON PHARMACEUTICALS, INC.
Notes to Condensed Financial Statements

1. Interim Financial Statements

In the opinion of management of the Company, the accompanying unaudited interim financial statements reflect all adjustments, consisting only of normal recurring accruals, necessary to present fairly the Company's financial position as of September 30, 1997 and December 31, 1996 and the results of operations for the three months and nine months ended September 30, 1997 and 1996. The results of operations for such interim periods are not necessarily indicative of the results to be expected for the full year.

2. Statement of Cash Flows

Supplemental disclosure of noncash investing and financing activities:

Capital lease obligations of approximately $812,000 and $2,005,000 were incurred during the first nine months of 1997 and 1996, respectively, when the Company leased new equipment.

Included in accounts payable and accrued expenses at September 30, 1997 and December 31, 1996 were approximately $417,000 and $788,000 of capital expenditures, respectively.

3. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses as of September 30, 1997 and December 31, 1996 consist of the following:

	September 30, 1997	December 31, 1996
Accounts payable	$2,314,966	$2,178,308
Accrued payroll and related costs	787,733	1,047,812
Accrued clinical trial expense	319,500	319,500
Accrued expenses, other	358,869	389,062
Deferred compensation	350,288	422,463
	$4,131,356	$4,357,145

4. Collaboration Agreement

In May 1997, the Company entered into a ten-year collaboration agreement with The Procter & Gamble Company ("Procter & Gamble") to discover, develop, and commercialize pharmaceutical products (the "P&G Agreement"), as well as a securities purchase agreement and other agreements. Procter & Gamble agreed over the first five years of the various agreements to purchase up to $60.0 million in Regeneron equity and provide up to $94.7 million in support of Regeneron's research efforts related to the collaboration. In June 1997, Procter & Gamble completed the purchase of 4.35 million shares of Regeneron Common Stock at $9.87 per share for a total of $42.9 million and received five year warrants to purchase an additional 1.45 million shares of Regeneron

stock at $9.87 per share. This purchase was in addition to a $10.0 million purchase of Regeneron Common Stock at $12.50 per share that was completed in March 1997 pursuant to a December 1996 stock purchase agreement. The P&G Agreement expanded and superceded a collaboration agreement that the companies entered into in December 1996 jointly to develop drugs for skeletal muscle injury and atrophy.

During the second five years of the P&G Agreement, the companies will share all research costs equally. Clinical testing and commercialization expenses for jointly developed products will be shared equally throughout the ten years of the collaboration. Procter & Gamble will have rights to Regeneron's current technology (other than certain neurotrophic factors and cytokines), which is expected to have application in cardiovascular, bone, muscle, arthritis, and other disease areas. Procter & Gamble will also have rights to new technology developed by Regeneron as a result of the collaboration. The companies expect jointly to develop and market worldwide any products resulting from the collaboration and share equally in profits. Either company may terminate the P&G Agreement at the end of five years with at least one year prior notice or earlier in the event of default.

In September 1997, the Company and Procter & Gamble amended the P&G Agreement to include AXOKINE and related molecules, and agreed initially to develop AXOKINE to treat obesity associated with Type II diabetes. Procter & Gamble agreed to pay the Company as much as $15.0 million in additional funding, partly subject to achieving certain milestones. $2.5 million was paid in September 1997.

Contract research and development revenue related to the P&G Agreement was $1.0 million in the third quarter of 1997 and $2.8 million for the first nine months of 1997. Revenue from research progress payments related to the P&G Agreement was $2.5 million for the three month and nine month periods ended September 30, 1997. At September 30, 1997, the Procter & Gamble contract research revenue receivable was $1.0 million.

5. Impact of the Future Adoptions of Recently Issued Accounting Standards

In February 1997, the Financial Accounting Standards Board issued Financial Accounting Standard No. 128, "Earnings Per Share" ("SFAS 128"). SFAS 128 will require the Company to replace the current presentation of "primary" per share data with "basic" and "diluted" per share data. Currently, outstanding common stock equivalents are antidilutive and therefore management estimates that the future adoption of SFAS 128 currently will not have a material impact on the Company's per share data. SFAS 128 will be adopted by the Company for periods ending after December 15, 1997.

The Financial Accounting Standards Board issued Financial Accounting Standard No. 130, "Reporting Comprehensive Income" ("SFAS 130") in June 1997. Comprehensive Income represents the change in net assets of a business enterprise as a result of nonowner transactions. Management does not believe that the future adoption of SFAS 130 will have a material effect on the Company's financial position and results of operations. The Company will adopt SFAS 130 for the year ending December 31, 1998.

Also in June 1997, the Financial Accounting Standards Board issued Financial Accounting Standard No. 131, "Disclosures about Segments of an Enterprise and Related Information" ("SFAS 131"). SFAS 131 requires that a business enterprise report certain information about operating segments, products and services, geographic areas of operation, and major customers in complete sets of financial statements and in condensed financial statements for interim periods. The Company is required to adopt this standard for the year ending December 31, 1998 and is currently evaluating the impact of the standard.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

General

Overview. The discussion below contains forward-looking statements that involve risks and uncertainties relating to the future financial performance of Regeneron Pharmaceuticals, Inc. ("Regeneron" or the "Company") and actual events or results may differ materially. These statements concern, among other things, the possible therapeutic applications of the Company's product candidates and research programs, the timing and nature of the Company's clinical and research programs now underway or planned, a variety of items described in the footnotes to the Company's financial statements (including the useful life of assets, the anticipated length of agreements, and other matters), and the future uses of capital and financial needs of the Company. These statements are made by the Company based on management's current beliefs and judgment. In evaluating such statements, stockholders and investors should specifically consider the various

factors identified under the caption "Factors That May Affect Future Operating Results" which could cause actual results to differ materially from those indicated by such forward-looking statements.

In May 1997, the Company entered into a ten-year collaboration agreement with The Procter & Gamble Company ("Procter & Gamble") to discover, develop, and commercialize pharmaceutical products (the "P&G Agreement"), as well as a securities purchase agreement and other related agreements. Procter & Gamble agreed over the first five years of the various agreements to purchase up to $60.0 million in Regeneron equity and provide up to $94.7 million in support of Regeneron's research efforts related to the collaboration. In June 1997, Procter & Gamble purchased 4.35 million shares of Regeneron Common Stock at $9.87 per share for a total of $42.9 million and received five year warrants to purchase an additional 1.45 million shares of Regeneron stock at $9.87 per share. This purchase was in addition to a $10.0 million purchase of Regeneron Common Stock at $12.50 per share that was completed in March 1997 pursuant to a December 1996 stock purchase agreement. The P&G Agreement expanded and superseded a collaboration agreement that the companies entered into in December 1996 jointly to develop drugs for skeletal muscle injury and atrophy.

In September 1997, the Company and Procter & Gamble expanded the P&G Agreement to include AXOKINE and related molecules, and agreed to develop AXOKINE to treat obesity associated with Type II diabetes. Procter & Gamble agreed to pay the Company as much as $15.0 million in additional funding, partly subject to achieving certain milestones. $2.5 million was paid in September 1997.

During the third quarter of 1997, Amgen-Regeneron Partners, the partnership equally owned by Regeneron and Amgen Inc. ("Amgen"), continued to develop Regeneron's brain-derived neurotrophic factor ("BDNF") and neurotrophin-3 ("NT-3"). BDNF is being developed for potential use in treating amyotrophic lateral sclerosis ("ALS," commonly known as Lou Gehrig's disease) through two routes of administration: intrathecal (infusion into the spinal fluid through an implanted pump) and subcutaneous (injection under the skin). A Phase I intrathecal study being conducted by Amgen in ALS patients is continuing. Subcutaneous studies to be conducted by Regeneron are also planned. These subcutaneous studies will be based on retrospective analysis of the Amgen-Regeneron Partners' Phase III trial of BDNF for ALS that was completed in 1996. That trial confirmed the safety and tolerability of BDNF seen in earlier clinical trials but showed no statistically significant difference in breathing

capacity or survival between treatment and placebo groups as measured by the trial's predetermined primary endpoints. However, additional analysis of the trial, conducted by Regeneron and outside independent consultants, indicated that a retrospectively-defined subset of ALS patients in the trial may have received a survival benefit from BDNF treatment. The planned BDNF subcutaneous studies are intended to test whether this survival benefit can be confirmed through appropriate prospective trials.

Amgen-Regeneron Partners' clinical development of NT-3 is currently focused on enteric neuropathies. The enteric nervous system is a complex collection of nerves that control the function of the gastrointestinal system, including gastrointestinal motility. Amgen-Regeneron Partners has conducted clinical studies of NT-3 in normal volunteers and patients suffering peripheral neuropathies associated with diabetes. These studies indicated, among other things, that NT-3 is safe and well tolerated at a variety of doses in both normal and diseased patients and that, at certain doses, NT-3 has a side effect of increased gastrointestinal motility. Based on these results and discussions with gastrointestinal experts, Regeneron, on behalf of Amgen-Regeneron Partners, is planning to design and conduct pilot Phase II clinical studies of NT-3 in enteric neuropathies including constipation associated with the use of opiate pain-killers, Parkinson's disease, and other conditions.

Amgen-Regeneron Partners is not planning to pursue additional trials of BDNF and NT-3 in peripheral neuropathy at the present time, because initial results were not sufficiently promising to justify the expenditures for the inherently long and large development program required for these studies.

During the third quarter of 1997, the Company continued to develop and manufacture BDNF for use by Sumitomo Pharmaceuticals Co., Ltd. ("Sumitomo Pharmaceuticals") in Japan. Sumitomo Pharmaceuticals has informed the Company that it plans to begin a Phase I clinical study in the first half of 1998 in Japan to assess the safety and tolerability of BDNF delivered subcutaneously to normal volunteers. Sumitomo Pharmaceuticals is initially developing BDNF to treat ALS.

The results of the Company's and its collaborators' past activities in connection with the research and development of BDNF and NT-3 do not necessarily predict the results or success of future activities including, but not limited to, any additional preclinical or clinical studies of BDNF or NT-3. The Company cannot predict whether, when, or under what conditions BDNF or NT-3 will be shown to be safe or effective to treat any human condition or be approved for marketing by any regulatory agency. The delay or failure of current or future studies to demonstrate the safety or efficacy of BDNF or NT-3 to treat human conditions or to be approved for marketing would have a material adverse impact on the Company.

While intrathecal delivery may be more successful in delivering BDNF to certain motor neurons (the nerve cells that degenerate in ALS), it is not known whether intrathecal delivery will prove any more successful in demonstrating safety and utility in patients with ALS than the subcutaneous delivery used in the Phase III clinical trial that failed to achieve its primary endpoints. The planned clinical studies of BDNF delivered subcutaneously for the treatment of ALS are also based on retrospective analyses of the Phase III clinical trial that failed to meet its primary endpoints. If these or subsequent trials fail to demonstrate that BDNF is safe and effective in the treatment of ALS, that failure could have a materially adverse effect on the Company, the price of the Company's Common Stock, and the Company's ability to raise additional capital.

No assurance can be given that extended administration of NT-3 will be safe or effective. The Phase I study of NT-3 in normal human volunteers that concluded in 1995 was a short term (seven day) treatment study, while the planned NT-3 clinical studies involve longer treatment. The treatment of various constipating conditions may present additional clinical trial risks in light of the complex and not wholly understood mechanisms of action that lead to the conditions, the concurrent use of other drugs to treat the underlying illnesses as well as the gastrointestinal condition, the potential difficulty of designing and achieving significant clinical endpoints, and other factors. No assurance can be given that these or any other studies of NT-3 will be successful or that NT-3 will be commercialized.

To date, Regeneron has not received any revenues from the commercial sale of products and may never receive such revenues. Before such revenues can be realized, the Company (or its collaborators) must overcome a number of hurdles which include successfully completing its research and development efforts and obtaining regulatory approval from the United States Food and Drug Administration ("FDA") or regulatory authorities in other countries. In addition, the biotechnology and pharmaceutical industries are rapidly evolving and highly competitive, and new developments may render the Company's products and technologies noncompetitive and obsolete.

From inception on January 8, 1988 through September 30, 1997, Regeneron has a cumulative loss of $169.0 million. In the absence of revenues from commercial product sales or other sources (the amount, timing, nature, or source of which can not be predicted), the Company's losses will continue as the Company conducts its research and development activities. The Company's activities may expand over time and may require additional resources, and the Company's operating losses may be substantial over at least the next several years. The Company's losses may fluctuate from quarter to quarter and will depend, among other factors, on the timing of certain expenses and on the progress of the Company's research and development efforts.

Results of Operations

Three months ended September 30, 1997 and 1996. The Company's total revenue increased to $8.9 million for the third quarter of 1997 from $6.2 million for the same period in 1996. Contract research and development revenue decreased to $3.3 million for the third quarter of 1997 from $4.3 million for the same period in 1996, as the Company provided less research and manufacturing support to the Amgen-Regeneron Partners and Sumitomo Pharmaceuticals collaborations, partly offset by revenue received from Procter & Gamble in connection with the May 1997 P&G Agreement. Revenue from research progress payments in the third quarter of 1997 represents a $2.5 million payment received from Procter & Gamble in connection with signing the September 1997 amendment to the P&G Agreement. Investment income in the third quarter of 1997 increased to $1.8 million from $1.4 million for the same period in 1996, due primarily to higher levels of interest-bearing investments resulting from the proceeds received as a result of the private placement of equity securities with Procter & Gamble in 1996 and 1997. Contract manufacturing revenue related to the long-term manufacturing agreement (the "Merck Agreement") with Merck & Co., Inc.

("Merck") for the third quarters of 1997 and 1996 totaled $1.3 million and $0.6 million, respectively. This increase was the result of increased activity on the part of the Company in preparation of the Company's manufacturing facility in Rensselaer for the production of a product for Merck.

The Company's total operating expenses decreased to $10.8 million in the third quarter of 1997 from $15.1 million for the same period in 1996. Research and

development expenses declined to $6.8 million in the third quarter of 1997 from $7.7 million for the same period in 1996 as the cost of producing BDNF for clinical use by Sumitomo declined in 1997. Loss in Amgen-Regeneron Partners decreased to $0.7 million in the third quarter of 1997 from $4.1 million for the same period in 1996, as the Partnership completed the Phase III clinical trial of BDNF in 1996. Research and development expenses (including Loss in Amgen-Regeneron Partners) were approximately 69% of total operating expenses in the third quarter of 1997, compared to 78% for the same period in 1996.

General and administrative expenses were $1.4 million in the third quarters of both 1997 and 1996. Depreciation and amortization expense decreased to $1.0 million in the third quarter of 1997 from $1.5 million in the third quarter of 1996 as certain laboratory equipment became fully depreciated and capitalized patent costs were fully amortized in 1996. Contract manufacturing expenses are direct expenses related to the long-term manufacturing agreement with Merck. Such expenses, which are reimbursed by Merck, increased to $0.8 million in the third quarter of 1997 from $0.2 million in the same period of 1996, primarily from increased equipment validation costs. Interest expense was $0.2 million for the third quarters of both 1997 and 1996.

The Company's net loss for the third quarter of 1997 was $1.9 million, or $0.06 per share, compared to a net loss of $8.9 million, or $0.35 per share, for the same period in 1996.

Nine months ended September 30, 1997 and 1996. The Company's total revenue increased to $21.7 million for the nine months ended September 30, 1997 from $17.6 million for the same period in 1996. Contract research and development revenue decreased to $11.9 million for the nine months ended September 30, 1997 from $13.1 million for the same period in 1996, as the Company provided less research and manufacturing support to the Amgen-Regeneron Partners and Sumitomo Pharmaceuticals collaborations, partly offset by revenue received from Procter & Gamble in connection with the May 1997 P&G Agreement. Revenue from research progress payments in the first nine months of 1997 represents a $2.5 million payment received from Procter & Gamble in connection with signing the September 1997 amendment to the P&G Agreement. Investment income in the first nine months of 1997 increased to $4.4 million from $3.1 million for the same period in 1996, due primarily to higher levels of interest-bearing investments resulting from the proceeds received as a result of the private placement of equity securities with Amgen, Medtronic Inc., and

Procter & Gamble in 1996 and 1997. Contract manufacturing revenue related to the Merck Agreement for the nine months ended September 30, 1997 and 1996 totaled $2.9 million and $1.4 million, respectively. This increase was the result of increased activity on the part of the Company in preparation of the Company's manufacturing facility in Rensselaer for the production of a product for Merck.

The Company's total operating expenses decreased to $33.8 million in the nine months ended September 30, 1997 from $41.8 million for the same period in 1996. Research and development expenses declined to $20.8 million in the first nine months of 1997 from $21.4 million for the same period in 1996 as the cost of producing BDNF for clinical use by Sumitomo declined in 1997. Loss in Amgen-Regeneron Partners for the first nine months of 1997 decreased to $2.8 million from $10.3 million for the same period in 1996, as the Partnership completed the Phase III clinical trial of BDNF in 1996. Research and development expenses for the nine months ended September 30, 1997 and 1996 (including Loss in Amgen-Regeneron Partners) represented approximately 70% and 76% of total operating expenses, respectively.

General and administrative expenses were $4.6 million and $4.5 million in the first nine months of 1997 and 1996, respectively. Depreciation and amortization expense decreased to $3.3 million in the first nine months of 1997 from $4.5 million in the first nine months of 1996, as certain laboratory equipment became fully depreciated and capitalized patent costs were fully amortized in 1996. Contract manufacturing expenses are direct expenses related to the long-term manufacturing agreement with Merck. Such expenses, which are reimbursed by Merck, increased to $1.7 million in the first nine months of 1997 from $0.4 million in the same period of 1996, primarily from increased equipment validation costs. Interest expense was $0.6 million and $0.7 million in the first nine months of 1997 and 1996, respectively.

The Company's net loss for the nine months ended September 30, 1997 was $12.1 million, or $0.43 per share, compared to a net loss of $24.3 million, or $1.01 per share, for the same period in 1996.

Liquidity and Capital Resources

Since its inception in 1988, the Company has financed its operations primarily through private placements and public offerings of its equity securities, revenue earned under the several agreements between the Company and each of Amgen, Sumitomo Chemical Company, Ltd., Sumitomo Pharmaceuticals, Merck, and Procter & Gamble and investment income.

In May 1997, the Company and Procter & Gamble entered into the P&G Agreement. Procter & Gamble agreed over the first five years of the P&G Agreement to purchase up to $60.0 million in Regeneron equity and provide up to $94.7 million in support of Regeneron's research efforts related to the collaboration. During the second five years of the P&G Agreement, the companies will share all research costs equally. Clinical testing and commercialization

expenses for jointly developed products will be shared equally throughout the ten years of the collaboration. The companies expect jointly to develop and market worldwide any products resulting from the collaboration and share equally in profits. Either company may terminate the P&G Agreement at the end of five years with at least one year prior notice or earlier in the event of a default (as defined in the P&G Agreement). In June 1997, Procter & Gamble completed the purchase of 4.35 million shares of Regeneron Common Stock at $9.87 per share for a total of $42.9 million and received five year warrants to purchase an additional 1.45 million shares of Regeneron stock at $9.87 per share. This purchase was in addition to a $10.0 million purchase of Regeneron Common Stock at $12.50 per share that was completed in March 1997 pursuant to a December 1996 stock purchase agreement. In September 1997 the Company and Procter & Gamble amended the P&G Agreement to include AXOKINE and related molecules, and to develop AXOKINE to treat obesity associated with Type II diabetes. Procter & Gamble agreed to pay the Company as much as $15.0 million in additional funding, partly subject to achieving certain milestones. $2.5 million was paid in September 1997.

In connection with the Company's agreement to collaborate with Sumitomo Pharmaceuticals in the research and development of BDNF in Japan, Sumitomo Pharmaceuticals has paid the Company $22.0 million through September 1997 and has agreed to pay the Company an additional $3.0 million in 1998. Sumitomo Pharmaceuticals has the option to cancel the 1998 payment; however, if such a cancellation were to occur, Sumitomo Pharmaceutical's rights to develop and commercialize BDNF in Japan would revert to the Company. In addition, the Company

is being reimbursed in connection with supplying Sumitomo Pharmaceuticals with BDNF for preclinical use.

The Company's activities relating to BDNF and NT-3, as agreed upon by Amgen and Regeneron, are being reimbursed by Amgen-Regeneron Partners, and the Company recognizes such reimbursement as revenue. The funding of Amgen-Regeneron Partners is through capital contributions from Amgen and Regeneron, who must make equal payments in order to maintain equal ownership and equal sharing of any profits or losses from the Partnership. The Company has made capital contributions totaling approximately $44.6 million to Amgen-Regeneron Partners from the Partnership's inception in June 1993 through September 30, 1997. The Company expects that its capital contributions in 1997 will total $2.6 million for the full year, of which $2.0 million has been funded to date. Capital contributions in future years are anticipated to be greater than in 1997. These contributions could increase or decrease, depending upon the cost of Amgen-Regeneron Partners' conducting additional BDNF and NT-3 studies and the outcomes of those and other ongoing studies.

From its inception in January 1988 through September 30, 1997, the Company invested approximately $55.5 million in property, plant, and equipment. This includes $16.8 million to acquire and renovate the Rensselaer facility, $6.3 million of completed construction at the facility, and $7.3 million of

construction in progress related to the modification of the facility in connection with the Merck Agreement. In connection with the purchase and renovation of the Rensselaer facility, the Company obtained financing of $2.0 million from the New York State Urban Development Corporation, of which $1.8 million is outstanding. Under the terms of such financing, the Company is not permitted to declare or pay dividends to its stockholders.

During 1996, the Company entered into a series of new leasing agreements (the "New Lease Line") which provide up to $4.0 million to finance equipment acquisitions and certain building improvements, as defined (collectively, the "Equipment"). The Company may utilize the New Lease Line in increments ("leases"). Lease terms are for four years after which the Company is required to purchase the Equipment at defined amounts. Certain of the leases may be renewed for eight months at defined monthly payments after which the Company will own the Equipment. At September 30, 1997, the Company had available approximately $0.3 million of the New Lease Line.

The Company expects that expenses related to the filing, prosecution, defense and enforcement of patent and other intellectual property claims will continue to be substantial as a result of patent filings and prosecutions in the United States and foreign countries. The Company is currently involved in two interference proceedings in the Patent and Trademark Office between Regeneron's patent applications and patents relating to CNTF issued to Synergen, Inc. Amgen acquired all outstanding shares of Synergen in 1994.

As of September 30, 1997, the Company had no established banking arrangements through which it could obtain short-term financing or a line of credit. Additional funds may be raised through, among other things, the issuance of additional securities, other financing arrangements, and future collaboration agreements. No assurance can be given that additional financing will be available or, if available, that it will be available on acceptable terms.

At September 30, 1997, the Company had $126.6 million in cash, cash equivalents, and marketable securities. The Company expects to incur substantial funding requirements for, among other things, its research and development activities

(including preclinical and clinical testing), validation of its manufacturing facilities, and the acquisition of equipment, and may incur substantial funding requirements for expenses related to the patent interference proceedings and other patent matters. The Company expects to incur ongoing funding requirements for capital contributions to Amgen-Regeneron Partners to support the continued development and clinical trials of BDNF and NT-3. The amount needed to fund operations will also depend on other factors, including the status of competitive products, the success of the Company's research and development programs, the status of patents and other intellectual property rights developments, and the continuation, extent, and success of any collaborative research programs (including those with Amgen and Procter & Gamble). The Company expects to incur additional capital expenditures in

connection with the renovation and validation of its Rensselaer facility pursuant to its manufacturing agreement with Merck. However, the Company also expects that such expenditures will be substantially reimbursed by Merck, subject to certain conditions. The Company believes that its existing capital resources will enable it to meet operating needs for at least the next several years. No assurance can be given that there will be no change in projected revenues or expenses that would lead to the Company's capital being consumed at a faster rate than currently expected. In order to continue to attempt to assure Regeneron's financial condition and maximize its technological developments for the long-term benefit of shareholders, the Company from time to time seeks additional corporate partners and explores other opportunities to obtain research and development funding. No assurance can be given that such partners or funding will be available or, if available, will be on terms favorable or acceptable to the Company.

Factors That May Affect Future Operating Results

Regeneron cautions stockholders and investors that the following important factors, among others, in some cases have affected, and in the future could affect, Regeneron's actual results and could cause Regeneron's actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, Regeneron. The statements under this caption are intended to serve as cautionary statements within the meaning of the Private Securities Litigation Reform Act of 1995. The following information is not intended to limit in any way the characterization of other statements or information under other captions as cautionary statements for such purpose:

- Delay, difficulty, or failure of the Company's preclinical drug research and development programs to produce product candidates that are scientifically or commercially appropriate for further development by the Company or others.

- Delay, difficulty, or failure in obtaining regulatory approval (including approval of its facilities for production) for the Company's products (including vaccine intermediate for Merck), including delays or difficulties in development because of insufficient proof of safety or efficacy.

- Increased and irregular costs of development, regulatory approval, manufacture, sales, and marketing associated with the introduction of products in the late stage of development.

- Cancellation or termination of material collaborative or licensing agreements (including in particular, but not limited to, those with Procter & Gamble and

Amgen) and the resulting loss of research or other funding, could have a material adverse effect on the Company and its operations. A change of

control of one or more of the Company's material collaborators or licensees could also have a material adverse effect on the Company.

- Competitive or market factors may cause use of the Company's products to be limited or otherwise fail to achieve broad acceptance.

- The ability to obtain, maintain, and prosecute intellectual property rights, and the cost of acquiring in-process technology and other intellectual property rights, either by license, collaboration, or purchase of another entity.

- Difficulties or high costs of obtaining adequate financing to meet the Company's obligations under its collaboration and licensing agreements or to fund 50 percent of the cost of developing product candidates in order to retain 50 percent of the commercialization rights.

- Amount and rate of growth in Regeneron's general and administrative expenses, and the impact of unusual or infrequent charges resulting from Regeneron's ongoing evaluation of its business strategies and organizational structure.

- Failure of corporate partners to commercialize successfully the Company's products or to retain and expand the markets served by the commercial collaborations; conflicts of interest, priorities, and commercial strategies which may arise between the Company and such corporate partners.

- Delays or difficulties in developing and acquiring production technology and technical and managerial personnel to manufacture novel biotechnology products in commercial quantities at reasonable costs and in compliance with applicable quality assurance and environmental regulations and governmental permitting requirements.

- Difficulties in obtaining key raw materials and supplies for the manufacture of the Company's product candidates.

- The costs and other effects of legal and administrative cases and proceedings (whether civil, such as product-related or environmental, or criminal); settlements and investigations; developments or assertions by or against Regeneron relating to intellectual property rights and licenses; the issuance and use of patents and proprietary technology by Regeneron and its competitors, including the possible negative effect on the Company's ability to develop, manufacture, and sell its products in circumstances where it is unable to obtain licenses to patents which may be required for such products.

- Underutilization of the Company's existing or new manufacturing facilities or of any facility expansions, resulting in inefficiencies and higher costs; start-up costs, inefficiencies, delays, and increased depreciation costs in connection with the start of production in new plants and expansions.

- Health care reform, including reductions or changes in reimbursement available for prescription medications or other reforms.

- The ability to attract and retain key personnel. As Regeneron's scientific efforts lead to potentially promising new directions, both outside of recombinant protein therapies (into orally active, small molecule pharmaceuticals) and outside of treatments for neurological and neurodegenerative conditions (into, for example, potential programs in cancer, inflammation, muscle disease, bone growth disorders, angiogenesis, and hemopoiesis), the Company will require additional internal expertise or external collaborations in areas in which it currently does not have substantial resources and personnel.

Impact of the Adoption of Recently Issued Accounting Standards

In February 1997, the Financial Accounting Standards Board issued Financial Accounting Standard No. 128, "Earnings Per Share" ("SFAS 128"). SFAS 128 will require the Company to replace the current presentation of "primary" per share data with "basic" and "diluted" per share data. Currently, outstanding common stock equivalents are antidilutive and therefore management estimates that the future adoption of SFAS 128 currently will not have a material impact on the Company's per share data. SFAS 128 will be adopted by the Company for periods ending after December 15, 1997.

The Financial Accounting Standards Board issued Financial Accounting Standard No. 130, "Reporting Comprehensive Income" ("SFAS 130") in June 1997. Comprehensive Income represents the change in net assets of a business enterprise as a result of nonowner transactions. Management does not believe that the future adoption of SFAS 130 will have a material effect on the Company's financial position and results of operations. The Company will adopt SFAS 130 for the year ending December 31, 1998.

Also in June 1997, the Financial Accounting Standards Board issued Financial Accounting Standard No. 131, "Disclosures about Segments of an Enterprise and Related Information" ("SFAS 131"). SFAS 131 requires that a business enterprise report certain information about operating segments, products and services, geographic areas of operation, and major customers in complete sets of financial statements and in condensed financial statements for interim periods. The Company is required to adopt this standard for the year ending December 31, 1998 and is currently evaluating the impact of the standard.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

*	10.1	First Amendment to the Multi-Project Collaboration Agreement dated May 13, 1997 between the Company and The Procter & Gamble Company, dated as of September 29, 1997.
	11	Statement of computation of net loss per share for the three months and nine months ended September 30, 1997 and 1996.
	27	Financial Data Schedule

(b) Reports

No reports on Form 8-K were filed by the registrant during the quarter ended September 30, 1997.

* Portions of this document have been omitted and filed separately with the Commission pursuant to requests for confidential treatment pursuant to Rule 24b-2.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Regeneron Pharmaceuticals, Inc.

Date: November 14, 1997

By: /s/ Murray A. Goldberg

Murray A. Goldberg
Vice President, Finance & Administration,
Chief Financial Officer, and Treasurer

EXHIBIT 10.1

First Amendment to the Multi-Project Collaboration Agreement
dated May 13, 1997

This Amendment, dated September 29, 1997, is by and between the Procter & Gamble Company and its Affiliates ("P&G") and Regeneron Pharmaceuticals, Inc., and its Affiliates ("Regeneron").

The Parties entered into the Multi-Project Collaboration Agreement on May 13, 1997, ("Collaboration Agreement"). AXOKINE (as defined herein) and CNTF (as defined herein) were excluded from the scope of the Collaboration Agreement as Regeneron Excluded Technology.

The Parties now desire to include AXOKINE and CNTF in the Collaboration Agreement, to the extent set forth in this Amendment.

Defined terms shall be the same as the Collaboration Agreement, except as specifically defined herein.

Accordingly, the Parties agree to amend the Collaboration Agreement as follows:

Article I - Definitions

The following Sections shall be added:

1.50 "AXOKINE" means any CNTF (as defined herein) protein molecule having one or more amino acid substitutions, deletions or additions, including, but not limited to AxQ (as defined herein), unless designated otherwise by the OC.

1.51 "CNTF" means ciliary neurotrophic factor, including but not limited to rat, rabbit, or human CNTF. The full 200 amino acid sequence of human CNTF is set forth in Attachment 1.51.

1.52 "AxQ" means any AXOKINE protein molecule claimed in U.S. Patent No. 5,349,056 and any continuations, continuations-in-parts, divisions, extensions or foreign counterparts thereof.

1.53 "Proof of Concept Trial" means the first clinical trial in humans that is conducted for the purpose of determining the safety and efficacy of AXOKINE for weight reduction and glucose control in Type II diabetics (or as otherwise modified by the OC) and that the OC specifically designates as such.

Attachment 1.13 (a) shall be modified as attached.

Article III - Research and Development

The following sections shall be added or modified (as applicable and shown by redlined text):

3.3 (b) If the OC agrees that the Research Compound meets the Success Criteria, then the Compound shall be designated a Development Compound. Within *** (***) days after the designation of a Development Compound by the OC, the OC shall approve a Product Plan for such Development Compound. The Product Plan shall include general goals of the Parties relating to the development and marketing of each Development Compound and the timing, nature, and priority of resources to be applied and will detail tasks and goals, personnel allocation, outside services and costs, Success Criteria, Allowable Product Expenses, budgets, and such other matters deemed necessary to implement the Product Plan. The Product Plan will include a spending forecast through the end of clinical trials for the Development Compound and a budget for the next Fiscal Year that will be updated by the OC at least annually on a Fiscal Year basis. Procter & Gamble is responsible for taking the lead in proposing such budget with significant and timely input from Regeneron. The timing and calculations for the typical Product Plan budget is contained in Attachment 3.1 as an example. The OC will have complete authority to adopt all Product Plans. Notwithstanding the foregoing, the OC shall approve the Product Plan for AXOKINE within *** (***) days of signing this Amendment.

3.3 (c) The Parties hereby designate AXOKINE as a Development Compound.

3.4 (a) Allowable Product Expenses. Allowable Product Expenses for Development Compounds in the Muscle Field shall be shared equally. Allowable Product Expenses to support an Investigational New Drug application (IND) pursuant to 21 C.F.R. 312.1 et seq. for Development Compounds other than those Development Compounds in the Muscle Field in Fiscal Years 1 through 5 shall be paid by Procter & Gamble; all other Allowable Product Expenses for such Development Compounds shall be shared equally. Notwithstanding the foregoing, Procter & Gamble shall pay for the Proof of Concept Trial. In addition, Procter & Gamble shall pay all other Allowable Product Expenses for AXOKINE until Regeneron's receipt of all funding described in Section 3.9. All other Allowable Product Expenses for AXOKINE shall be shared equally. Allowable Product Expenses shall be payable quarterly in arrears, based on justification of Allowable Product Expenses incurred over the quarter. Regeneron and Procter & Gamble shall submit reports to each other within thirty (30) days of the end of each Fiscal Quarter detailing the number of FTEs performing work pursuant to the Product Plan, Third Party costs and other costs incurred in research, development and marketing activities, as well as a detailed description of such work. Each Party shall review and approve the other Party's reports within fifteen (15) days

thereafter, subject to the OC's approval, if necessary. Procter & Gamble will then calculate the amount that shall be paid by either Party to the other Party to equalize funding and so advise Regeneron within seven (7) days. The Party to whom funds are owed will issue an invoice for the corresponding amount, payable within thirty (30) days. Costs incurred and paid pursuant to this Section are subject to audit pursuant to Section 6.5.

3.7. J-V Formation. Commencing at the end of the *** (***) Fiscal Year, the Parties shall negotiate in good faith an agreement by the end of the *** (***) Fiscal Year that contains all of the terms and conditions of this Agreement, along with other terms and conditions as the Parties may agree to develop and/or market Compounds, including without limitation reasonable non-compete provisions ("J-V Agreement"). In the event that the Parties cannot finalize such J-V Agreement prior to the end of the *** (***) Fiscal Year the Parties may commence dispute resolution pursuant to Section 2.5 or the Parties may terminate this Agreement pursuant to Section 10.2, elect to continue to perform research,

development and marketing activities pursuant to this Agreement until its termination, or negotiate such other arrangement as the Parties may agree. Notwithstanding the foregoing, the Parties shall use Commercially Reasonable Efforts to execute a development agreement with respect to AXOKINE, with terms consistent with this Agreement, such negotiations commencing no later than *** ("AXOKINE Agreement"). The Parties shall endeavor to draft such AXOKINE Agreement in a form such that it shall be designated the J-V Agreement as described above.

3.9 Additional Funding - P&G shall pay Regeneron U.S. $2.5 million promptly upon the execution of this Amendment. P&G shall pay Regeneron U.S. *** million promptly upon the OC's agreement to the ***. P&G shall pay Regeneron U.S. *** million promptly upon the *** . P&G shall pay Regeneron *** million promptly upon *** after its *** the Proof of Concept Trial results.

Article V - License Grants

The following Sections shall be modified (as shown by redlined text):

5.2. License Grants during Research Term.

(b) Regeneron hereby grants Procter & Gamble a Sole License under Regeneron Patents and Regeneron Know-how to make, have made, use, import, and offer for sale and sell Regeneron Technology which (i) is conceived or reduced to practice by Regeneron before the Term, (ii) is acquired by Regeneron from a Third Party with the right to sublicense prior to or during the Research Term, subject to Section 2.8, or (iii) had been previously defined by the Parties as Regeneron Excluded Technology, b had subsequently been removed from Regeneron Excluded

Technology as agreed in writing by both Parties. The license shall be royalty free for uses which have actual or potential utility for the identification, research or commercialization of products for the prevention, diagnosis, or treatment of diseases or disorders in humans or animals. For all other uses a reasonable royalty will be negotiated.

5.4 Rights on Termination if Milestones are Met. In the event a Party terminates the Agreement pursuant to Section 10.2, and if *** Research Compounds (excluding AXOKINE) have been determined by Procter & Gamble

or the OC to meet their Success Criteria pursuant to a Research Project Plan by the end of Fiscal Year 5, then:

(a) if Procter & Gamble is the terminating party, then Procter & Gamble shall grant Regeneron an exclusive, royalty-free license in the Territory under P&G Patents and P&G Know-how to make, have made, use, import, offer for sale, and sell Lead Compounds and Validated Targets, and a non-exclusive, royalty-free license in the Territory under P&G Patents and P&G Know-how to make, have made, use, import, offer for sale, and sell other Procter & Gamble Technology; or

(b) if Regeneron is the terminating party, then Regeneron shall grant Procter & Gamble an exclusive, royalty-free license in the Territory under Regeneron Patents and Regeneron Know-how to make, have made, use, import, offer for sale, and sell Lead Compounds and Validated Targets, and a non-exclusive, royalty-free license in the Territory under Regeneron Patents and Regeneron Know-how to make, have made, use, import, offer for sale, and sell other Regeneron Technology.

5.5. Rights in Technology upon Termination Pursuant to Section 10.3(b).

In the event that Procter & Gamble terminates the Agreement pursuant to Section 10.3(b) then the Parties shall grant the following licenses:

(a) If *** Research Compounds (excluding AXOKINE) have been determined by Procter & Gamble or the OC to have met their Success Criteria pursuant to a Research Project Plan at the time of termination, then Procter & Gamble shall grant Regeneron an exclusive, royalty-free license in the Territory under P&G Patents and P&G Know-how to make, have made, use, import, offer for sale, and sell Lead Compounds and Validated Targets, and a non-exclusive, royalty-free license in the Territory unde Patents and P&G Know-how to make, have made, use, import, offer for sale, and sell other Procter & Gamble Technology; or.

(b) If Procter & Gamble or the OC have not determined that *** Compounds (excluding AXOKINE) have met their Success Criteria pursuant to a Research Project Plan at the time of termination, then (i) Procter

& Gamble shall grant Regeneron a non-exclusive, royalty free license in the Territory under P&G Patents and Know-how to Lead Compounds and Procter & Gamble Targets conceived and reduced to practice by Procter & Gamble, or acquired by Procter & Gamble from a Third Party with the right sublicense, during the Term to make,

have made, use, import and offer for sale, and sell Lead Compounds and Procter & Gamble Targets; and (ii) Regeneron shall grant Procter & Gamble a non-exclusive license, royalty-free in the Territory under Regeneron Patents and Regeneron Know-how to make, have made, use, import, and offer for sale and sell Regeneron Technology which is conceived and reduced to practice by Regeneron, or acquired by Regeneron from a Third Party with the right to sublicense during the Term.

Article X - Term Termination, Change of Control

The following Section shall be modified accordingly (as shown by redlined text):

10.2. Termination. Either Party may terminate the Research Term, and may terminate the Agreement, provided there are no remaining royalty obligations, at the end of Fiscal Year 5. Such termination may be made following notice to the other Party delivered prior to the end of Fiscal Year 4. Rights in technology shall be as set forth in Section 5.3. However, if *** Research Compounds (excluding AXOKINE) have been determined by Procter & Gamble or the OC to meet their Success Criteria pursuant to a Research Project Plan by the end of Fiscal Year 5, then the terminating Party shall be granted rights pursuant to Section 5.4, and any license that had been granted to the terminating Party pursuant to Sections 5.6 or 5.7 shall be terminated.

10.3. Default.

(a) General Default. Failure by either Party (the "Defaulting Party") to comply with any of the material obligations contained in this Agreement, the Securities Purchase Agreement, the Registration Rights Agreement, the Warrants Purchase Agreement or any J-V Agreement shall entitle the other Party (the "Nondefaulting Party") to give to the Defaulting Party notice specifying the nature of the default and requiring it to cure such default. If the Defaulting Party disagrees with the existence, extent or nature of the default, the Parties shall use good faith efforts to resolve the dispute within thirty (30) days. If (i) such default is not cured with such thirty (30) day period after the receipt of such notice or (ii) the Parties have not otherwise resolved the dispute during such thirty (30) day period, the Nondefaulting Party shall be entitled to initiate arbitration under Section 11.4 and at its sole discretion terminate this Agreement. In the event of

such termination, and in addition to any other remedies available to the Nondefaulting Party, the Defaulting Party shall be deemed an Opting Out Party with respect to any compounds pursuant to Section 5.7.

(b) Special Default. Regeneron shall promptly notify Procter & Gamble if any of its Key Executives leaves, or makes a decision to leave the employment of Regeneron prior to the beginning of Fiscal Year 5. The "Regeneron Key Executives" are listed in Attachment 10.3(b). Procter & Gamble may, after the end of a *** waiting period following such notification, provide Regeneron with notice of termination, with the termination to be effective *** after such notice of termination of the Agreement. Rights in technology shall be as set forth in Section 5.5. Notwithstanding the foregoing, this Section 10.3(b) shall not be operative with respect to the Parties' rights and obligations under this Agreement for AXOKINE.

The remaining Collaboration Agreement shall remain unchanged.

Accepted and agreed:

REGENERON PHARMACEUTICALS, INC.

_____
By Leonard S. Schleifer, M.D., Ph.D.
President and Chief Executive Officer
Date _____

THE PROCTER & GAMBLE COMPANY

Form _____
Finance _____
Execution _____

_____
By Gordon S. Hassing, Ph.D.
Vice President R&D, Pharmaceuticals, Health Care Products Worldwide
Date _____

Attachment 1.13(a) Regeneron Excluded Technology

BDNF, NT-3, small molecule agonists or antagonists of neurotrophic factors as defined in the Field in the Glaxo/Regeneron collaboration, small molecule agonists and antagonists of cytokines and growth factors as defined in the Field in the Pharmacopeia/Regeneron collaboration Agreement, and protein-based cytokine agonists and antagonist of the compounds in the definition of the Field in the Pharmacopeia/Regeneron collaboration, CNTF and AXOKINE to the extent set

forth in the Medtronic / Regeneron Collaborative Agreement (regardless of whether such agreement is terminated), and CNTF and AXOKINE for direct intraocular administration for the treatment of diseases of the eye.

Attachment 9.1(b)
Third Party Agreements Relating to Excluded Technology

Technology Development Agreement dated as of March 20, 1989, between Sumitomo Chemical Company, Limited and Regeneron Pharmaceuticals, Inc.

Collaboration Agreement dated as of August 31, 1990, between Amgen Inc., and Regeneron Pharmaceuticals, Inc.

Collaboration Agreement dated as of July 22, 1993, between Glaxo Group Limited and Regeneron Pharmaceuticals, Inc.

Research Development Agreement dated as of June 2, 1994, between Sumitomo Pharmaceuticals Company, Ltd., and Regeneron Pharmaceuticals, Inc.

Collaboration Agreement dated as of October 9, 1996, between Pharmacopeia, Inc., and Regeneron Pharmaceuticals, Inc.

Collaborative Development Agreement dated as of June 27, 1996, between Medtronic, Inc., and Regeneron Pharmaceuticals, Inc.

Exhibit 11

REGENERON PHARMACEUTICALS, INC.
STATEMENT OF COMPUTATION OF NET LOSS PER SHARE

	Three Months ended September 30,		Nine Months ended September 30,	
	1997	1996	1997	1996
Primary:				
Net loss	($1,907,118)	($8,888,713)	($12,105,644)	($24,280,844)
Per share data				
Weighted average number of Class A and Common shares outstanding during the period	30,894,514	25,605,159	27,962,070	24,066,180
Net loss per share	($0.06)	($0.35)	($0.43)	($1.01)
Fully diluted:				
Net loss	($1,907,118)	($8,888,713)	($12,105,644)	($24,280,844)
Per share data				
Weighted average number of Class A and Common shares outstanding during the period	30,894,514	25,605,159	27,962,070	24,066,180
Shares issuable upon exercise of options and warrants	4,186,401	3,007,223	3,106,160	3,058,586
Shares assumed to be repurchased under the treasury stock method	(2,776,389)	(1,100,029)	(1,807,363)	(1,100,677)
	32,304,526	27,512,353	29,260,867	26,024,089
Net loss per share	($0.06)	($0.32)	($0.41)	($0.93)

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DEC-31-1997
JAN-01-1997
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(0.43)
(0.41)