

Lilly, AstraZeneca team up on Alzheimer's drug

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Eli Lilly and Co. plans to pay up to \$500 million to fellow drugmaker AstraZeneca as part of a collaboration to develop and sell a potential Alzheimer's disease treatment that is in the early stages of clinical testing.

Lilly said Tuesday it will make an initial milestone payment of \$50 million to AstraZeneca, which will handle manufacturing of the drug. Indianapolis-based Lilly will lead [clinical development](#) of the potential treatment, labeled AZD3293, while working with researchers from London-based AstraZeneca. The companies then will share global profits or losses if the drug is approved.

Alzheimer's is a fatal disease and the most common form of dementia, a term for brain disorders that affect memory, judgment and other mental functions. Many Alzheimer's patients typically live four to eight years after diagnosis, as the disease gradually erodes their memory and ability to think or perform simple tasks. Drugmakers have tried and failed for years to develop successful treatments for Alzheimer's.

AZD3293 attempts to prevent the formation of [amyloid plaque](#) in the brain and eventually slow the progression of the disease. The drug has finished an initial phase of testing in humans and is likely several years away from the regulatory review it must pass before reaching the market.

Lilly also is developing solanezumab, which is in late-stage testing as a

possible treatment for mild cases of Alzheimer's.

Indianapolis-based Lilly will take a charge of 3 cents per share to its third-quarter earnings for the initial payment in the collaboration.

Shares of Lilly rose 7 cents to \$65.26 in morning trading Tuesday, while U.S.-traded shares of AstraZeneca fell 46 cents to \$73.32 and broader indexes rose slightly.

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