

REPLIGEN CORP  
Form DEF 14A  
July 24, 2006

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A INFORMATION**

**(Rule 14a-101)**

**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission  
Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Rule 14a-12

**REPLIGEN CORPORATION**

(Name of Registrant as Specified in Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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NOT APPLICABLE

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(1) Amount Previously Paid:  
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(2) Form, Schedule or Registration Statement No.:  
NOT APPLICABLE

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(3) Filing Party:  
NOT APPLICABLE

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(4) Date Filed:  
NOT APPLICABLE



**Repligen Corporation**

**41 Seyon Street**

**Building #1, Suite 100**

**Waltham, MA 02453**

**(781) 250-0111**

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

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To the Stockholders:

The Annual Meeting of Stockholders of Repligen Corporation, a Delaware corporation ( Repligen or the Company ) will be held on Friday, September 15, 2006, 10:00 a.m. local time, at the offices of Repligen, 41 Seyon Street, Building #1, Suite 100, Waltham, Massachusetts, 02453 for the following purposes:

1. To elect a Board of Directors for the ensuing year; and
2. To transact such other business as may properly come before the Annual Meeting and any adjournments or postponements thereof. Stockholders entitled to notice of and to vote at the Annual Meeting shall be determined as of the close of business on July 18, 2006, the record date fixed by the Board of Directors for such purpose.

By Order of the Board of Directors

Daniel W. Muehl, Secretary

Waltham, Massachusetts

July 24, 2006

**IT IS IMPORTANT THAT ALL SHARES BE REPRESENTED AT THE MEETING. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, YOU ARE REQUESTED TO COMPLETE, SIGN, DATE AND MAIL PROMPTLY THE ENCLOSED PROXY WHICH IS BEING SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS. A RETURN ENVELOPE WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES IS ENCLOSED FOR THAT PURPOSE. YOU NEED TO VOTE IN ACCORDANCE WITH THE INSTRUCTIONS LISTED ON THE PROXY CARD. IF SHARES ARE HELD IN A BANK OR BROKERAGE ACCOUNT, YOU MAY BE ELIGIBLE TO VOTE ELECTRONICALLY OR BY TELEPHONE. PLEASE REFER TO THE ENCLOSED VOTING INSTRUCTION FORM FOR INSTRUCTIONS.**

**REPLIGEN CORPORATION**

**41 SEYON STREET**

**BUILDING #1, SUITE 100**

**WALTHAM, MA 02453**

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**PROXY STATEMENT**

**FOR THE ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON SEPTEMBER 15, 2006**

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**JULY 24, 2006**

Proxies in the form included with this proxy statement are solicited by the Board of Directors (the Board) of Repligen Corporation, a Delaware corporation ( Repligen or the Company ), for use at the Annual Meeting of Stockholders of Repligen to be held, pursuant to the accompanying Notice of Annual Meeting, on Friday, September 15, 2006, 10:00 a.m. local time, or at any adjournments or postponements thereof (the Annual Meeting or the Meeting ), at Repligen's principal executive offices at 41 Seyon Street, Building #1, Suite 100, Waltham, Massachusetts 02453. Only stockholders of record as of July 18, 2006 (the Record Date ) will be entitled to notice of and to vote at the Meeting and any adjournments or postponements thereof. As of the Record Date, 30,377,635 shares of Common Stock, \$.01 par value (the Common Stock ), of Repligen were issued and outstanding and entitled to vote.

Repligen's Annual Report to Stockholders, containing financial statements for the fiscal year ended March 31, 2006, is being provided together with this proxy statement to all stockholders entitled to vote at the Meeting. It is anticipated that this proxy statement and the accompanying proxy will be first sent or given to stockholders on or about July 31, 2006.

The holders of Common Stock are entitled to one vote per share on any proposal presented at the Annual Meeting. Stockholders may vote in person or by proxy. Stockholders may vote by proxy by completing, signing, dating and returning the accompanying proxy card or by voting by telephone or via the internet in accordance with the instructions listed on the proxy card. Execution of a proxy will not in any way affect a stockholder's right to attend the Annual Meeting and vote in person. Any proxy given pursuant to this solicitation may be revoked by the person giving it any time before the taking of the vote at the Annual Meeting. Proxies may be revoked by: (1) filing with the Secretary of Repligen, before the taking of the vote at the Annual Meeting, a written notice of revocation bearing a later date than the proxy; (2) duly executing a later-dated proxy relating to the same shares and delivering it to the Secretary of Repligen or by telephone or internet, in accordance with the instructions listed on the proxy card, before the taking of the vote at the Annual Meeting; or (3) attending the Annual Meeting and voting in person (although attendance at the Annual Meeting will not in and of itself constitute a revocation of a proxy). For those stockholders who submit a proxy by telephone or the internet, the date on which the proxy is submitted in accordance with the instructions listed on the proxy card is the date of the proxy. Any written notice of revocation or subsequent proxy should be sent so as to be delivered to Repligen Corporation, 41 Seyon Street, Building #1, Suite 100, Waltham, Massachusetts 02453, Attention: Secretary, at or before the taking of the vote at the Annual Meeting.

Each of the persons named as attorneys in the proxies is a director and/or officer of Repligen. All properly executed proxies returned in time to be counted at the Annual Meeting will be voted as stated below under the heading Voting Procedures. Any stockholder submitting a proxy has the right to withhold authority to vote for any individual nominee to the Board by writing that nominee's number on the space provided on the proxy card, checking the box next to the name of such individual if voting by proxy via the internet or, if using the telephone to vote by proxy, by following the verbal instructions for entering the two digit number appearing on the proxy

card immediately before the name of such individual. Where a choice has been specified on the proxy with respect to a matter, the shares represented by the proxy will be voted in accordance with the specifications and will be voted FOR if no specification is indicated, as permitted by applicable regulations and by Repligen's corporate documents.

The Board knows of no other matters to be presented at the Annual Meeting. If any other matter should be presented at the Annual Meeting upon which a vote properly may be taken, shares represented by all proxies received by the Board will be voted with respect thereto in accordance with the judgment of the persons named as attorneys in the proxies.

### VOTING PROCEDURES

The representation, in person or by proxy, of at least a majority of the outstanding shares of Common Stock entitled to vote at the Annual Meeting is necessary to constitute a quorum for the transaction of business. Shares represented by proxies pursuant to which votes have been withheld from any nominee for director, or which contain one or more abstentions or broker non-votes, are counted as present or represented for purposes of determining the presence or absence of a quorum for the Annual Meeting. A non-vote occurs when a broker or other nominee holding shares for a beneficial owner votes on one proposal, but does not vote on another proposal because the broker does not have discretionary voting power and has not received instructions from the beneficial owner.

*Election of Directors.* Directors are elected by a plurality of the votes cast, in person or by proxy, at the Annual Meeting. The six nominees who receive the highest number of affirmative votes of the shares present or represented and voting on the election of directors at the Annual Meeting will be elected to the Board of Directors. Shares present or represented and not so marked as to withhold authority to vote for a particular nominee will be voted in favor of a particular nominee and will be counted toward such nominee's achievement of a plurality. Shares present at the meeting or represented by proxy where the stockholder properly withholds authority to vote for such nominee in accordance with the proxy instructions will not be counted toward such nominee's achievement of plurality.

*Other Matters.* The Board knows of no other matters to be presented at the Annual Meeting. If any other matter should be presented at the Annual Meeting upon which a vote properly may be taken, the affirmative vote of the majority of shares present, in person or represented by proxy, and voting on that matter is required for approval. Shares voted to abstain are included in the number of shares present or represented and voting on each matter. Shares subject to broker non-votes are considered to be not entitled to vote for the particular matter and have the practical effect of reducing the number of affirmative votes required to achieve a majority for such matter by reducing the total number of shares from which the majority is calculated.

Laura Whitehouse, Repligen's Vice President, Market Development, will serve as the Inspector of Elections and will count all votes and ballots.

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**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding beneficial ownership of shares of Repligen's Common Stock as of July 18, 2006: (i) by each person who is known by the Company to beneficially own more than 5% of the outstanding shares of Common Stock; (ii) by each director or nominee of the Company; (iii) by each present or former executive officer of the Company named in the Summary Compensation Table set forth below under Compensation and Other Information Concerning Directors and Officers and (iv) by all directors, nominees for director and executive officers of Repligen as a group. The business address of each director and executive officer is Repligen Corporation, 41 Seyon Street, Building #1, Suite 100, Waltham, Massachusetts 02453.

| Beneficial Owner  | Amount and Nature of<br>Beneficial Ownership (1) | Percent of<br>Class (2) |
|---|--|-------------------------|
| BVF Inc. (3)  | 1,529,275  | 5.03%                   |
| Walter C. Herlihy (4)   | 875,668  | 2.82%                   |
| Paul Schimmel, Ph.D. (5)  | 792,682  | 2.60%                   |
| Alexander Rich, M.D. (6)  | 531,500  | 1.74%                   |
| James R. Rusche (7)   | 299,318  | *                       |
| Daniel P. Witt (8)  | 205,668  | *                       |
| Robert J. Hennessey (9)   | 109,000  | *                       |
| Thomas F. Ryan, Jr. (10)  | 132,000  | *                       |
| Daniel W. Muehl (11)  | 10,000   | *                       |
| Karen Dawes (12)  | 23,000   | *                       |
| All directors, nominees and executive officers as a group<br>(9 persons) (13) | 2,978,836  | 9.39%                   |

\* Less than one percent

- (1) Beneficial ownership, as such term is used herein, is determined in accordance with Rule 13d-3(d)(1) promulgated under the Securities Exchange Act of 1934, and includes voting and/or investment power with respect to shares of Common Stock of Repligen. Unless otherwise indicated, the named person possesses sole voting and investment power with respect to the shares. The shares shown include shares that such person has the right to acquire within 60 days of July 18, 2006.
- (2) Percentages of ownership are based upon 30,377,635 shares of Common Stock issued and outstanding as of July 18, 2006. Shares of Common Stock that may be acquired pursuant to options that are exercisable within 60 days of July 18, 2006 are deemed outstanding for computing the percentage ownership of the person holding such options, but are not deemed outstanding for the percentage ownership of any other person.
- (3) Based solely on a Schedule 13G/A filed on February 10, 2006, pursuant to the operating agreement of BVF Investments, L.L.C. (Investments), BVF Partners L.P. (Partners) is authorized, among other things, to invest the funds of Ziff Asset Management, L.P., the majority member of Investments, in shares of the Common Stock and to vote and exercise dispositive power over those shares of the Common Stock. Partners and BVF Inc. share voting and dispositive power over shares of the Common Stock beneficially owned by Biotechnology Value Fund, L.P. (BVF), Biotechnology Value Fund II, L.P. (BVF2), Investments and those owned by Investments 10, L.L.C. (ILL10), on whose behalf Partners acts as an investment manager and, accordingly, Partners and BVF Inc. have beneficial ownership of all of the shares of the Common Stock owned by such parties. As of February 10, 2006, securities beneficially owned by BVF Inc. consisted of the following:
  - a) 462,775 shares of Common Stock owned by BVF,
  - b) 289,400 shares of Common Stock owned by BVF2,
  - c) 700,700 shares of Common Stock owned by Investments, and
  - d) 76,400 shares of Common Stock owned by ILL10.

The business address of BVF Inc. is 900 North Michigan Avenue, Suite 1100, Chicago, Illinois 60611.





- (4) Includes 659,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006.
- (5) Includes 19,000 shares held by a trust for the benefit of Dr. Schimmel's sister, of which Dr. Schimmel is the trustee. Includes 95,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006.
- (6) Includes 60,000 shares held by Dr. Rich's spouse. Includes 95,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006.
- (7) Includes 20,444 shares held in a Uniform Trusts for Minors account by Dr. Rusche for his children who share Dr. Rusche's household, as to which he disclaims beneficial ownership. Includes 175,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006.
- (8) Includes 116,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006.
- (9) Includes 109,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006.
- (10) Includes 69,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006. Includes 1,000 shares held in a Uniform Gifts to Minors Account on behalf of his grandson, and 12,000 on behalf of his children. Mr. Ryan disclaims beneficial ownership as to the shares held on behalf of his grandson and his children.
- (11) Includes 10,000 restricted shares which are exercisable January 19, 2007.
- (12) Includes 23,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006.
- (13) Includes 1,341,000 shares issuable pursuant to stock options which are exercisable within 60 days of July 18, 2006.

**PROPOSAL 1**

**ELECTION OF DIRECTORS**

There are six nominees for director, all of whom are current directors of Repligen. Each candidate has been re-nominated by the Nominating and Corporate Governance Committee for election.

| Nominee's Name           | Year Nominee First<br>Became A Director | Position(s) with the Company                    |
|--------------------------|---|---|
| Karen Dawes              | 2005                                    | Director  |
| Robert J. Hennessey      | 1998                                    | Director  |
| Walter C. Herlihy, Ph.D. | 1996                                    | President, Chief Executive Officer and Director |
| Alexander Rich, M.D.     | 1981                                    | Director, Co-Chairman of the Board              |
| Thomas F. Ryan, Jr.      | 2003                                    | Director  |
| Paul Schimmel, Ph.D.     | 1981                                    | Director, Co-Chairman of the Board              |

The directors of the Company will be elected to hold office until the next annual meeting of stockholders and until their successors have been duly elected and qualified, or until their earlier death, resignation or removal.

Shares represented by all proxies received by the Board and not marked or voted so as to withhold authority to vote for any individual director or for any group of directors will be voted (unless one or more nominees are unable or unwilling to serve) for the election of the nominees named above. Proxies may not be voted for a greater number of persons than the number of nominees named. The Board knows of no reason why any nominee should be unable or unwilling to serve, but if any nominee should be unable or unwilling to serve, proxies will be voted or withheld in accordance with the judgment of the persons named as attorneys in the proxies with respect to the directorship for which that nominee was unable or unwilling to serve.

The Board unanimously recommends a vote **FOR** each of the nominees for election as directors.

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**OCCUPATIONS OF DIRECTORS AND EXECUTIVE OFFICERS**

Repligen's executive officers are appointed on an annual basis by, and serve at the discretion of the Board. Each executive officer is a full-time employee of Repligen. The directors, nominees and executive officers of Repligen are as follows:

| <b>Name</b>                    | <b>Age</b> | <b>Positions</b>                                |
|--------------------------------|------------|---|
| Walter C. Herlihy, Ph.D. (3)   | 54         | President, Chief Executive Officer and Director |
| James R. Rusche, Ph.D.         | 52         | Senior Vice President, Research and Development |
| Daniel P. Witt, Ph.D.          | 59         | Vice President, Operations                      |
| Daniel W. Muehl                | 43         | Chief Financial Officer                         |
| Karen A. Dawes (2)(4)          | 54         | Director  |
| Robert J. Hennessey (2)(4)(1)  | 64         | Director  |
| Alexander Rich, M.D. (4)       | 81         | Director, Co-Chairman of the Board              |
| Thomas F. Ryan, Jr. (2)(4)     | 65         | Director  |
| Paul Schimmel, Ph.D. (1)(3)(4) | 65         | Director, Co-Chairman of the Board              |

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- (1) Member of the Compensation Committee
  - (2) Member of the Audit Committee
  - (3) Member of the Executive Committee
  - (4) Member of the Nominating and Corporate Governance Committee

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**BIOGRAPHICAL INFORMATION**

*Walter C. Herlihy, Ph.D.* joined Repligen in March 1996 as President, Chief Executive Officer and Director in connection with Repligen's merger with Glycan Pharmaceuticals, Inc. From July 1993 to March 1996, Dr. Herlihy was the President and CEO of Glycan Pharmaceuticals, Inc. From October 1981 to June 1993, he held numerous research positions at Repligen, most recently as Senior Vice President, Research and Development. Dr. Herlihy holds an A.B. degree in chemistry from Cornell University and a Ph.D. in chemistry from MIT.

*James R. Rusche, Ph.D.* became Senior Vice President, Research and Development in December 2001. Dr. Rusche joined Repligen in March 1996 as Vice President, Research and Development in connection with Repligen's merger with Glycan Pharmaceuticals, Inc. From July 1994 to March 1996, Dr. Rusche was Vice President, Research and Development of Glycan Pharmaceuticals, Inc. From February 1985 to June 1994, he held numerous research positions at Repligen, most recently as Vice President, Discovery Research. Dr. Rusche holds a B.S. degree in microbiology from the University of Wisconsin, LaCrosse and a Ph.D. in immunology from the University of Florida.

*Daniel P. Witt, Ph.D.* joined Repligen in March 1996 as Vice President, Business Development in connection with Repligen's merger with Glycan Pharmaceuticals, Inc. From October 1993 to March 1996, Dr. Witt was Vice President, Business Development of Glycan Pharmaceuticals, Inc. From April 1983 to September 1993, he held numerous research positions at Repligen, most recently as Vice President, Technology Acquisition. Dr. Witt holds a B.A. degree in chemistry from Gettysburg College and a Ph.D. in biochemistry from the University of Vermont.

*Daniel W. Muehl* joined Repligen in January 2006 as Chief Financial Officer. Prior to joining Repligen, Mr. Muehl was Vice President of Finance & Administration and Chief Financial Officer at Physiometrix, Inc. since 1998. Previously, Mr. Muehl was Chief Operating Officer and Chief Financial Officer at Number Nine Visual Technology from 1995 to 1998 and served in various finance positions at Powersoft Corporation and Medical Care America from 1991 to 1995. Mr. Muehl is a Certified Public Accountant and served his public accountancy with Ernst & Young LLP and Laventhol and Horwath from 1985 to 1991.

*Karen A. Dawes* has served as director of Repligen since September 2005. She is currently Principal, Knowledgeable Decisions, LLC, a pharmaceutical consulting firm. She served from 1999 to 2003 as Senior Vice President and U.S. Business Group Head for Bayer Corporation's U.S. Pharmaceuticals Group. Prior to joining Bayer, she was Senior Vice President, Global Strategic Marketing, at Wyeth, a pharmaceutical company (formerly known as American Home Products), where she held responsibility for worldwide strategic marketing. She also served as Vice President, Commercial Operations for Genetics Institute, Inc., which was acquired by Wyeth in January 1997, designing and implementing that company's initial commercialization strategy to launch BeneFIX and Neumega. Ms. Dawes began her pharmaceuticals industry career at Pfizer, Inc. where, from 1984 to 1994, she held a number of positions in Marketing, serving most recently as Vice President, Marketing of the Pratt Division. At Pfizer, she directed launches of Glucotrol/Glucotrol XL, Zolofit, and Cardura. Ms. Dawes also serves as a director of PDL BioPharma, Inc.

*Robert J. Hennessey* has served as a director of Repligen since July 1998. From February to December 2005, Mr. Hennessey served as the interim President and Chief Executive Officer of PenWest Pharmaceuticals (now retired). Mr. Hennessey served as Chief Executive Officer and President of Oscient Pharmaceutical Corporation (f/k/a Genome Therapeutics Corporation), a biotechnology company from March 1993 until December 2000 and Chairman of the Board from May 1994 through May 2003 when he retired as Chairman of the Board. From 1990 to 1993 and since December 2000, Mr. Hennessey serves as the President of Hennessey & Associates Ltd., a strategic consulting firm to biotechnology and healthcare companies. Prior to 1990, Mr. Hennessey held a variety of management positions at Merck, SmithKline, Abbott and Sterling Drug. Mr. Hennessey is also a director of PenWest Pharmaceuticals and Oscient Pharmaceutical Corporation (f/k/a Genome Therapeutics Corporation).

*Alexander Rich, M.D.*, Co-Founder and Co-Chairman of the Board of Directors of Repligen, has been on the faculty of MIT since 1958 and is the Sedgwick Professor of Biophysics. Internationally recognized for his contributions to the molecular biology of nucleic acids, he has determined their three-dimensional structure and has investigated their activity in biological systems. He is widely known for his work in elucidating the three-dimensional structure of transfer RNA, which is a component of the protein synthesizing mechanism, and for his discovery of a novel, left-handed form of DNA. He is a member of the National Academy of Sciences, the American Philosophical Society, the Pontifical Academy of Sciences, Rome, and a foreign member of the French Academy of Sciences, Paris. Dr. Rich has been a Director of Repligen since May 1981. Dr. Rich is a director of Alkermes, Inc. and Profectus Biosciences, Inc.

*Thomas F. Ryan Jr.* has served as a Director of Repligen since September 2003. Mr. Ryan is currently a private investor. Mr. Ryan served as the President and Chief Operating Officer of the American Stock Exchange from October 1995 to April 1999. Prior to 1995, he held a variety of positions at the investment banking firm of Kidder, Peabody & Co., Inc., serving as the firm's Chairman in 1995. He holds a bachelor's degree from Boston College and is a graduate of the Boston Latin School. Mr. Ryan is a Director for the New York State Independent System Operator, a Director for Mellon Asset Management Mutual Funds Board and a Trustee for Boston College.

*Paul Schimmel, Ph.D.*, Co-Founder and Co-Chairman of the Board of Directors of Repligen, has been on the faculty of the Skaggs Institute of Chemical Biology at Scripps Research Institute since 1997. He is well known for his work in biophysical chemistry and molecular biology. His field of specialty is the mechanism of action of proteins and the manner in which they act upon the nucleic acids in the cell. This work involves broad applications of recombinant DNA technology. He is a member of the National Academy of Sciences, received the 1978 ACS/Pfizer award for excellence in enzyme research, and is co-author of a widely read textbook on biophysical chemistry. He also previously served as the Chairman, Director of Biological Chemistry, American Chemical Society. Dr. Schimmel has been a Director of Repligen since May 1981. Dr. Schimmel is a director of Alkermes, Inc., Alnylam Pharmaceuticals and Avicena Group.

#### **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

No family relationship exists among the officers and directors of Repligen.

## CORPORATE GOVERNANCE AND BOARD MATTERS

### Independence of Members of the Board of Directors

The Board of Directors has determined that each of Ms. Dawes, Messrs. Hennessey and Ryan and Drs. Rich and Schimmel are independent within the meaning of the Company's director independence standards and the director independence standards of The Nasdaq Stock Market, Inc. ( Nasdaq ). Furthermore, the Board of Directors has determined that each member of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee of the Board of Directors is independent within the meaning of the Company's and Nasdaq's director independence standards and that each member of the Audit Committee meets the heightened director independence standards for audit committee members of the Securities and Exchange Commission ( SEC ).

### Executive Sessions

The Board of Directors intends to hold executive sessions of the independent Directors at least two times a year preceding or following regularly scheduled in-person meetings of the Board of Directors. Executive sessions do not include any employee Directors of the Company, and the Chairperson of the Board of Directors is responsible for chairing the executive sessions.

### Policies Governing Director Nominations

#### *Director Qualifications*

The Nominating and Corporate Governance Committee is responsible for reviewing, from time to time, the appropriate qualities, skills and characteristics desired of Board members in the context of the current make-up of the Board and selecting or recommending to the Board, nominees for election as Directors. This assessment includes consideration of the following minimum qualifications that the Nominating and Corporate Governance Committee believes must be met by all Directors:

Directors must be of high ethical character and share the values of the Company as reflected in the Company's Code of Business Conduct and Ethics (the Code of Business Conduct );

Directors must have reputations, both personal and professional, consistent with the image and reputation of the Company;

Directors must have the ability to exercise sound business judgment;

Directors must have substantial business or professional experience and be able to offer advice and guidance to the Company's management based on that experience; and

A director must have (at minimum) a bachelor's degree or equivalent degree from an accredited college or university. The Nominating and Corporate Governance Committee also considers numerous other qualities, skills and characteristics when evaluating Director nominees, such as:

An understanding of and experience in biotechnology and pharmaceutical industries;

An understanding of and experience in accounting oversight and governance, finance and marketing; and

Leadership experience with public companies or other significant organizations.

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These factors and others are considered useful by the Board, and are reviewed in the context of an assessment of the perceived needs of the Board at a particular point in time.

*Process for Identifying and Evaluating Director Nominees*

The Board is responsible for selecting and nominating nominees for election as Directors but delegates the selection and nomination process to the Nominating and Corporate Governance Committee, with the expectation that other members of the Board or members of management will be requested to take part in the process as appropriate.

Generally, the Nominating and Corporate Governance Committee identifies candidates for Director nominees in consultation with management, through the use of search firms or other advisers, through the recommendations submitted by stockholders or through such other methods as the Nominating and Corporate Governance Committee deems to be helpful to identify candidates. Once candidates have been identified, the Nominating and Corporate Governance Committee confirms that the candidates meet all of the minimum qualifications for Director nominees established by the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee may gather information about the candidates through interviews, questionnaires, background checks, or any other means that the Nominating and Corporate Governance Committee deems to be helpful in the evaluation process. The Nominating and Corporate Governance Committee meets as a group to discuss and evaluate the qualities and skills of each candidate, both on an individual basis and taking into account the overall composition and needs of the Board. Based on the results of the evaluation process, the Nominating and Corporate Governance Committee recommends candidates for the Board's approval as Director nominees for election to the Board. The Nominating and Corporate Governance Committee also recommends candidates for the Board's appointment to the committees of the Board.

*Procedures for Recommendation of Nominees by Stockholders*

The Nominating and Corporate Governance Committee will consider Director candidates who are recommended by the stockholders of the Company. Stockholders, in submitting recommendations to the Nominating and Corporate Governance Committee for Director candidates, shall follow the following procedures:

The Nominating and Corporate Governance Committee must receive any such recommendation for nomination not later than the close of business on the 120th day nor earlier than the close of business on the 150th day prior to the first anniversary of the date that the proxy statement was delivered to stockholders in connection with the preceding year's annual meeting.

Such recommendation for nomination must be in writing and include the following

Name and address of the stockholder making the recommendation, as they appear on the Company's books and records, and of such record holder's beneficial owner;

Number of shares of capital stock of the Company that are owned beneficially and held of record by such stockholder and such beneficial owner;

Name and address of the individual recommended for consideration as a Director nominee (a Director Nominee);

The principal occupation of the Director Nominee;

The total number of shares of capital stock of the Company that will be voted for the Director Nominee by the stockholder making the recommendation;

All other information relating to recommended candidate that would be required to be disclosed in solicitations of proxies for the election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the Exchange Act) (including the recommended candidate's written consent to being named in the proxy statement as a nominee and to serving as a Director if approved by the Board and elected); and





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A written statement from the stockholder making the recommendation stating why such recommended candidate would be able to fulfill the duties of a Director.

Nominations must be sent to the attention of the Secretary of the Company by one of the two methods listed below:

By U.S. Mail (including courier or expedited delivery service):

Repligen Corporation

41 Seyon Street

Building #1, Suite 100

Waltham, MA 02453

Attn: Secretary

By facsimile at (781) 250-0115.

Attn: Secretary

The Secretary of the Company will promptly forward any such nominations to the Nominating and Corporate Governance Committee. Once the Nominating and Corporate Governance Committee receives the nomination of a candidate, the candidate will be evaluated and a recommendation with respect to such candidate will be delivered to the Board. Nominations not made in accordance with the foregoing policy shall be disregarded by the Nominating and Corporate Governance Committee and votes cast for such nominees shall not be counted.

The Board provides to every stockholder the ability to communicate with the Board, as a whole, and with individual directors on the Board through an established process for stockholder communication (as that term is defined by the rules of the SEC) as follows:

For communications directed to the Board as a whole, stockholders may send such communication to the attention of the Chairman of the Board via one of the two methods listed below:

By U.S. Mail (including courier or expedited delivery service):

Repligen Corporation

41 Seyon Street

Building #1, Suite 100

Waltham, MA 02453

Attn: Chairman of the Board of Directors

By facsimile at (781) 250-0115.

Attn: Chairman of the Board of Directors

For stockholder communications directed to an individual director in his or her capacity as a member of the Board, stockholders may send such communications to the attention of the individual Director via one of the two methods listed below:

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By U.S. Mail (including courier or expedited delivery service):  
Repligen Corporation

41 Seyon Street

Building #1, Suite 100

Waltham, MA 02453

Attn: [Name of Individual Director]

By facsimile at (781) 250-0115.  
Attn: [Name of Individual Director]

The Company will forward any such stockholder communication to the Chairman of the Board, as a representative of the Board, and/or to the Director to whom the communication is addressed on a periodic basis. The Company will forward such communication by certified U.S. Mail to an address specified by each Director and the Chairman of the Board for such purposes or by secure electronic transmission.

**Policy Governing Director Attendance at Annual Meetings of Stockholders**

The Board's policy is that all Directors and all nominees for election as Directors are encouraged to attend the Company's Annual Meeting of Stockholders in person if their schedule permits. One member of the Board attended the last Annual Meeting of Stockholders.

**Code of Business Conduct and Ethics**

Repligen has adopted the Code of Business Conduct and Ethics ( Code of Business Conduct ) as its code of ethics as defined by regulations promulgated under the Securities Act of 1933, as amended (the Securities Act ), and the Exchange Act (and in accordance with the Nasdaq requirements for a code of conduct ), which applies to all of the Company's directors, officers and employees, including its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A current copy of the Code of Business Conduct is available at the Investors-Corporate Governance section of the Company's website at <http://www.repligen.com>. A copy of the Code of Business Conduct may also be obtained free of charge, from the Company upon a request directed to Repligen Corporation, 41 Seyon Street, Building #1, Suite 100, Waltham, MA 02453, Attention: Investor Relations. The Company will promptly disclose any substantive changes in or waivers, along with reasons for the waivers, of the Code of Business Conduct granted to its executive officers, including its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, and its directors by posting such information on its website at <http://www.repligen.com> under Investors-Corporate Governance .

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## THE BOARD OF DIRECTORS AND ITS COMMITTEES

The Board of Directors of the Company met four times during the fiscal year ended March 31, 2006. During the fiscal year ended March 31, 2006, no director attended fewer than 75% of the aggregate of (i) the total number of meetings of the Board and (ii) the total number of meetings held by all committees of the Board on which such director served. The Board has a standing Audit Committee, Compensation Committee, Executive Committee and Nominating and Corporate Governance Committee. Each committee has a charter that has been approved by the Board of Directors. Each committee reviews the appropriateness of its charter periodically, as conditions dictate, but at least annually.

### **Audit Committee**

The Audit Committee was established in accordance with section 3(a)(58)(A) of the Exchange Act and currently consists of Mr. Hennessey, Mr. Ryan, and Ms. Dawes. The Audit Committee is responsible for overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company and exercising the responsibilities and duties set forth below, including but not limited to: (a) appointing, compensating and retaining the Company's independent public accountants, (b) overseeing the work performed by any independent public accountants, including conduct of the annual audit and engagement for any other services, (c) assisting the Board of Directors in fulfilling its responsibilities by reviewing: (i) the financial reports provided by the Company to the SEC, the Company's stockholders or to the general public, and (ii) the Company's internal financial and accounting controls, (d) recommending, establishing and monitoring procedures designed to improve the quality and reliability of the disclosure of the Company's financial condition and results of operations, (e) establishing procedures designed to facilitate (i) the receipt, retention and treatment of complaints relating to accounting, internal accounting controls or auditing matters and (ii) the receipt of confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters, (f) engaging advisors as necessary, and (g) serving as the Qualified Legal Compliance Committee (the "QLCC") in accordance with Section 307 of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated by the SEC thereunder. The Audit Committee met six times during the fiscal year ended March 31, 2006. Mr. Ryan currently serves as Chairperson of the Audit Committee. The Board has determined that Mr. Ryan qualifies as an "audit committee financial expert" under the rules of the SEC. The Board of Directors has determined that each member of the Audit Committee is independent within the meaning of the Company's and Nasdaq's director independence standards and the SEC's heightened director independence standards for audit committee members as determined under the Exchange Act.

The Audit Committee operates under a written charter adopted by the Board of Directors, a current copy of which is available on the Company's website at <http://www.repligen.com> under "Investors-Corporate Governance".

### **Compensation Committee**

The Compensation Committee, of which Dr. Schimmel and Mr. Hennessey are currently members, is responsible (among other duties and responsibilities) for (1) discharging the Board's responsibilities relating to the compensation of the Company's executive officers, (2) administering the Company's incentive compensation and stock plans, and (3) producing an annual report on executive compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations. The Committee is responsible for reviewing and making recommendations to management on company-wide compensation programs and practices, for taking final action with respect to the individual salary, bonus and equity arrangements of the Company's Chief Executive Officer and other senior officers, and for recommending, subject to approval by the full Board, new equity-based plans and any material amendments thereto (including increases in the number of shares of Common Stock available for grant as options or otherwise thereunder) for which stockholder approval is required or desirable. The Compensation Committee met twice during the fiscal year ended March 31, 2006. Dr. Schimmel serves as the Chairperson of the Compensation Committee. The Board of Directors has determined that each member of the Compensation Committee is independent within the meaning of the Company's, SEC's and Nasdaq's director independence standards.

The Compensation Committee operates under a written charter adopted by the Board of Directors, which is available on the Company's website at <http://www.repligen.com> under Investors-Corporate Governance.

#### **Executive Committee**

The Executive Committee of the Board of Directors, of which Drs. Schimmel and Herlihy are currently members, may exercise the authority of the Board of Directors, subject to the provisions of the Executive Committee charter, in the management of the business and affairs of the Company when the Board of Directors is not in session. The Executive Committee did not meet during the fiscal year ended March 31, 2006. Dr. Schimmel serves as the Chairperson of the Executive Committee.

The Executive Committee operates under a written charter adopted by the Board of Directors, which is available on the Company's website at <http://www.repligen.com> under Investors-Corporate Governance.

#### **Nominating and Corporate Governance Committee**

The Nominating and Corporate Governance Committee of the Board of Directors consists of each of the Company's independent Directors, currently Ms. Dawes, Messrs. Hennessey and Ryan and Drs. Schimmel and Rich. The Nominating and Corporate Governance Committee did not meet during the fiscal year ended March 31, 2006. The Committee is responsible for: (i) identifying individuals qualified to become members of the Board, and selecting or recommending that the Board select the director nominees for election, (ii) reviewing the Code of Business Conduct, (iii) monitoring compliance with and periodically reviewing the Code of Business Conduct and (iv) reviewing and approving all related party transactions. The Nominating and Corporate Governance Committee may consider nominees for election as Directors recommended by stockholders as described above.

Mr. Hennessey serves as the Chairperson of the Nominating and Corporate Governance Committee. The Board of Directors has determined that each member of the Nominating and Corporate Governance Committee is independent within the meaning of the Company's, SEC's and Nasdaq's director independence standards.

The Nominating and Corporate Governance Committee operates under a written charter adopted by the Board of Directors, which is available on the Company's website at <http://www.repligen.com> under Investors-Corporate Governance.

#### **REPORT OF THE AUDIT COMMITTEE**

The Audit Committee for the last fiscal year consisted of Mr. Ryan, Chairperson, Mr. Hennessey and Ms. Dawes. The Audit Committee has the responsibility and authority described in the Repligen Audit Committee Charter, which has been approved by the Board of Directors. A copy of the Audit Committee Charter is available on our website at <http://www.repligen.com> under Investors-Corporate Governance. The Board of Directors has determined that the members of the Audit Committee meet the independence requirements set forth in Rule 10A-3(b)(1) under the Securities Exchange Act of 1934, as amended, and the applicable rules of the National Association of Securities Dealers, Inc. and that Mr. Ryan qualifies as an audit committee financial expert under the rules of the SEC. The Audit Committee oversees the accounting and financial reporting processes of the Company and its subsidiaries and the audits of the financial statements of the Company. Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal controls.

In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with management the audited financial statements included in the Company's annual report on Form 10-K for the year ended March 31, 2006, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements. The Audit Committee also reviewed the Company's quarterly financial statements for the first three fiscal quarters during

the fiscal year ended March 31, 2006 and discussed them with both the management of the Company and Ernst & Young LLP prior to including such interim financial statements in the Company's quarterly reports on Form 10-Q. In connection with the Company's annual report on Form 10-K for the year ended March 31, 2006 and the quarterly reports on Form 10-Q for its first, second and third fiscal quarters of the fiscal year ended March 31, 2006, the Audit Committee discussed the results of the Company's certification process relating to the certification of financial statements under Sections 302 and 906 of the Sarbanes-Oxley Act.

The Audit Committee reviewed with Ernst & Young LLP, the Company's independent registered public accounting firm which is responsible for expressing an opinion on the conformity of those audited financial statements with U.S. generally accepted accounting principles, their judgments as to the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with the Audit Committee by Statement on Auditing Standards No. 61, as amended by Statement on Auditing Standards No. 90 (Communication With Audit Committees), other standards of the Public Company Accounting Oversight Board (United States), rules of the SEC and other applicable regulations. In addition, the Audit Committee has received from Ernst & Young LLP the written disclosures and the letter required by Independence Standards Board No. 1, Independence Discussions with Audit Committees, as modified or supplemented, has discussed with Ernst & Young LLP their independence from management and the Company, and has considered the compatibility with Ernst & Young LLP's independence as auditors of the non-audit services performed for the Company by Ernst & Young LLP.

The Committee also reviewed management's report on its assessment of the effectiveness of the Company's internal control over financial reporting and Ernst & Young LLP's report on management's assessment and the effectiveness of the Company's internal control over financial reporting.

The Audit Committee discussed with Ernst & Young LLP the overall scope and plans for their audit. The Audit Committee met with Ernst & Young LLP, with and without management present, to discuss the results of their examinations, their evaluations of the Company's internal control, including internal control over financial reporting, and the overall quality of the Company's financial reporting.

The Audit Committee has also evaluated the performance of Ernst & Young LLP, including, among other things, the amount of fees paid to Ernst & Young LLP for audit and non-audit services during the fiscal year ended March 31, 2006. Information about Ernst & Young LLP's fees for the fiscal year ended March 31, 2006 is discussed below in this Proxy Statement under Independent Registered Public Accountants. Based on its evaluation, the Audit Committee has selected Ernst & Young LLP to serve as the Company's auditors for the fiscal year ending March 31, 2007.

The Audit Committee met six times during fiscal year 2006. In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the Company's audited financial statements and management's assessment of the effectiveness of the Company's internal control over financial reporting be included in the Annual Report on Form 10-K for the year ended March 31, 2006 filed with the SEC, and the Board of Directors approved such inclusion.

Respectfully submitted by the Audit Committee,

Thomas F. Ryan, Jr., Chairman

Robert Hennessey

Karen Dawes

The report of the Audit Committee shall not be deemed to be soliciting material, shall not be deemed filed with the SEC, shall not be deemed incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act or under the Exchange Act, except to the extent that Repligen specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

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**COMPENSATION AND OTHER INFORMATION CONCERNING DIRECTORS AND OFFICERS**
**Executive Compensation Summary**

The table below shows compensation information with respect to services rendered to Repligen in all capacities during the fiscal years ended March 31, 2006, 2005 and 2004 for the Chief Executive Officer and each of Repligen's other most highly compensated executive officers who earned more than \$100,000 in salary and bonus in the fiscal year ended March 31, 2006 and were serving as executive officers as of March 31, 2006 (collectively, the Named Executive Officers).

**Summary Compensation Table**

| Name and Principal Position   | Fiscal Year | Annual Compensation (1) |           |           | Long-Term Compensation (2) |                               |
|---|-------------|-------------------------|-----------|-----------|----------------------------|-------------------------------|
|   |             | Salary                  | Bonus     | Other (3) | Restricted Stock Awards    | Shares Underlying Options (#) |
| Walter C. Herlihy, Ph.D.<br>President and Chief Executive Officer         | 2006        | \$ 324,000              | \$ 66,744 | \$ 1,200  | \$                         |                               |
|   | 2005        | 310,000                 | 23,000    | 1,200     | \$                         | 50,000                        |
|   | 2004        | 300,000                 | 20,000    | 1,000     | \$                         | 50,000                        |
| James R. Rusche, Ph.D.<br>Senior Vice President, Research and Development | 2006        | \$ 220,000              | \$ 33,440 | \$ 1,200  | \$                         |                               |
|   | 2005        | 211,000                 | 15,000    | 1,200     | \$                         | 25,000                        |
|   | 2004        | 204,000                 | 13,500    | 1,000     | \$                         | 25,000                        |
| Daniel P. Witt, Ph.D.<br>Vice President, Operations                       | 2006        | \$ 186,000              | \$ 28,272 | \$ 1,200  | \$                         |                               |
|   | 2005        | 178,000                 | 13,000    | 1,200     | \$                         | 25,000                        |
|   | 2004        | 172,000                 | 11,500    | 1,000     | \$                         | 20,000                        |
| Daniel W. Muehl (4)<br>Chief Financial Officer                            | 2006        | \$ 200,000              |           |           | \$ 41,300                  | 120,000                       |

**Chief Financial Officer**

- (1) In accordance with the rules of the SEC, other compensation in the form of perquisites and other personal benefits has been omitted in those instances where the aggregate amount of such perquisites and other personal benefits was less than the lower of \$50,000 or 10% of the total annual salary and bonus for the Named Executive Officer for such year. Bonuses are reported in the year earned, even if actually paid in a subsequent year.
- (2) Represents stock options granted during the fiscal years ended March 31, 2006, 2005 or 2004. Repligen did not grant any stock appreciation rights or make any long-term incentive plan payouts during the fiscal years ended March 31, 2006, 2005 or 2004.
- (3) Represents the match, paid by Repligen on behalf of such individual into the Repligen Corporation 401(k) Savings Plan, of 50% of the first 5% for 2006, 2005 and 2004, of salary and bonus contributed by such individual subject to a maximum of \$1,200 in 2006 and 2005 and \$1,000 in 2004.
- (4) Mr. Muehl joined the company in January 2006. The salary represented here is an annual amount. Mr. Muehl received a grant of 10,000 shares of restricted stock which vests on the first anniversary of the grant date.

**Option Grants in Last Fiscal Year**

The following table shows information regarding stock options granted to the Named Executive Officers during the fiscal year ended March 31, 2006.

| Name            | Number of Securities Underlying Options Granted (#) | Percent of Total Options Granted to Employees in Fiscal Year | Exercise Price (\$/Share) | Expiration Date | Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation For Option Term (1) |            |
|-----------------|---|--|---------------------------|-----------------|--|------------|
|                 |   |  |                           |                 | 5%   | 10%        |
|                 |   |  |                           |                 | Walter Herlihy   | 50,000(2)  |
| James R. Rusche | 25,000(2)   | 5%   | \$ 1.83                   | 5/13/2015       | \$ 28,772  | \$ 72,914  |
| Daniel P. Witt  | 25,000(2)   | 5%   | \$ 1.83                   | 5/13/2015       | \$ 28,772  | \$ 72,914  |
| Daniel W. Muehl | 120,000(3)  | 23%  | \$ 4.17                   | 2/27/2016       | \$ 138,105   | \$ 349,986 |

- (1) These amounts represent hypothetical gains that could be achieved from the exercise of respective options and the subsequent sale of the Common Stock underlying such options if the options were exercised immediately prior to the end of the option term. These gains are based on assumed rates of stock price appreciation of 5% and 10% compounded annually from the date the respective options were granted to their expiration dates. The gains shown are net of the option exercise price, but do not include deductions for taxes or other expenses associated with the exercise of the options or sale of the underlying shares. The actual gains, if any, on the stock option exercises will depend on the future performance of the Common Stock, the optionholder's continued employment through the option period, the date on which the options are exercised, and the date on which the underlying shares of Common Stock are sold. These rates of appreciation are mandated by the rules of the SEC and do not represent Repligen's estimate or projection of the future Common Stock price.
- (2) The option holder may exercise the option to purchase 20% of these shares of Common Stock as of May 13, 2006 and an additional 20% per year on the next four anniversaries thereof.
- (3) The option holder may exercise the option to purchase 25% of these shares of Common Stock as of February 27, 2007 and an additional 25% on the next three anniversaries thereof.

**Option Exercises and Fiscal Year-End Values**

The following table provides information regarding stock option exercises by the Named Executive Officers and the number and value of the Named Executive Officers' unexercised options as of March 31, 2006.

**Aggregated Option Exercises In Last Fiscal Year And Fiscal Year-End Option Values**

| Name            | Shares               |              | Value       |               | Number of Securities Underlying Unexercised Options at Fiscal Year-End (2) |               | Value of Unexercised In-the-Money Options at Fiscal Year-End (3) |               |
|-----------------|----------------------|--------------|-------------|---------------|--|---------------|--|---------------|
|                 | Acquired on Exercise | Realized (1) | Exercisable | Unexercisable | Exercisable  | Unexercisable | Exercisable  | Unexercisable |
|                 |                      |              |             |               |  |               |  |               |
| James R. Rusche | 40,000               | \$ 73,000    | 150,000     | 75,000        | 167,520  | 69,550        |  |               |
| Daniel P. Witt  | 60,000               | \$ 147,000   | 95,000      | 65,000        | 115,450  | 64,990        |  |               |
| Daniel W. Muehl |                      |              |             | 120,000       |  |               |  |               |

- (1) The dollar value has been calculated by determining the difference between the fair market value of the securities underlying the options and the exercise price of the options. The fair market value of in-the-money options was calculated on the basis of the closing price per share for Common Stock on the Nasdaq National Market of \$3.70 on March 31, 2006.



- (2) Represents the aggregate number of stock options held as of March 31, 2006 which can and cannot be exercised pursuant to the terms and provisions of the applicable stock option agreements and the Amended and Restated 2001 Repligen Corporation Stock Plan (the Plan ) and the Amended 1992 Repligen Corporation Stock Option Plan, as amended.
- (3) The dollar values have been calculated by determining the difference between the fair market value of the securities underlying the options and the exercise price of the options. The fair market value of in-the-money options was calculated on the basis of the closing price per share for Common Stock on the Nasdaq National Market of \$3.70 on March 31, 2006. Of the 1,280,000 options outstanding and held by the Named Executive Officers, 732,000 of these options were in the money as of March 31, 2006.

**Equity Compensation Plan Information**

The following table provides information about the Common Stock that may be issued upon the exercise of options, warrants and rights under all of the Company's existing equity compensation plans as of March 31, 2006, including the Plan and the Amended 1992 Repligen Corporation Stock Option Plan, as amended.

| Plan category  | Number of securities to be issued upon exercise of outstanding options, warrants and rights<br>(a) | Weighted-average exercise price of outstanding options, warrants and rights<br>(b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<br>(c) |
|--|--|--|--|
| Equity compensation plans approved by stockholders (1) | 2,402,650  | \$ 3.17  | 420,209  |
| <b>Total</b>   | <b>2,402,650</b>   | <b>\$ 3.17</b>   | <b>420,209</b>   |

- (1) Consists of the Amended and Restated 2001 Repligen Corporation Stock Plan and the Amended 1992 Repligen Corporation Stock Option Plan, as amended.

**COMPENSATION COMMITTEE REPORT TO STOCKHOLDERS**

The Compensation Committee is comprised of two independent members of the Board of Directors. As stated above, the Compensation Committee is responsible (among other duties and responsibilities) for (1) discharging the Board's responsibilities relating to the compensation of the Company's executive officers (including the Named Executive Officers), (2) administering the Company's incentive compensation and stock plans (currently, the Plan) and (3) producing an annual report on executive compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations. The Committee is responsible for reviewing and making recommendations to management on company-wide compensation programs and practices, for taking final action with respect to the individual salary, bonus and equity arrangements of the Company's Chief Executive Officer and other senior officers, and for recommending, subject to approval by the full Board, new equity-based plans and any material amendments thereto (including increases in the number of shares of Common Stock available for grant as options or otherwise thereunder) for which stockholder approval is required or desirable.

**Compensation Philosophy**

The ultimate goal of Repligen's compensation program is to motivate each employee to enhance stockholder value, to provide a fair reward for this effort, and to stimulate each employee's professional and personal growth. Key elements of this philosophy include:

salaries that are competitive with other biopharmaceutical and biotechnology companies with which the Company competes for talent, determined by comparing the Company's pay practices with these companies; and

equity based incentives for all permanent employees to ensure that they are motivated over the long-term to respond to the Company's business challenges and opportunities as owners and not just as employees.

### **Executive Compensation**

The Company's executive compensation consists of three key components: base salary, annual bonus awards and stock incentives. Each of these components is intended to complement the other, and taken together, to satisfy the Company's compensation objectives. The Compensation Committee's objective is to set executive compensation at competitive levels with other biopharmaceutical and biotechnology companies.

Each executive officer (except the Chief Executive Officer whose performance is reviewed by the Compensation Committee) has an annual performance review with the Chief Executive Officer who makes recommendations on salary increases, promotions and stock option grants to the Compensation Committee. The recommended salary increases are based on the average salary increases expected in the biotechnology industry. In general, the Committee has set total executive compensation at levels that are within the 50th to 60th percentile based upon independent industry surveys.

Annual cash bonuses are voted after the end of each fiscal year and calculated as a percentage of an executive officer's base salary as determined by the criteria set forth below. Stock options are also awarded from time to time based upon the same criteria and are intended both to retain and reward the executive and to provide further incentive for him or her to continue contributing to the long-term success of Repligen.

### **Performance Criteria**

Since Repligen is still in the process of developing its proprietary products and because of the highly volatile nature of biotechnology stocks in general, it is not appropriate to use the traditional performance standards, such as profit levels and stock performance, to measure the success of Repligen and an individual's contribution to that success.

Accordingly, the compensation of executive officers (including the Chief Executive Officer) is based, for the most part, on the achievement of certain goals by Repligen as a whole and the individual (and his or her business unit) concerned. The Compensation Committee therefore examines three specific areas in formulating the compensation packages of its the Named Executive Officers. Criteria and specific goals within each category are as follows:

#### ***Company Performance:***

The extent to which key research, clinical, product manufacturing, product sales and financial objectives of Repligen have been met during the preceding fiscal year;

The development, acquisition and licensing of key technology; and

The achievement by Repligen of certain milestones, whether specified in agreements with third party collaborators or determined internally.

#### ***Executive Performance:***

An executive's involvement in and responsibility for the development and implementation of strategic planning and the attainment of strategic objectives of Repligen;

The participation by an executive in the relationship between Repligen and the investment community;

The involvement of an executive in personnel recruitment, retention and morale; and



The responsibility of the executive in working within budgets, controlling costs and other aspects of expense management.

**Other Factors:**

The necessity of being competitive with companies in the pharmaceutical and biotechnology industries, taking into account relative company size, stage of development, performance and geographic location as well as individual responsibilities and performance.

**Dr. Herlihy's Compensation**

Dr. Herlihy is eligible to participate in the same executive compensation plans available to Repligen's other executive officers. In May of 2006, Dr. Herlihy's salary level was reviewed and the Compensation Committee decided to increase his annual salary to \$334,000 and award him a cash bonus of \$66,744. The Compensation Committee set Dr. Herlihy's total compensation in accordance with Repligen's executive compensation philosophy, based on his performance against the performance criteria outlined above (including his contributions to Repligen's results during the fiscal year ended March 31, 2006 and the importance of his leadership to Repligen's future success) and believes that his compensation is competitive, fair, and consistent with Repligen's results for the fiscal year ended March 31, 2006.

Respectfully submitted by the Compensation Committee,

Robert J. Hennessey

Paul Schimmel, Ph.D.

The report of the Compensation Committee shall not be deemed to be soliciting material, shall not be deemed filed with the SEC, shall not be deemed incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act or under the Exchange Act, except to the extent that Repligen specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

**Executive Employment Agreements**

On March 14, 1996, Repligen entered into a letter of agreement with Drs. Herlihy, Rusche, and Witt in connection with Repligen's acquisition and merger with Glycan Pharmaceuticals, Inc. (the Herlihy Agreement, the Rusche Agreement, and the Witt Agreement, respectively). Under the terms of the Herlihy Agreement, Dr. Herlihy is entitled to a minimum salary of \$160,000 per annum, subject to periodic increases at the discretion of the Board of Directors. Additionally, Dr. Herlihy is eligible for participation in all of Repligen's welfare, profit sharing, retirement and savings plans on the same basis as other employees of Repligen. Dr. Herlihy received a stock option to purchase 100,000 shares of the Common Stock at \$1.25 per share, vesting at 20% per annum over five years pursuant to the Herlihy Agreement. Dr. Herlihy's employment may be terminated, with or without cause, by either party upon 30 days prior written notice. In such event, Dr. Herlihy would be entitled to continue receiving his salary for a period of eight months or until he finds other employment, whichever occurs first. In addition, 50% of any unvested options owned by Mr. Herlihy vest immediately upon notice of termination of employment or a change in control of Repligen.

Under the terms of the Rusche Agreement, Dr. Rusche is entitled to a minimum salary of \$115,000 per annum, subject to periodic increases at the discretion of the Board of Directors. Additionally, Dr. Rusche is eligible for participation in all of Repligen's welfare, profit sharing, retirement and savings plans on the same basis as other employees of Repligen. Dr. Rusche received a stock option to purchase 60,000 shares of the Common Stock at \$1.25 per share, vesting at 20% per annum over five years pursuant to the Rusche Agreement. Dr. Rusche's employment may be terminated, with or without cause, by either party upon 30 days prior written

notice. In such event, Dr. Rusche would be entitled to continue receiving his salary for a period of six months or until he finds other employment, whichever occurs first. In addition, 50% of any unvested options owned by Mr. Rusche vest immediately upon notice of termination of employment or a change in control of Repligen.

Under the terms of the Witt Agreement, Dr. Witt is entitled to a minimum salary of \$115,000 per annum, subject to periodic increases at the discretion of the Board of Directors. Additionally, Dr. Witt is eligible for participation in all of Repligen's welfare, profit sharing, retirement and savings plans on the same basis as other employees of Repligen. Dr. Witt received a stock option to purchase 60,000 shares of the Common Stock at \$1.25 per share, vesting at 20% per annum over five years pursuant to the Witt Agreement. Dr. Witt's employment may be terminated, with or without cause, by either party upon 30 days prior written notice. In such event, Dr. Witt would be entitled to continue receiving his salary for a period of six months or until he finds other employment, whichever occurs first. In addition, 50% of any unvested options owned by Mr. Witt vest immediately upon notice of termination of employment or a change in control of Repligen.

On January 4, 2006, Repligen Corporation entered into an offer letter ( Offer Letter ) for employment with Daniel W. Muehl. Mr. Muehl's arrangement with Repligen provides for employment at will with an initial base salary of \$200,000 per year and participation in Repligen's Executive Incentive Compensation Plan with a target bonus of 25% of base salary. Mr. Muehl was granted a stock option exercisable for 120,000 shares of Repligen's common stock at \$4.17 per share, vesting 25% per annum pursuant to the Offer Letter. On January 19, 2006, Mr. Muehl was granted 10,000 shares of restricted Repligen common stock which vest one year from the date of grant. Mr. Muehl is eligible for participation in any and all benefit programs that Repligen makes available to its employees, including health, dental and life insurance to the extent that he meets applicable eligibility requirements. Mr. Muehl is entitled to four weeks paid vacation yearly.

#### ***Compensation Committee Interlocks and Insider Participation***

The Compensation Committee currently consists of Dr. Schimmel and Mr. Hennessey. No member of the Compensation Committee is a current or former employee of Repligen. There are no Compensation Committee interlocks between Repligen and any other entities involving any of the executive officers or directors of such entities. No interlocking relationship exists between any member of our Board of Directors or our Compensation Committee and any member of the Board of Directors or compensation committee of any other company and no such interlocking relationship has existed in the past.

#### ***Compensation of Directors***

Drs. Schimmel and Rich, the Co-Chairmen of the Board of Directors, are compensated pursuant to consulting agreements described below and receive no separate compensation for attendance at meetings or otherwise as directors.

Under the terms of the Plan as currently in effect, each non-employee director, from September 10, 2003 through September 15, 2005, was granted an option to purchase 15,000 shares of Common Stock and beginning September 15, 2006, 20,000 shares of Common Stock, at an option price equal to the fair market value of the Common Stock on the date of grant, determined in accordance with the terms of the Plan (the Annual Board Options ). These options vest in full on the first anniversary of the date of the grant, provided such person is still a director on such anniversary. Additionally, each newly-elected, non-employee director who joins the Board is entitled to receive an option to purchase 24,000 shares of Common Stock on the date he or she joins the Board (an Initial Board Option and together with the Annual Board Options, the Board Options ). These Initial Board Options vest equally over a three-year period from the date of grant. Board Options have a term of ten years, subject to early termination in the event of death, removal or resignation from the Board. No director would be entitled to receive Board Options covering more than an aggregate of 150,000 shares of Common Stock, excluding expired unexercised options.

Each non-employee director (other than Drs. Rich and Schimmel) receives \$5,000 per quarter and \$1,500 plus expenses for each board meeting they attend. In addition, the Chairman of the Audit Committee receives \$2,500 per quarter plus expenses for each meeting attended and each other Audit Committee member and Compensation Committee member receive \$1,000 plus expenses for each meeting in which they participate.

Repligen paid Drs. Schimmel and Rich \$49,200 and \$43,200, respectively, during the fiscal year ended March 31, 2006 pursuant to consulting agreements, which have similar terms. These agreements are automatically extended for successive one-year terms unless terminated by either party at least 90 days prior to the next anniversary date. During the term of each of the consulting agreements, and for a period of up to one year thereafter, if Repligen pays the director a lump sum (equal to 90% of the consulting fees paid for the preceding 12 months), such director will not have a business relationship with companies engaged in a business substantially similar to Repligen or with companies that compete with Repligen, except under limited circumstances. Dr. Schimmel's agreement continues until September 30, 2006 and Dr. Rich's agreement continues until October 31, 2006. Drs. Schimmel and Rich have advised Repligen that they have no present intention of terminating their agreements.

**STOCK PRICE PERFORMANCE GRAPH**

The following graph compares the yearly percentage change in the cumulative total stockholder return (change in stock price plus reinvested dividends) on Repligen's Common Stock with the cumulative total return for the Nasdaq Stock Market Index (U.S.) (the Nasdaq Composite Index) and the Nasdaq Pharmaceutical Stock Index (the Nasdaq Pharmaceutical Index). The comparisons in the graph are required by the SEC and are not intended to forecast or be indicative of possible future performance of Repligen's Common Stock.

| <b>Date</b> | <b>NASDAQ US</b> | <b>NASDAQ PHARMA</b> | <b>RGEN</b> |
|-------------|------------------|----------------------|-------------|
| 2001        | \$ 100           | \$ 100               | \$ 100      |
| 2002        | \$ 101           | \$ 103               | \$ 130      |
| 2003        | \$ 74            | \$ 81                | \$ 162      |
| 2004        | \$ 109           | \$ 114               | \$ 105      |
| 2005        | \$ 110           | \$ 102               | \$ 59       |
| 2006        | \$ 130           | \$ 131               | \$ 128      |

\* Assumes \$100 invested on March 31, 2000 in each of Repligen Corporation's Common Stock, the securities comprising the Nasdaq Composite Index and the securities comprising the Nasdaq Pharmaceutical Index.

**INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS**

The Audit Committee of the Board of Directors has selected the firm of Ernst & Young LLP, independent certified public accountants, to serve as independent auditors for the fiscal year ending March 31, 2007. Ernst & Young LLP has served as the Company's independent certified public accountants since 2002. In accordance with standing policy, Ernst & Young LLP periodically changes the personnel who work on the audit of Repligen.

**Fees**

The following sets forth the aggregate fees billed by Ernst & Young LLP to the Company during the fiscal years ended March 31, 2006 and 2005:

*Audit Fees*

Fees paid for audit services were approximately \$190,000 for the fiscal year ended March 31, 2006 and \$191,000 for fiscal year ended March 31, 2005. These included fees associated with the annual audit, the reviews of the Company's quarterly reports on Form 10-Q, and fees related to filings with the SEC. Included in these fees, \$90,000 and \$93,000 in fiscal years 2006 and 2005 respectively were for audit services related to our compliance with Section 404 of the Sarbanes-Oxley Act of 2002 regarding our internal control over financial reporting.

*Audit Related Fees*

Ernst & Young LLP billed no fees for the last two years for assurance and related services that are reasonably related to the performance of the audit or review of the financials and are not otherwise reported above.

*Tax Fees*

Total fees paid for tax services was \$12,500 for fiscal year ended March 31, 2006 and \$12,500 for fiscal year ended March 31, 2005, consisting of tax compliance and preparation fees.

*All Other Fees*

Ernst & Young LLP billed no additional fees for the fiscal years ended March 31, 2006 and 2005.

The Audit Committee of the Board of Directors has implemented procedures under the Company's Audit Committee Pre-Approval Policy for Audit and Non-Audit Services (the Pre-Approval Policy) to ensure that all audit and permitted non-audit services provided to the Company are approved by the Audit Committee. Specifically, the Audit Committee pre-approves the use of Ernst & Young LLP for specific audit and non-audit services, within approved monetary limits. If a proposed service has not been pre-approved pursuant to the Pre-Approval Policy, then it must be specifically pre-approved by the Audit Committee before Ernst & Young LLP may provide it. Any pre-approved services exceeding the limits pre-approved by the Audit Committee must again be pre-approved by the Audit Committee. Following the effectiveness of the rules regarding audit committee pre-approval, all of the audit-related, tax and all other services provided by Ernst & Young LLP to the Company in the fiscal year ended March 31, 2006 were approved by the Audit Committee by means of a specific pre-approval or pursuant to the procedures contained in the Pre-Approval Policy. All non-audit services provided in the fiscal year ended March 31, 2006 were reviewed with the Audit Committee, which concluded that the provisions of such services by Ernst & Young LLP was compatible with the maintenance of that firm's independence in the conduct of its auditing functions.



In connection with the audits for the period ending March 31, 2006, there were no disagreements with Ernst & Young LLP on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which, if not resolved to the satisfaction of Ernst & Young LLP, would have caused them to refer to such disagreement in connection with their report.

A member of Ernst & Young LLP will be present at the Annual Meeting with the opportunity to make a statement if so desired and will be available to respond to appropriate questions.

#### **SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act requires Repligen's directors, officers, and holders of more than ten percent of Repligen's Common Stock (collectively, Reporting Persons), to file with the SEC initial reports of ownership and reports of changes in ownership of Common Stock of Repligen. Such Reporting Persons are required by SEC regulation to furnish Repligen with copies of all Section 16(a) reports they file. Based on its review of the copies of such filings received by it with respect to the fiscal year ended March 31, 2006, the Company believes that all required persons complied with all Section 16(a) filing requirements except for the following: Mr. Ryan filed late Form 4's to report three transactions.

#### **OTHER BUSINESS**

Management does not know of any other matters to be brought before the Meeting except those set forth in the notice thereof. If other business is properly presented for consideration at the Meeting, it is intended that the Proxies will be voted by the persons named therein in accordance with their judgment on such matters.

Even if you plan to attend the Meeting in person, please sign, date and return the enclosed Proxy promptly or vote in accordance with the instructions listed on the proxy card. A postage-paid return-addressed envelope is enclosed for your convenience. Your cooperation in giving this matter your immediate attention and in returning your proxies will be appreciated.

#### **STOCKHOLDERS PROPOSALS**

Repligen must receive any proposal by a stockholder of Repligen intended to be presented at the 2007 Annual Meeting of Stockholders at its principal executive office not later than March 26, 2007 in accordance with Rule 14a-8 issued under the Exchange Act for inclusion in Repligen's proxy statement and form of proxy relating to that meeting.

If a stockholder who wishes to present a proposal at the 2007 Annual Meeting of Stockholders (which is not otherwise submitted for inclusion in the proxy statement in accordance with the preceding paragraph) fails to notify the Company by June 11, 2007 and such proposal is brought before the 2007 Annual Meeting of Stockholders, then under the SEC's proxy rules, the proxies solicited by management with respect to the 2007 Annual Meeting of Stockholders will confer discretionary voting authority with respect to the stockholder's proposal on the persons selected by management to vote the proxies. If a stockholder makes a timely notification, the proxies may still exercise discretionary voting authority under circumstances consistent with the SEC's proxy rules.

Any proposal intended to be presented at the 2007 Annual Meeting of Stockholders must also comply with the other requirements of the proxy solicitation rules of the SEC. In order to curtail any controversy as to the date on which a proposal was received by Repligen, it is suggested that proponents submit their proposal by Certified Mail, Return Receipt Requested or other means, including electronic means, that permit them to prove date of delivery.

### **EXPENSES AND SOLICITATION**

The cost of solicitation will be borne by Repligen, and in addition to directly soliciting stockholders by mail, Repligen may request banks and brokers to solicit their customers who have stock of Repligen registered in the name of the nominee and, if so, will reimburse such banks and brokers for their reasonable out-of-pocket costs. Solicitation by officers and employees of Repligen may also be made of some stockholders in person or by mail or telephone following the original solicitation. Repligen may, if appropriate, retain any independent proxy solicitation firm to assist Repligen in soliciting proxies. If Repligen does retain a proxy solicitation firm, Repligen would pay such firm's customary fees and expenses which such fees would be expected to be approximately, \$7,500, plus expenses.

### **HOUSEHOLDING**

Our Annual Report, including audited financial statements for the fiscal year ended March 31, 2006, is being mailed to you along with this Proxy Statement. In order to reduce printing and postage costs, ADP Investor Communication Services has undertaken an effort to deliver only one Annual Report and one Proxy Statement to multiple stockholders sharing an address. This delivery method, called householding, is not being used, however, if ADP has received contrary instructions from one or more of the stockholders sharing an address. If your household has received only one Annual Report and one Proxy Statement, Repligen Corporation will deliver promptly a separate copy of the Annual Report and the Proxy Statement to any stockholder who sends a written request to Repligen Corporation, 41 Seyon Street, Building #1, Suite 100, Waltham, MA, 02453, (781) 250-0111, Attention: Secretary. If your household is receiving multiple copies of Repligen's annual reports or proxy statements and you wish to request delivery of a single copy, you may send a written request to Repligen Corporation, 41 Seyon Street, Building #1, Suite 100, Waltham, MA, 02453, (781) 250-0111, Attention: Secretary.

Dear Stockholder:

Please take note of the important information enclosed with this Proxy.

Your vote counts, and you are strongly encouraged to exercise your right to vote these shares.

Please mark the boxes on the proxy card to indicate how these shares will be voted. Then, please sign the card, detach it and return your proxy in the enclosed postage-paid envelope. Thank you in advance for your prompt consideration of this matter.

Sincerely,

Repligen Corporation

**PROXY**

**REPLIGEN CORPORATION**

**41 SEYON STREET**

**BUILDING #1, SUITE 100**

**WALTHAM, MA 02453**

**SOLICITED BY THE BOARD OF DIRECTORS**

**FOR THE ANNUAL MEETING OF STOCKHOLDERS**

The undersigned hereby appoints Walter C. Herlihy and Daniel W. Muehl, and each of them alone, proxies with full power of substitution, to vote all shares of common stock of the Corporation which the undersigned is entitled to vote at the Annual Meeting of Stockholders of Repligen Corporation to be held on the 15th day of September, 2006 at 10:00 a.m., local time, at the offices of Repligen Corporation, 41 Seyon Street, Building #1, Suite 100, Waltham, Massachusetts 02453, and any adjournments or postponements thereof, upon matters set forth in the Notice of Annual Meeting of Stockholders and Proxy Statement dated July 24, 2006, a copy of which has been received by the undersigned. The proxies are further authorized to vote, in accordance with their judgment, upon such other business as may be properly presented at the meeting and any adjournments or postponements thereof.

(Continued and to be signed on the reverse side)

Address Changes:

(If you noted any Address Changes above, please mark corresponding box on the reverse side.)

SEE REVERSE SIDE

SEE REVERSE SIDE

REPLIGEN CORPORATION

**VOTE BY MAIL**

c/o AMERICAN STOCK TRANSFER

59 MAIDEN LANE

NEW YORK, NY 10038

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to

Repligen Corporation, c/o ADP, 51 Mercedes Way,

Edgewood, NY 11717.

**ANNUAL MEETING OF STOCKHOLDERS**

**OF REPLIGEN CORPORATION**

**September 15, 2006**

**Please date, sign and mail**

your proxy card in the

envelope provided as soon

as possible.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

**THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.**

**REPLIGEN CORPORATION**

1. To elect a Board of Directors for the ensuing year;

**NOMINEES**

01) Karen Dawes

02) Robert J. Hennessey

03) Walter C. Herlihy, Ph.D.

04) Alexander Rich, M.D.

05) Thomas F. Ryan, Jr.

06) Paul Schimmel, Ph.D.

For All

Withhold All

For All Except

To withhold authority to vote for one or more nominees, mark **FOR ALL EXCEPT** and write the nominee's number on the line below: \_\_\_\_\_

2. To transact such other business as may properly come before the meeting and any adjournments or postponements thereof.

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THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, WILL BE VOTED FOR THE ELECTION OF DIRECTORS AND AUTHORITY WILL BE DEEMED GRANTED UNDER ITEM 2 TO HAVE THE PROXIES VOTE UPON SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING AND ANY ADJOURNMENTS OR POSTPONEMENTS THEREOF.

Note: Please sign exactly as your name or names appear(s) on this Proxy. When shares are held jointly, each holder should sign. When signing as an executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

To change the address on this account, please check the box at right and indicate your new address in the Address Changes space on the reverse side. Please note that changes to the registered name(s) on the account may not be submitted via this method.

**HOUSEHOLDING ELECTION** Please indicate if you consent to receive certain future investor communications in a single package per household.

Yes  No

Signature [PLEASE SIGN WITHIN BOX] Date

Signature (Joint Owners)

Date