



Press Release

Astellas to Acquire Ganymed Pharmaceuticals

- Acquisition Would Expand Astellas' Oncology Pipeline with Antibody in Late-Stage –

Tokyo and Mainz, October 28, 2016 - Astellas Pharma Inc. (TSE: 4503, President and CEO: Yoshihiko Hatanaka, "Astellas") and Ganymed Pharmaceuticals AG (CEO; Özlem Türeci, "Ganymed"), a biopharmaceutical company located in Mainz, Germany which focuses on the development of antibodies against cancer, announced today that Astellas and Ganymed's shareholders have entered into an agreement for Astellas to acquire Ganymed. The transaction would enable Astellas to continue to build upon its leading oncology franchise as a platform for sustainable growth.

Under the agreement, Astellas will pay EUR 422 million to acquire 100% of the equity in Ganymed. In addition, Ganymed's shareholders will become eligible to receive up to EUR 860 million in further contingent payments based on progress in the development of IMAB362, Ganymed's most advanced clinical program. Upon completion of the transaction, Ganymed would become a wholly owned subsidiary of Astellas. The closing of the transaction is subject to customary regulatory approvals, and is expected to be finalized in the next several weeks.

"Oncology is one of our focus therapeutic areas and key drivers for our growth. The acquisition of Ganymed will enable Astellas to further expand our oncology presence by adding a late-stage antibody asset with the potential to establish a new pillar following XTANDI®," commented Yoshihiko Hatanaka, President and CEO, Astellas. "We aim to deliver a potential new therapeutic option to cancer patients who currently have limited treatment options available to them."

Dr. Özlem Türeci, CEO and co-founder of Ganymed said, "I am impressed by the competence, commitment and vision of Astellas. Recognizing their global resources, I am also confident that Astellas will be able to turn innovative science and promising clinical results into near-term value for patients". And Helmut Jeggle, Ganymed's Supervisory Board member and General Manager of the family office of the Strüngmann brothers (Athos Beteiligungsverwaltung GmbH) added, "We are pleased to hand over the Ganymed portfolio with its important novel treatment approaches for unmet needs in solid tumors to a strong and dedicated player in healthcare".

Ganymed is a privately-held biopharmaceutical company founded in 2001 and focuses on the development of a new class of cancer drugs. Ganymed has several oncology pipeline assets in pre-clinical and clinical stages including IMAB362. Recent results of a Phase 2b study (FAST) of IMAB362 in gastroesophageal cancer patients positive for Claudin18.2 showed that IMAB362 extended the median progression-free survival (7.9 months vs. 4.8 months, HR 0.47, p=0.0001) and the median overall survival (13.2 months vs. 8.4 months, HR 0.51, p=0.0001) when added to standard chemotherapy. In the subgroup of patients with the highest levels of Claudin18.2, IMAB362 resulted in near-doubling of overall survival (16.7 months vs. 9.0 months, HR 0.45, p<0.0005). The most frequent adverse effects observed during the study were vomiting, nausea and neutropenia.

Astellas is still reviewing the impact of this transaction on its financial forecasts for the fiscal year ending March 31, 2017.

Acquisition Summary

- (1) Acquiring company: Astellas Pharma Inc.
- (2) Major shareholders of Ganymed: ATS Beteiligungsverwaltung GmbH, MIG Fonds, FCP Gany GmbH and Future Capital AG
- (3) Payment: Cash on hand
- (4) Amount:
EUR 422 million upon the acquisition of 100% equity in Ganymed

Up to EUR 860 million in further contingent payments based on progress in the development of IMAB362, Ganymed's most advanced clinical program
- (5) Expected timing of closing: Next several weeks, subject to customary regulatory approvals
- (6) Finance Advisor to Astellas: None
- (7) Legal Advisor to Astellas: Latham & Watkins LLP
- (8) Finance Advisor to Ganymed' shareholders: klugeconcepts, JP Morgan
- (9) Legal Advisor to Ganymed' shareholders: Freshfields Bruckhaus Deringer, honert + partner

Overview of Acquired Company

- (1) Corporate Name: Ganymed Pharmaceuticals AG
- (2) Location: Mainz, Germany
- (3) Representative: Özlem Türeci, CEO
- (4) Founded year: 2001
- (5) Capital Stock: EUR 1,416,308 (as of end of May 2016)
- (6) Number of employees: 85
- (7) Relationship with Astellas: There is no relationship between Astellas and Ganymed required to be disclosed

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About IMAB362

IMAB362 is a new investigational antibody drug that is specific for the tight junction protein Claudin18.2. This unique target is restricted to stomach cells only and is absent from all other healthy tissues. Claudin 18.2 is expressed in various high medical need cancers including in about 80% of gastrointestinal adenocarcinomas, 60% pancreatic tumors as well as in biliary, ovarian and lung cancer. Its mechanism of action includes activation of antibody-dependent cell-mediated cytotoxicity (ADCC), complement-dependent cytotoxicity (CDC) and – in combination with chemotherapy – T-cell infiltration and modulation of the tumor microenvironment. IMAB362 has received orphan drug designation in the US and Europe for gastric and pancreatic cancer.

About Astellas

Astellas Pharma Inc., based in Tokyo, Japan, is a company dedicated to improving the health of people around the world through the provision of innovative and reliable pharmaceutical products. We focus on Urology, Oncology, Immunology, Nephrology and Neuroscience as prioritized therapeutic areas while advancing new therapeutic areas and discovery research leveraging new technologies/modalities. We are also creating new value by combining internal capabilities and external expertise in the medical/healthcare business. Astellas is on the forefront of healthcare change to turn innovative science into value for patients. For more information, please visit our website at www.astellas.com/en.

About Ganymed

Ganymed Pharmaceuticals AG is a biopharmaceutical company developing a new class of immunotherapeutic cancer drugs called Ideal Monoclonal Antibodies (IMABs). IMABs are unique in that they are highly selective for proteins which are present on tumor cells, but do not bind to healthy cells. This unmatched tumor cell specificity makes IMABs cancer cell selective allowing them to efficiently kill tumor cells without harming normal healthy tissues. They can thus be administered at optimal dose and have a broad therapeutic window with reduced risks of side effects. Ganymed is a private company that was founded in 2001. Its majority shareholder is ATS Beteiligungsverwaltung GmbH. Other investors include MIG Fonds, Future Capital AG, FCP Gany GmbH, and private individuals. For further information, please visit us at: www.ganymed.ag

Cautionary Notes

In this press release, statements made with respect to current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Astellas. These statements are based on management's current assumptions and beliefs in light of the information currently available to it and involve known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to: (i) changes in general economic conditions and in laws and regulations, relating to pharmaceutical markets, (ii) currency exchange rate fluctuations, (iii) delays in new product launches, (iv) the inability of Astellas to market existing and new products effectively, (v) the inability of Astellas to continue to effectively research and develop products accepted by customers in highly competitive markets, and (vi) infringements of Astellas' intellectual property rights by third parties.

Information about pharmaceutical products (including products currently in development) which is included in this press release is not intended to constitute an advertisement or medical advice.

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