



Astellas and Drais Partner To Develop Astellas Compound through Telsar

*InterWest Partners, Sutter Hill Ventures and Astellas Venture Management
Invest \$14 Million into Telsar to Advance Compound*

TOKYO, JAPAN and BRIDGEWATER, N.J., April 25, 2012 – Astellas Pharma Inc. (Tokyo: 4503, “Astellas”) and Drais Pharmaceuticals, Inc. (“Drais”) today announced that they have entered into a uniquely structured partnership to develop and commercialize an Astellas compound. As part of the agreement, Astellas will transfer ownership of ASP3291, a melanocortin receptor agonist for the potential treatment of ulcerative colitis, from its pipeline to Telsar Pharma, Inc. (“Telsar”), a virtual company that will be operated by the Drais executive team. All Telsar development activities will be handled by the Drais executive team, which has substantial clinical development experience.

InterWest Partners and Sutter Hill Ventures (two U.S. venture capital firms that are the lead investors in Drais) plus Astellas Venture Management LLC (the corporate venture capital arm of Astellas) will invest a total of \$14 million into Telsar. The funds will be used to further the development of ASP3291, with Drais serving as the exclusive provider of development services. Drais and Astellas will also seek further opportunities to put Astellas compounds into this innovative partnership.

“The unique structure of this partnership is reflective of Astellas’ new ‘Multi-Track R&D’ approach,” said Yoshihiko Hatanaka, president and CEO of Astellas. “This new strategy enables us to move our promising compounds forward without any disruption in the development process. Additionally, this new approach allows us to optimize costs and control risks while accessing outside capital and expertise. We believe the partnership with Drais is an excellent opportunity for us to increase our ability to bring innovative medicines to patients.”

“The team at Drais is thrilled to be working again so closely with Astellas on this innovative and creative new development model,” said Dr. Donna L. Tempel, co-founder, president and CEO of Drais. “We are also grateful to our long-time investors, InterWest Partners and Sutter Hill Ventures, for supporting the effort it took to get this collaboration off the ground. We believe this will be a highly beneficial partnership for all involved and hope to expand it to additional compounds in the future.”

The participants in the partnership have all worked together successfully in the past. Dr. Tempel and fellow Drais co-founder, Dr. Robert E. Desjardins, were previously the senior management of Yamanouchi R&D (a precursor company to Astellas) in Paramus, NJ. Later they served as the executive team of AkaRx, acquired by Eisai/MGI for \$300 million in 2010. Dr. Arnold Oronsky, general partner at InterWest, and Dr. Jeff Bird, managing director at Sutter Hill Ventures, are both board members and investors in Drais; they previously held the same positions at AkaRx. Astellas Venture Management was also an investor in AkaRx.

Under the terms of the agreement, Astellas will transfer to Telsar all rights and assets related to ASP3291, whose Phase IIa study is currently being initiated. Telsar will be responsible for all development, manufacturing and commercialization activities and their associated costs. Astellas is entitled to receive an upfront payment and royalties on future sales of ASP3291. Astellas also has the right of first exclusive negotiation for

future partnering activities related to the compound and the right of first refusal for the Japanese market. The company also has the right of non-exclusive negotiation for other markets.

About Astellas Pharma Inc.

Astellas Pharma Inc., located in Tokyo, Japan, is a pharmaceutical company dedicated to improving the health of people around the world through the provision of innovative and reliable pharmaceutical products. Astellas has approximately 17,000 employees worldwide. The organization is committed to becoming a global category leader in Urology, Immunology (including Transplantation) and Infectious Diseases, Oncology, Neuroscience and Diabetes Mellitus (DM) Complications and Kidney Diseases. For more information on Astellas Pharma Inc., please visit the company Website at www.astellas.com/en.

About Astellas Venture Management LLC

Astellas Venture Management's mission is to invest in emerging biotech companies that combine unique scientific capabilities with the potential for global market leadership and a management team driven by ambition for success of the company. To learn more about Astellas Venture Management, please visit the company's website at www.astellasventure.com.

About Drais Pharmaceuticals, Inc.

Drais Pharmaceuticals, Inc. is a privately held drug development company dedicated to the in-licensing, development and commercialization of novel therapeutic treatments that address unmet medical needs, providing significant benefits over currently available therapies.

Formed in September 2007, Drais completed a Series A financing round in January 2008 from lead investors, InterWest Partners (Menlo Park, CA) and Sutter Hill Ventures (Palo Alto, CA). The Drais management team consists of highly experienced individuals with a successful track record in the pharmaceutical industry. Prior to forming Drais, the management team founded AkaRx, Inc. (acquired by Eisai/MGI in 2010 for \$300 million). Drais is based in Bridgewater, New Jersey.

For more information, please visit: <http://www.draispharma.com>.

About InterWest Partners

For more than 30 years InterWest (www.interwest.com) has partnered with exceptional entrepreneurs to build winning technology and life sciences companies. With more than 200 years of combined operating and investing experience, our team has raised \$2.8B, completed more than 70 IPOs, and participated in nearly 60 upside acquisitions. As we invest InterWest X, a \$650M fund, we continue to believe that providing capital is just the beginning of a long-term collaboration with entrepreneurs to turn their vision into a thriving company.

About Sutter Hill Ventures

Sutter Hill Ventures is a venture capital firm that finances technology-based start-up and early-stage companies that pioneer products or services in growth markets, especially those in information technology and health care. Founded in 1964, it is one of Silicon Valley's original venture capital firms. For more information about Sutter Hill Ventures, please visit www.shv.com.

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