



Press Release

Astellas Acquires Universal Cells, Inc.

- Acquisition enables Astellas to fully utilize proprietary technology to produce pluripotent stem cells that have the potential to lower immunological rejection in numerous therapeutic areas -

Tokyo, February 13, 2018 - Astellas Pharma Inc. (TSE: 4503, President and CEO: Yoshihiko Hatanaka, "Astellas") and Universal Cells, Inc. (CEO: Claudia Mitchell, "Universal Cells") today announced that Astellas has acquired Universal Cells. Astellas will gain Universal Cells' proprietary Universal Donor Cell technology to create cell therapy products that do not require Human Leukocyte Antigen (HLA) matching, potentially overcoming a huge treatment challenge by reducing the risk of rejection.

In October 2017, the Astellas Institute for Regenerative Medicine (AIRM) and Universal Cells entered into an exclusive license agreement to utilize Universal Donor Cell technology in a single indication. Today's acquisition enables Astellas to fully utilize this proprietary technology in even more therapeutic areas. The acquisition combines Astellas' capability of establishing differentiated functional cells from pluripotent stem cells with Universal Cell's ability to produce pluripotent stem cells that have lower immunological rejection to further enable investigation of innovative cell therapy treatments for various diseases that currently have few or no treatment options.

"We have been very impressed with Universal Cells' capabilities in cell therapy, including Universal Donor Cell technology, which led us to our initial collaboration and ultimately this acquisition," commented Yoshihiko Hatanaka, President and CEO, Astellas. "This additional capability will further enable Astellas to develop potential innovative cell therapies for numerous diseases with high unmet medical needs."

"We are thrilled to be able to leverage the full potential of our Universal Donor Cell technology by becoming an intrinsic part of Astellas' effort to fulfill the promises of Regenerative Medicine to treat diseases," said Claudia Mitchell, CEO of Universal Cells. "The acquisition represents the recognition of the immense potential of our unique technology and of the outstanding work done by our team at Universal Cells."

Astellas will pay up to \$102.5 million of upfront and milestones to acquire 100 percent ownership of Universal Cells depending on achievement of certain specified clinical milestones.

Universal Cells has become a wholly-owned subsidiary of Astellas following the close of the acquisition.

The impact of this transaction on Astellas' financial results for the fiscal year ending March 31, 2018 will be immaterial.

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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 Astellas Institute for Regenerative Medicine (AIRM)

The Astellas Institute for Regenerative Medicine (AIRM) was established in May 2016 following Astellas' acquisition of Ocata Therapeutics. Headquartered in Marlborough, Mass., and supported by a research team in Tsukuba, Japan, AIRM is a wholly-owned subsidiary of Astellas and serves as the Company's global hub for regenerative medicine and cell therapy research in ophthalmology and other therapeutic areas that have few or no available treatment options.

Together with AIRM, Astellas is focused on early discovery of cell therapy products for a variety of diseases through a combination of in-house research and external collaborations, using existing technologies and the creation of proprietary technologies.

About Universal Cells, Inc.

Universal Cells, Inc. is a Seattle-based biotech developing, licensing and commercializing stem cell therapies that overcome immune rejection and can be used to create true off-the-shelf therapeutic products. Using the company's proprietary genome editing approach, the company engineers stem cells to prevent expression of polymorphic human leukocyte antigen (HLA) molecules, removing the cause of donor tissue rejection and creating Universal Donor Stem Cells that are compatible with every patient. For more information: <http://www.universalcells.com>.

Cautionary Notes (Astellas)

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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