



Press Release

Astellas and Universal Cells, Inc. Announce a Collaboration Utilizing Universal Donor Cell Technology

Tokyo, October 19, 2017 - Astellas Pharma Inc. (TSE: 4503, President and CEO: Yoshihiko Hatanaka, "Astellas") and Universal Cells, Inc. (CEO: Claudia Mitchell, "Universal Cells") today announced that Astellas Institute for Regenerative Medicine ("AIRM") and Universal Cells have entered into an exclusive worldwide license agreement to research, develop and commercialize a novel cell therapy for an undisclosed indication. The collaboration will utilize Universal Cells' Universal Donor Cell technology to create cell therapy products that can be administered to any recipient without the need for Human Leukocyte Antigen (HLA) matching.

"I am pleased to enter into this collaboration with Universal Cells for a novel cell therapy using their proprietary Universal Donor Cell technology based on gene editing by rAAV (recombinant Adeno-Associated Virus) and cell engineering of pluripotent stem cells." said Yoshitsugu Shitaka, Ph.D., president of AIRM, "This is definitely an important step forward in developing a potential new option as an innovative cell therapy to treat devastating diseases with high unmet medical needs"

While the research will be conducted jointly by AIRM and Universal Cells, Astellas will lead and fully fund the development program and will obtain worldwide rights for commercialization. In consideration for the collaboration and grant of rights, under the terms of the agreement, Universal Cells is eligible to receive up to \$9 million in a combination of an upfront payment and research milestones. Universal Cells is also eligible to receive research funding and further clinical development and regulatory milestone payments of up to \$115 million, as well as royalties.

"The commitment of Astellas to the field of Regenerative Medicine is a testimony to their vision to turn innovative science into value for patients," said Claudia Mitchell, CEO of Universal Cells, Inc.. "This research collaboration will leverage Universal Cells unique approach to major challenge of cell therapies – the immune rejection of allogeneic cells. We look forward to bringing real world Regenerative Medicine treatments to the market with Astellas".

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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 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 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

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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