



Astellas and Drais Partner To Develop Third Astellas Compound through Tacurion

*InterWest Partners, Sutter Hill Ventures and Astellas Venture Management
Invest \$15 Million into Tacurion to Advance Compound*

TOKYO, JAPAN and BRIDGEWATER, N.J., May 7, 2013 – Astellas Pharma Inc. (Tokyo: 4503, “Astellas”) and Drais Pharmaceuticals, Inc. (“Drais”) today announced that they have entered into a third partnership in the past year to develop and commercialize an Astellas compound. Under the terms of the agreement, Astellas will license ASP7035, of which a phase I study has been completed and is a phase IIa-ready, vasopressin V2 receptor selective agonist for the treatment of nocturia, to Tacurion Pharma, Inc. (“Tacurion”), a virtual company that will be operated by the Drais executive team. The partnership is similar to two prior Astellas and Drais agreements, to advance ASP3291 and ASP7147 through Telsar Pharma, Inc. (“Telsar”) and Seldar Pharma, Inc. (“Seldar”), respectively – both also virtual companies. As with Telsar and Seldar, Tacurion will be operated by Drais, which has substantial clinical development experience.

Tacurion, Telsar and Seldar all share the same investors: InterWest Partners and Sutter Hill Ventures (two U.S. venture capital firms that are also the lead investors in Drais) plus Astellas Venture Management LLC (the corporate venture capital arm of Astellas). The three groups will invest a total of \$15 million into Tacurion. These funds will provide a runway to further the development of ASP7035, with Drais serving as the exclusive provider of development services.

This partnership is reflective of Astellas’ ‘Multi-Track R&D’ approach, in which the company moves select promising compounds forward without any disruption in the development process. The approach allows Astellas to optimize costs and control risks while accessing outside capital and expertise.

The partnerships are a long-term enterprise that Astellas and Drais may expand by moving additional Astellas compounds into virtual companies for development by Drais. Working with virtual companies is a straightforward solution that allows the investors to target their investment to one compound. Virtual companies also provide a simpler structure for any future sale of the compound.

The participants in the partnership have all worked together successfully in the past. The Drais executive team was 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, Tacurion has an exclusive worldwide license to develop and commercialize ASP7035. Tacurion will be responsible for all development, manufacturing and commercialization activities and their associated costs. Astellas is entitled to receive a milestone payment and royalties on future sales of ASP7035. Astellas also has a onetime option (but not an obligation) to acquire Tacurion upon the success of a proof of concept study. The company expects to initiate the phase II proof-of-concept study in the third quarter of 2013.

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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