



Daiichi-Sankyo

Daiichi Sankyo To Acquire Plexxikon Inc.

“Building a world class oncology pipeline by 2015”

March 1, 2011

Joji Nakayama
President and CEO
Daiichi Sankyo Co., LTD.


Agenda

- 1. Strategic Rationale**
- 2. Plexxikon's Profile**
- 3. Financial Conditions**

Strategic Rationale

Building a world class pipeline by 2015

- Secure market presence
- Accelerate proof-of-concept trial launches
- Accelerate market launches for new products and indications
- Reinforce pipelines with multiple new chemical entities (NCE)
- Enhance world class drug discovery capabilities and organization

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- Undertake internal projects
 - Secure external resources through in-licensing and M&As
 - Establish R&D capabilities and technological foundations to underpin sustainable growth

Oncology Pipeline Collaborations

Exploratory stage

Preclinical stage

Phase I

Phase II

Phase III

Application

Small molecules

AKIP™



ARQ 197
c-MET inhibitor



Scaffold-Based
Drug Discovery™

PLX3397
FMS/KIT



Plexxikon

PLX4032
BRAF

Efatutazone
PPAR γ

Max Planck Institute
of Biochemistry



KINAXO

Antibodies



**Alliance for antibody
Technology**
BioWa
morphosys

Nimotuzumab
EGFR Ab

Denosumab
RANKL Ab

U3 PHARMA

Innovative antibodies

U3-1565
HB-EGF Ab

U3-1287
HER3 Ab

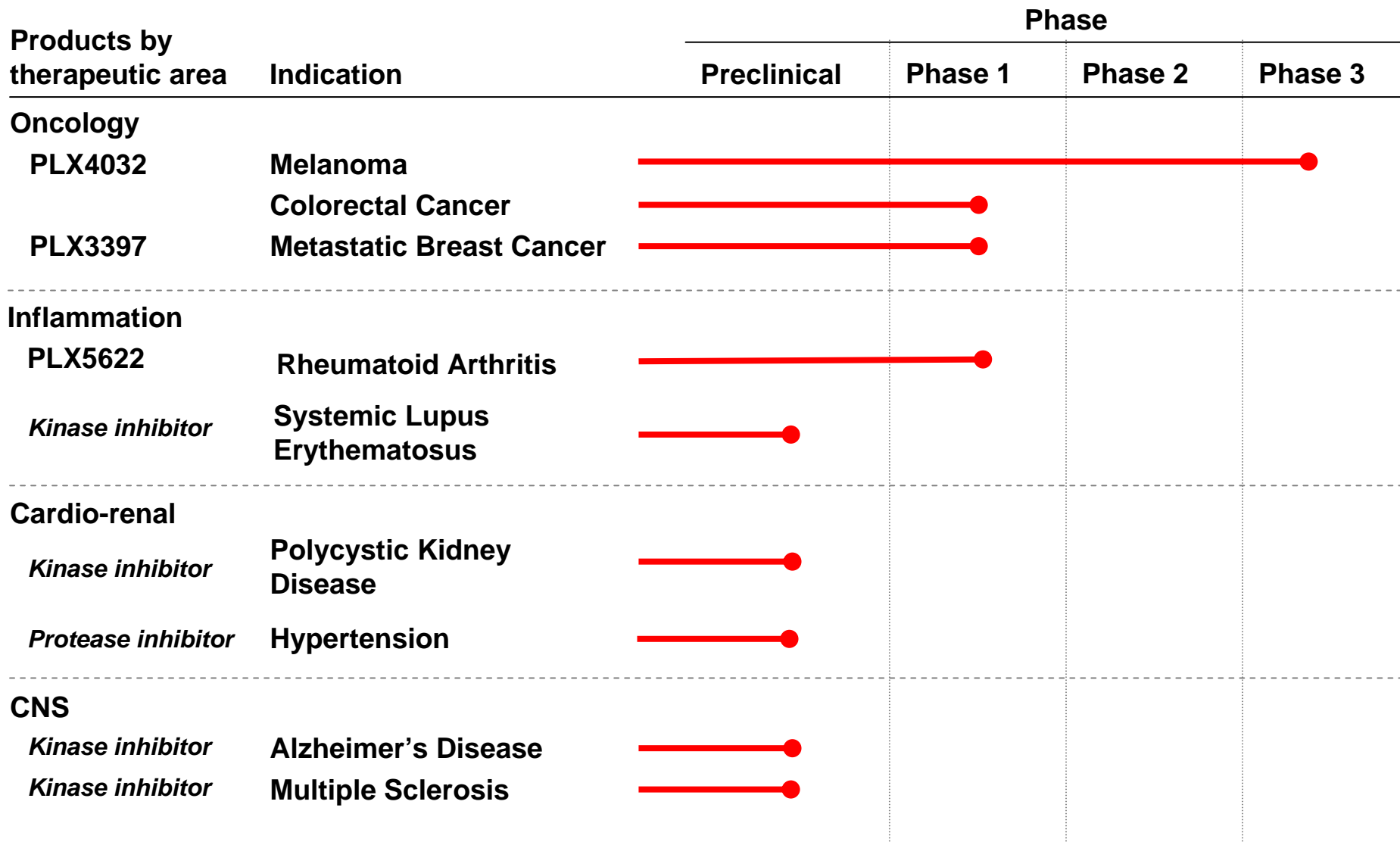
Tigatuzumab
DR5 Ab

In-house projects

In-licensed projects

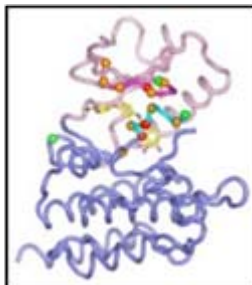
U3/Plexxikon projects

Robust Pipeline of Plexxikon



Plexxikon's Technical Approach

Scaffold Based Drug Discovery™



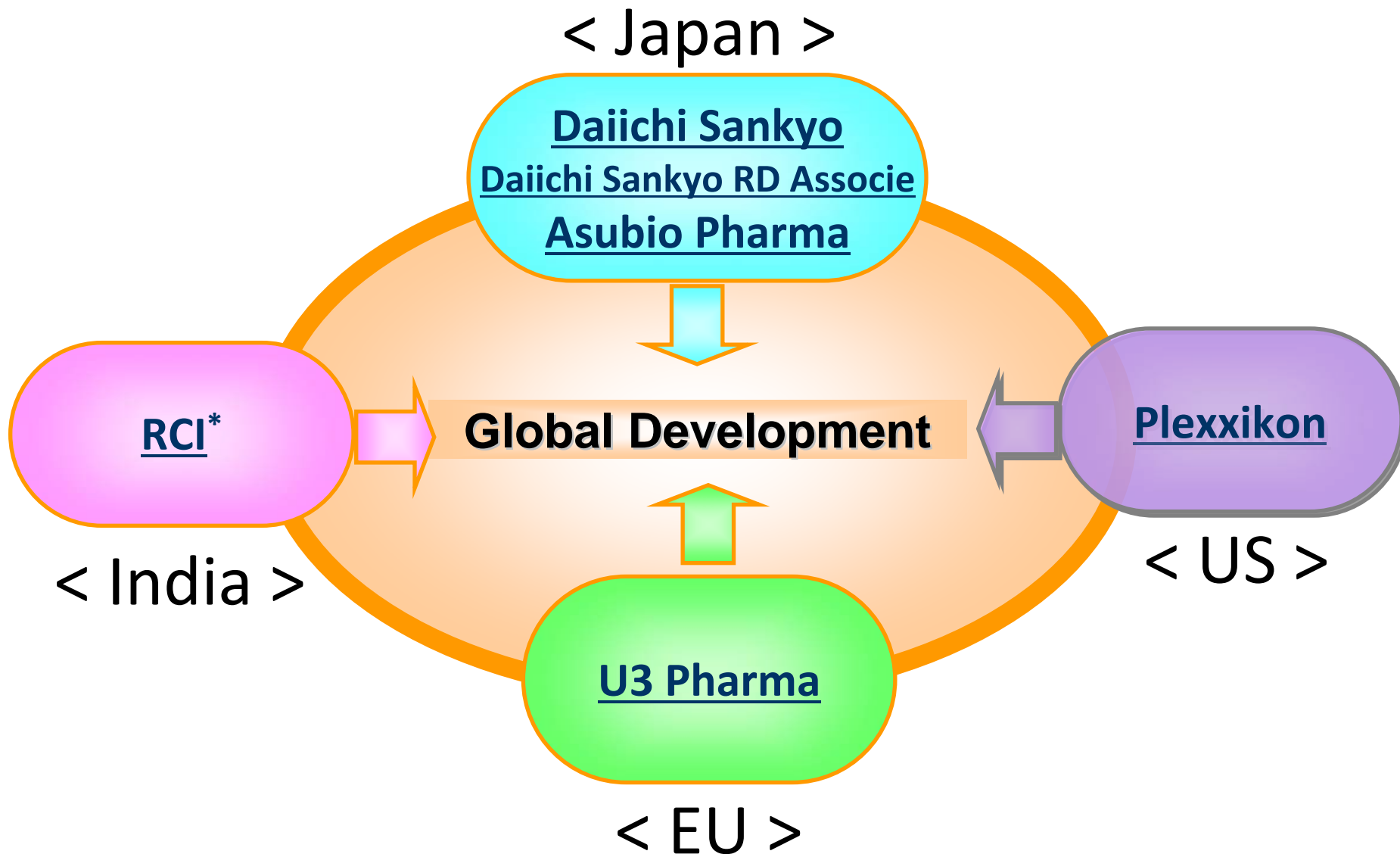
Screening of “Scaffold” based library, followed by high purity protein purification, and high throughput co-crystallography of drugs and targets

- Novel chemical space
- Small molecular weight components
- Precision chemistry
- Family of proteins



- IP
- Formulation
- Targeting; selectivity vs. potency
- Beyond oncology

Global Research Structure



Plexxikon's Profile


Plexxikon at a Glance

- ✓ Established in 2001
- ✓ Private company (not listed)
- ✓ Location: Berkeley, CA
- ✓ CEO: K. Peter Hirth, Ph.D.
- ✓ Approximately 45 employees
- ✓ R&D areas: Oncology, Inflammation, Cardio-renal, CNS



Plexxikon

Plexxikon is an Attractive Opportunity



Talent/ networks

- ✓ Strong internal and external scientific talent



Market entry

- ✓ Filing for EU and US marketing approval anticipated in 2011
- ✓ Commercial and Development partnership with Roche



High growth indication

- ✓ Melanoma is a leading oncology growth indication



Portfolio fit

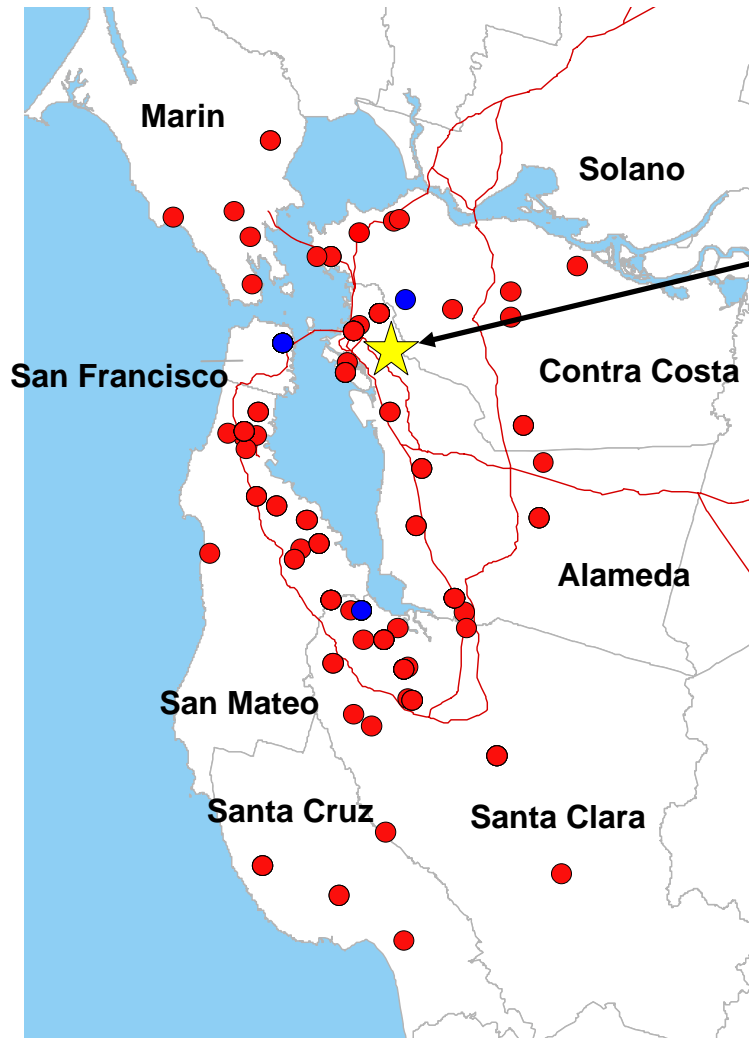
- ✓ Opportunity to build a platform for personalized medicine



R&D footprint

- ✓ U.S. R&D presence in biotech Bay Area compliments our global strategy

The San Francisco Bay Area



Plexxikon

- Pharmaceutical Company
- Top-tier university

- ✓ California is one of the most active life-science states in the US
- ✓ San Francisco Bay Area offers strong community of biotech, and three world-class universities

About PLX4032

- ✓ Initial target indication: metastatic melanoma
expressing the BRAF mutation
 - ✓ Current stage: Phase III (BRIM3 trial)
 - An interim analysis of this Phase III showed the study met the pre-specified primary endpoint (OS & PFS)
(Plexxikon announced in 18 January, 2011)
 - ✓ Development and commercialization partner: Roche
 - ✓ Co-developing diagnostic with Roche Molecular Diagnostic
 - ✓ Filing for EU and US marketing approval anticipated in 2011
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Rights Obtained for PLX4032

- ✓ Revenue is from running royalties
- ✓ Upon FDA approval, Daiichi Sankyo, Inc., will co-promote PLX4032 with Roche in the U.S.

Financial Conditions

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- ✓ Daiichi Sankyo has agreed with Plexxikon's shareholders to acquire all shares of Plexxikon
- ✓ Daiichi Sankyo will pay US\$805 million at closing
- ✓ Daiichi Sankyo will pay up to an additional US\$130 million to current Plexxikon's shareholders in milestone payments.
- ✓ Details of the financial calculation will be announced once finalized

Memo

Memo

Contact address regarding this material

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