

For Immediate Release

Company name: DAIICHI SANKYO COMPANY, LIMITED
Representative: Joji Nakayama, Representative Director, President and CEO
(Code no.: 4568, First Section, Tokyo Stock Exchange)
Please address inquiries to Noriaki Ishida, Executive Officer,
Vice President, Corporate Communications Department
Telephone: +81-3-6225-1126
<http://www.daiichisankyo.com/>

Daiichi Sankyo to Facilitate New Drug Discovery in 2016 through Collaborative Research and Grants

TOKYO, Japan (March 8, 2016) – Daiichi Sankyo Company, Limited (hereafter, Daiichi Sankyo) today announced its TaNeDS (**T**ake a **N**ew challenge for **D**rug di**S**covery) collaborative drug discovery project for 2016. The company will select research partners for the project from among researchers based in Japan.

1. Background

As one aspect of open innovation and the development of a competitive pipeline for the rapid and continuous creation of innovative new drugs, the Daiichi Sankyo Group has operated the collaborative research and grant program TaNeDS since 2011, conducting drug discovery research with domestic academic researchers. In 2013, Daiichi Sankyo's wholly owned subsidiary, Daiichi Sankyo RD Novare Co., Ltd. (hereafter, RD Novare) joined TaNeDS to help promote the development of technology platforms for the next generation, and from 2016, Daiichi Sankyo's wholly owned subsidiary, Asubio Pharma Co., Ltd. (hereafter, Asubio Pharma) will also participate in these measures to promote greater drug discovery.

Since 2013, Daiichi Sankyo has sought further drug discovery research possibilities by casting a wide net, even overseas*, to find research themes and technologies that will result in the discovery of new drugs.

* For latest overseas information, refer to the October 1, 2015, Daiichi Sankyo Press release:

http://www.daiichisankyo.com/media_investors/media_relations/press_releases/detail/006358.html

2. Overview of TaNeDS

(1) Multi-entrance

The TaNeDS project will accept entries for a range of themes, including exploratory research, collaborative research, early-stage drug discovery and concepts for inventions. Themes covering all stages, from the initial phase of research to practical use, will be accepted. In order to attract a variety of entries, both individual researchers and groups will be welcomed.

(2) Multi-exit

To efficiently realize practical uses from research results, a number of outcomes are foreseen, including

further investigations into discovered results, collaborative research on drug creation, and utilization of OiDE projects* aimed at fostering intellectual property or technologies from a business viewpoint.

* Open innovation projects funded by the OiDE fund (Open innovation for the Development of Emerging technologies, which is managed by Mitsubishi UFJ Capital), and were started by Daiichi Sankyo and Mitsubishi UFJ Capital in 2013.

3. Project overview

(1) How to apply

Four project types have been set up for 2016.

Project type	Duration ^{*1}	Scope of funding (total) ^{*2} /per project
a. Drug discovery target verification	From signing of contract to March 31, 2018	Up to 10 million yen
b. Drug discovery target investigation	Within 2 years from signing of contract	Up to 10 million yen
c. Drug discovery technology development/verification	From signing of contract to March 31, 2018	Up to 10 million yen
d. Pharmaceutical technology	Within 1 or 2 years from signing of contract	Up to 10 million yen

*1 Project duration subject to change based on research.

*2 Within 5 million yen per project for RD Novare or Asubio Pharma projects.

Target project number: about 20 (including RD Novare or Asubio Pharma projects) across project types

- a) Drug discovery target verification – Research themes that will lead to the verification of new drug targets regarding elements found in exploratory/discovery research through methods including analysis of body functions and of pathology samples will be accepted.
- b) Drug discovery target investigation – Research themes that will lead to the discovery/identification of new drug targets based on unique research tools or ideas will be accepted.
- c) Drug discovery technology development/verification – Research technology themes that help to revitalize or improve effectiveness of drug discovery research will be accepted.
- d) Pharmaceutical technology – Research themes that will solve issues related to the pharmaceutical manufacturing process will be accepted.

Daiichi Sankyo or its affiliates (RD Novare or Asubio Pharma) will determine if feasibility studies (preliminary collaborative research or collaborative research) with Daiichi Sankyo researchers, or its affiliate's researchers should be conducted based on proposed themes. Accepted themes will be selected for continuation based on results after the research period comes to a close.

(2) Desired research themes

- a) Drug discovery target verification
 - i. Oncology
 - ii. Other disorders

- iii. Regenerative medicine/cell therapy
- b) Drug discovery target investigation
 - iv. Oncology
 - v. Other disorders
- c) Drug discovery technology development/verification
 - vi. Chemical biology
 - vii. Biologics
 - viii. DDS
 - ix. Pathological model/unique cell-based assays/vital imaging
 - x. In silico models related to drug effect estimates/pathological clarification
 - xi. ADME (Drug Absorption, Distribution, Metabolism, Excretion)
 - xii. Drug safety
 - xiii. Measuring technology related to biomarker
 - xiv. Structure-based-drug-discovery
- d) Pharmaceutical technology
 - xv. Pharmaceutical Formulation technology research
 - xvi. Drug analysis technology
 - xvii. Industrial chemical synthetic technology

* For more information about the TaNeDS program, please visit the Daiichi Sankyo corporate website:

<http://www.daiichisankyo.co.jp/corporate/rd/taneds/>

(3) Who is eligible?

Researchers who can conduct research in Japan

(4) Schedule

Application period: May 30, 2016 to June 27, 2016

First selection period: June 28, 2016 to August 10, 2016

Second selection period: August 17, 2016 to October 14, 2016

Contract negotiation: From October 15, 2016

Start of research: Upon completion of contract

Profile of DAIICHI SANKYO RD NOVARE CO., LTD.

Capitalization	50 million yen
Date of establishment	October 3, 2006
Location	Tokyo, Japan
President	Hidemi Masumura
Number of employees	Around 350
Core business overview	drug discovery support and clinical development

* For more information, please visit the RD Novare corporate website:

http://www.daiichisankyo-rdn.co.jp/en/aboutus/company_profile.html

Profile of ASUBIO PHARMA CO., LTD.

Capitalization	50 million yen
Date of establishment	October 16, 2009
Location	Kobe, Japan
President	Yoshiharu Minamitake
Number of employees	Around 150
Core business overview	Drug discovery and development

* For more information, please visit the Asubio Pharma corporate website:

<http://www.asubio.co.jp/eng/company/profile.html>