

For Immediate Release

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Daiichi Sankyo Signs License Agreement with Cell Therapy Ltd. for Heartcel™

Tokyo, Japan (May 10, 2016) – Daiichi Sankyo Company, Limited (hereafter, Daiichi Sankyo), today announced the signing of a license agreement with UK-based Cell Therapy Ltd. (hereafter, CTL) for an exclusive license in Japan to develop and market Heartcel™, a immune-modulatory progenitor (iMP) cell therapeutic agent for ischemic heart failure currently in development.

Heartcel^{*1} is an allogeneic iMP cell therapeutic agent^{*2} created using a new CTL proprietary method. Heartcel is to be injected into the cardiac muscle for expected therapeutic effects in patients suffering from ischemic heart failure.

In Japan, Daiichi Sankyo will develop and market Heartcel, while CTL will maintain manufacturing responsibilities for clinical trials and commercialization. Daiichi Sankyo will make a lump-sum payment to CTL on the signing of the agreement, followed by future milestone and sales royalty payments.

*1 Heartcel is derived from somatic stem cells isolated from healthy individuals which, based on cultivation under the certain conditions, have been modified to show a treatment effect on cardiac disorders. Moreover, unlike iPS cells, gene transfers do not take place.

*2 Cell therapeutic agents are classified into autologous cell therapeutic agents, which are processed and cultured from the patient's own cells, and allogeneic cell therapy agents, which are processed, cultivated and stored from another donor's cells.

Cell Therapy Ltd.

Location: Cardiff, Wales, United Kingdom

Cell Therapy Limited (CTL) is a private British regenerative medicine company that has discovered and developed a pipeline of novel cellular medicines in areas of high unmet clinical need. CTL was

founded in 2009 by Nobel Laureate Professor Martin Evans and Ajan Reginald, former Roche Global Head of Emerging Technologies. CTL's disruptive technology platform drives in-house discovery and manufacture of the pipeline of novel tissue-specific regenerative medicines. CTL are currently in the process of re-branding under the name Celixir.