



Press Release

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Daiichi Sankyo Terminates Development and Commercialization Agreement with Charleston Laboratories Regarding Hydrocodone Products in the U.S., including CL-108

Tokyo, Japan and Basking Ridge, NJ (August 31, 2017) -- Daiichi Sankyo Co., Ltd. (TSE: 4568), and its U.S. subsidiary, Daiichi Sankyo, Inc. announced today that the company has elected to terminate its 2014 development and commercialization agreement with Charleston Laboratories, forgoing further involvement with the development and commercialization of Charleston Laboratories' hydrocodone products, including CL-108 (hydrocodone, acetaminophen, promethazine) and will be returning all of its rights to those products to Charleston Laboratories.

“During a recent portfolio and U.S. market review, Daiichi Sankyo made the strategic decision to refocus our commercial efforts on our current product line in the U.S. pain franchise as well as other molecules in our pipeline,” stated Ken Keller, President, Administrative and Commercial, Daiichi Sankyo, Inc. “We would like to thank Charleston Laboratories for its partnership and commitment to patients suffering with acute pain and opioid induced nausea and vomiting. Daiichi Sankyo remains dedicated to bringing innovative medicines to patients and will continue to explore future opportunities that support our corporate strategy to expand our business and achieve long-term growth.”

Daiichi Sankyo Co., Ltd. will take an impaired loss of approximately 27.8 billion yen (250 million U.S. dollars) in the 2nd quarter consolidated financial result for FY2017 (IFRS) reflecting payments made to Charleston Laboratories under the terms of the agreement. An updated consolidated forecast for FY2017 including this impairment loss will be reported in the 2nd quarter earnings call disclosure.

About Daiichi Sankyo

Daiichi Sankyo Group is dedicated to the creation and supply of innovative pharmaceutical products to address diversified, unmet medical needs of patients in both mature and emerging markets. With over 100 years of scientific expertise and a presence in more than 20 countries, Daiichi Sankyo and its 15,000 employees around the world draw upon a rich legacy of innovation and a robust pipeline of promising new medicines to help people. In addition to a strong portfolio of medicines for hypertension and thrombotic disorders, under the Group's 2025 Vision to become a "Global Pharma Innovator with Competitive Advantage in Oncology," Daiichi Sankyo research and development is primarily focused on bringing forth novel therapies in oncology, including immuno-oncology, with additional focus on new horizon areas, such as pain management, neurodegenerative diseases, heart and kidney diseases, and other rare diseases. For more information, please visit: www.daiichisankyo.com.

Daiichi Sankyo, Inc., headquartered in Basking Ridge, New Jersey, is a member of the Daiichi Sankyo Group. For more information on Daiichi Sankyo, Inc., please visit: www.dsi.com.

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Forward-looking statements

This press release contains forward-looking statements and information about future developments in the sector, and the legal and business conditions of DAIICHI SANKYO Co., Ltd. Such forward-looking statements are uncertain and are subject at all times to the risks of change, particularly to the usual risks faced by a global pharmaceutical company, including the impact of the prices for products and raw materials, medication safety, changes in exchange rates, government regulations, employee relations, taxes, political instability and terrorism as well as the results of independent demands and governmental inquiries that affect the affairs of the company. All forward-looking statements contained in this release hold true as of the date of publication. They do not represent any guarantee of future performance. Actual events and developments could differ materially from the forward-looking statements that are explicitly expressed or implied in these statements. DAIICHI SANKYO Co., Ltd. assume no responsibility for the updating of such forward-looking statements about future developments of the sector, legal and business conditions and the company.