January 31, 2017

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Financial Results of Astellas for the First Nine Months of FY2016

Japan, January 31, 2017 – Astellas Pharma Inc. (TSE: 4503, President and CEO: Yoshihiko Hatanaka, "the Company") today announced the financial results for the first nine months (April 1, 2016 – December 31, 2016) of the fiscal year 2016 (FY2016) ending March 31, 2017.

Consolidated financial results for the first nine months of FY2016 (core basis)

(Millions of yen)

	First nine months of FY2015	**First nine months of FY2016**	Change (%)
Sales	1,065,666	**1,005,587**	-60,079 (-5.6%)
Core operating profit	233,863	**241,837**	+7,974 (+3.4%)
Core profit for the period	169,379	**177,189**	+7,810 (+4.6%)
Basic core earnings per share (yen)	78.16	**83.62**	+5.46 (+7.0%)

Cautionary Notes
In this material, statements made with respect to current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Astellas. These statements are based on management's current assumptions and beliefs in light of the information currently available to it and involve known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to: (i) changes in general economic conditions and in laws and regulations, relating to pharmaceutical markets, (ii) currency exchange rate fluctuations, (iii) delays in new product launches, (iv) the inability of Astellas to market existing and new products effectively, (v) the inability of Astellas to continue to effectively research and develop products accepted by customers in highly competitive markets, and (vi) infringements of Astellas' intellectual property rights by third parties.
Information about pharmaceutical products (including products currently in development) which is included in this material is not intended to constitute an advertisement or medical advice.

1. Qualitative information on consolidated financial results for the first nine months of FY2016

(1) Business performance

<Consolidated financial results (core basis [(Note)])>

Consolidated financial results (core basis) in the first nine months of FY2016 showed a decrease in sales and increases in core operating profit and core profit for the period, as follows.

Consolidated financial results (core basis)

(Millions of yen)

	First nine months of FY2015	**First nine months of FY2016**	Change (%)
Sales	1,065,666	**1,005,587**	-60,079 (-5.6%)
Core operating profit	233,863	**241,837**	+7,974 (+3.4%)
Core profit for the period	169,379	**177,189**	+7,810 (+4.6%)
Basic core earnings per share (yen)	78.16	**83.62**	+5.46 (+7.0%)

Research and development (R&D) expenses

(Millions of yen)

	First nine months of FY2015	**First nine months of FY2016**	Change
R&D expenses	164,996	**148,289**	-16,706

(Note) The Company discloses financial results on a core basis as an indicator of its recurring profitability. Certain items reported in financial results on a full basis that are deemed to be non-recurring items by the Company are excluded as non-core items from these financial results on a core basis. These adjusted items include impairment losses, gain/loss on sales of property, plant and equipment, restructuring costs, loss on disaster, a large amount of losses on compensation or settlement of litigations and other legal disputes, and other items that are deemed to be excluded based on the Company's judgment. A reconciliation table between results on a full basis and results on a core basis is provided on page 24 of the "Supplementary Documents for Results Q3/FY2016."

Impact of exchange rate on financial results

The exchange rates for the yen in the first nine months of FY2016 are shown in the table below. The resulting impacts were a ¥ 89.6 billion decrease in sales and a ¥ 33.6 billion decrease in core operating profit compared with if the exchange rates of the first nine months of FY2015 were applied.

Average rate	First nine months of FY2015	**First nine months of FY2016**	Change
US$/¥	122	**107**	¥15 (Strengthening of yen)
€/¥	134	**118**	¥16 (Strengthening of yen)

Change from beginning to end of period	As of December 31, 2015	**As of December 31, 2016**
US$/¥	¥0 (Weakening of yen)	**¥4 (Weakening of yen)**
€/¥	¥1 (Weakening of yen)	**¥5 (Strengthening of yen)**

Sales

Consolidated sales in the first nine months of FY2016 decreased by 5.6% compared to those in the corresponding period of the previous fiscal year ("year-on-year") to ¥1,005.6 billion.

- Consolidated sales decreased due to the impact of foreign exchange as well as the negative impacts such as a National Health Insurance ("NHI") drug price revision in Japan enforced in April 2016.
- In terms of global products, sales of XTANDI for the treatment of prostate cancer and overall overactive bladder ("OAB") treatments Vesicare and Betanis / Myrbetriq / BETMIGA were impacted by foreign exchange, but sales of each product on a local currency basis steadily increased. Sales of Prograf, an immunosuppressant, decreased.

Sales by region

*Sales by region calculated according to locations of sellers.

<Japan>

Sales in Japan decreased by 4.2% year-on-year to ¥380.1 billion. Sales in the Japanese market decreased by 7.2% year-on-year to ¥358.2 billion due to the negative impacts such as the NHI drug price revision.

- There was growth in sales of products including overall OAB treatments Vesicare and Betanis, the anti-inflammatory and anti-pain treatment Celecox, Symbicort for the treatment of bronchial asthma and Suglat for the treatment of type 2 diabetes.
- Sales of XTANDI decreased due to the NHI drug price revision.
- Sales of vaccines declined mainly due to the continued impact of the restraints of shipment by the manufacturer in FY2015 (shipments of a part of products have already been recommenced), in addition, sales of products including Lipitor for the treatment of hypercholesterolemia and Gaster for the treatment of peptic ulcer and gastritis declined, mainly due to the impact of generics.

<The Americas>

Sales in the Americas decreased by 11.6% year-on-year to ¥308.1 billion. The sales on a U.S. dollar basis increased by 0.8% year-on-year to US$2,889 million.

- Sales of XTANDI, products including overall OAB treatments VESIcare and Myrbetriq, and the pharmacologic stress agent Lexiscan decreased due to the impact of foreign exchange, while the sales of each product on a U.S. dollar basis increased.
- Sales of Prograf decreased.
- Azole antifungal CRESEMBA contributed to sales.

<EMEA*>

Sales in EMEA increased by 0.6% year-on-year to ¥252.9 billion. The sales on a euro basis increased by 14.6% year-on-year to €2,143 million.

- Sales of XTANDI grew.
- Sales of overall OAB treatments Vesicare and BETMIGA and Prograf declined mainly due to the impact of foreign exchange.

* EMEA: Europe, the Middle East and Africa.

<Asia and Oceania>

Sales in Asia and Oceania decreased by 6.3% year-on-year to ¥64.5 billion, while the sales on a constant currency exchange rate basis increased by 9.5%.

- XTANDI and overall OAB treatments Vesicare and BETMIGA showed growth in sales.
- Sales of Prograf and Harnal for the treatment of functional symptoms of benign prostatic hyperplasia declined due to the impact of foreign exchange.

Core operating profit / Core profit for the period

- Gross profit decreased by 5.1% year-on-year to ¥754.8 billion along with a decrease in sales. The cost-to-sales ratio fell by 0.4 percentage points year-on-year to 24.9%, mainly owing to changes in the product mix.
- Selling, general and administrative expenses and research and development ("R&D") expenses decreased by 7.2% year-on-year to ¥336.7 billion and by 10.1% year-on-year to ¥148.3 billion respectively partly due to the foreign exchange rate impact. The R&D cost-to-sales ratio was down 0.7 percentage points year-on-year to 14.7%.
- Amortisation of intangible assets decreased by 19.3% year-on-year to ¥26.7 billion.

As a result of the above, core operating profit increased by 3.4% year-on-year to ¥241.8 billion.
Consequently, core profit for the period increased by 4.6% year-on-year to ¥177.2 billion and basic core earnings per share increased by 7.0% year-on-year to ¥83.62.

Resulting from the transfer of the global dermatology business in April 2016, the sales and the expenses of the transferred products were not included in the first nine months of FY2016. On the other hand, the consideration for the business transfer was recognized as revenue over certain periods. As a result, there were certain positive impacts on sales and profit for the first nine months of FY2016.

<Consolidated financial results (full basis)>

Consolidated financial results on a full basis in the first nine months of FY2016 are shown in the table below. Sales decreased while operating profit, profit before tax and profit for the period increased.

The full basis financial results include “other income” (including net foreign exchange gains), “other expense” (including impairment losses, loss on sales of property, plant and equipment, restructuring costs, and net foreign exchange losses), and gain on sales of available-for-sale financial assets (included in “finance income”) which are excluded from the core basis financial results.
“Other income” in the first nine months of FY2016 was ¥6.6 billion (¥1.1 billion in the same period of the previous fiscal year). “Other expense” in the first nine months of FY2016 was ¥17.1 billion (¥19.4 billion in the same period of the previous fiscal year). Gain on sales of available-for-sale financial assets in the first nine months of FY2016 was ¥12.7 billion (¥12.1 billion in the same period of the previous fiscal year).

Consolidated financial results (full basis)

(Millions of yen)

	First nine months of FY2015	**First nine months of FY2016**	Change (%)
Sales	1,065,666	**1,005,587**	-60,079 (-5.6%)
Operating profit	215,599	**231,289**	+15,690 (+7.3%)
Profit before tax	228,463	**243,898**	+15,435 (+6.8%)
Profit for the period	164,547	**178,800**	+14,253 (+8.7%)
Basic earnings per share (yen)	75.93	**84.38**	+8.45 (+11.1%)
Comprehensive income	166,544	**170,919**	+4,375 (+2.6%)

(2) Financial position

i. Assets, equity and liabilities

An overview of the consolidated statement of financial position as of December 31, 2016 and the main changes from the end of the previous fiscal year are shown below.

Assets

Total assets saw an increase of ¥54.6 billion compared to the end of the previous fiscal year to ¥1,853.9 billion.

<Non-current assets> ¥953.2 billion (an increase of ¥51.4 billion)

- Goodwill and other intangible asset increased by ¥29.0 billion and ¥62.6 billion respectively due to the completion of the acquisition of Ganymed Pharmaceuticals AG in the third quarter ended December 31, 2016.
- As a result, total goodwill increased by ¥34.1 billion compared to the end of the previous fiscal year to ¥187.3 billion, and other intangible assets increased by ¥44.3 billion compared to the end of the previous fiscal year to ¥380.5 billion.

<Current assets> ¥900.8 billion (an increase of ¥3.2 billion)

- Cash and cash equivalents decreased by ¥11.4 billion compared to the end of the previous fiscal year to ¥348.7 billion.

Equity

Total equity as of December 31, 2016 saw an increase of ¥54.3 billion compared to the end of the previous fiscal year to ¥1,313.6 billion, making the ratio of owners' equity to gross assets 70.9%.

- While profit for the period stood at ¥178.8 billion, the Company paid ¥70.1 billion of dividends of surplus and executed a ¥46.7 billion acquisition of own shares.
- Cancellation of treasury shares totaling ¥110.2 billion (68 million shares) was carried out in June 2016.

Liabilities

Total liabilities increased by ¥0.3 billion compared to the end of the previous fiscal year to ¥540.4 billion.

<Non-current liabilities> ¥140.3 billion (an increase of ¥13.6 billion)
<Current liabilities> ¥400.1 billion (a decrease of ¥13.3 billion)

ii. Cash flow

An overview of the consolidated statement of cash flow in the first nine months of FY2016, and the main year-on-year comparison are shown below.

Cash flows from operating activities

Net cash flows from operating activities increased year-on-year by ¥11.7 billion to ¥186.4 billion.

- Income tax paid was ¥52.7 billion.

Cash flows from investing activities

Net cash flows used in investing activities was ¥70.8 billion, an increase in outflow of ¥2.3 billion year-on-year.

- The main outflows included cash of ¥50.9 billion used for the purchase of shares of subsidiaries due to the acquisition of Ganymed Pharmaceuticals AG, cash of ¥21.1 billion used for the purchases of property, plant and equipment, and cash of ¥15.2 billion used for the purchase of intangible assets.
- On the other hand, proceeds from sales of available-for-sale financial assets provided cash of ¥17.5 billion.

Cash flows from financing activities

Net cash flows used in financing activities was ¥120.2 billion, a decrease in outflow of ¥42.9 billion year-on-year.

- Dividends paid totaled ¥70.1 billion. Other outflow included cash of ¥46.7 billion used for the acquisition of own shares.

As a result of the above, cash and cash equivalents totaled ¥348.7 billion as of December 31, 2016, a decrease of ¥11.4 billion compared to the end of the previous fiscal year.

(3) Consolidated business forecasts for FY2016 and other forward-looking statements

The Company's business forecasts for FY2016 are presented on a core basis and full basis. The consolidated full-year business forecasts FY2016 are shown below. The Company has chosen to leave its business forecasts unchanged from the consolidated full-year business forecasts announced in October 2016 because it does not expect large deviations from the forecasts.

Consolidated full-year business forecasts (core basis)

(Millions of yen)

	FY2015 Results	**FY2016 Forecasts**	Change (%)
Sales	1,372,706	**1,300,000**	-72,706 (-5.3%)
Core operating profit	267,456	**274,000**	+6,544 (+2.4%)
Core profit for the year	198,802	**202,000**	+3,198 (+1.6%)
Basic core earnings per share (yen)	92.12	**95.60**	+3.48 (+3.8%)

Consolidated full-year business forecasts (full basis)

(Millions of yen)

	FY2015 Results	**FY2016 Forecasts**	Change (%)
Sales	1,372,706	**1,300,000**	-72,706 (-5.3%)
Operating profit	248,986	**267,000**	+18,014 (+7.2%)
Profit before tax	261,770	**268,000**	+6,230 (+2.4%)
Profit for the year	193,687	**198,000**	+4,313 (+2.2%)
Basic earnings per share (yen)	89.75	**93.71**	+3.96 (+4.4%)

Expected exchange rate for

FY2016	**¥103/US$**	**¥117/€**
FY2015 (Result)	¥120/US$	¥133/€

(Note1) The definition of financial results on a core basis is described in page 2.
(Note2) The forecasts for basic core earnings per share and basic earnings per share reflect acquisitions of own shares carried out from October 31 to December 22, 2016.

2. Matters Related to Summary Information (Notes)

(1) Changes in Accounting Policies and Accounting Estimates

The significant accounting policies adopted for the condensed interim consolidated financial statements of Astellas Pharma Inc. and its subsidiaries (collectively, the“Group”) for the nine months ended 31 December 2016 are the same as those applied for its consolidated financial statements for the fiscal year ended 31 March 2016.

The Group calculated income tax expense for the nine months ended 31 December 2016 based on the estimated average annual effective tax rate.

3. Condensed Interim Consolidated Financial Statements
(1) Condensed Interim Consolidated Statement of Income

(Millions of yen)

	Nine months ended 31 December 2015	Nine months ended 31 December 2016
Sales	1,065,666	1,005,587
Cost of sales	(270,492)	(250,763)
Gross profit	795,174	754,824
Selling, general and administrative expenses	(362,690)	(336,666)
Research and development expenses	(164,996)	(148,289)
Amortisation of intangible assets	(33,151)	(26,743)
Share of losses of associates and joint ventures	(475)	(1,289)
Other income	1,102	6,580
Other expense	(19,366)	(17,128)
Operating profit	215,599	231,289
Finance income	13,799	14,035
Finance expense	(936)	(1,426)
Profit before tax	228,463	243,898
Income tax expense	(63,916)	(65,098)
Profit for the period	164,547	178,800
Profit attributable to:		
Owners of the parent	164,547	178,800
Earnings per share		
Basic (Yen)	75.93	84.38
Diluted (Yen)	75.82	84.26

(2) Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended 31 December 2015	Nine months ended 31 December 2016
Profit for the period	164,547	178,800
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurements of defined benefit plans	2,497	(404)
Subtotal	2,497	(404)
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation adjustments	590	1,985
Fair value movements on available-for-sale financial assets	(1,090)	(9,461)
Subtotal	(500)	(7,476)
Other comprehensive income, net of tax	1,997	(7,881)
Total comprehensive income	166,544	170,919
Total comprehensive income attributable to:		
Owners of the parent	166,544	170,919

(3) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	As of 31 March 2016	As of 31 December 2016
Assets		
Non-current assets		
Property, plant and equipment	200,955	188,714
Goodwill	153,121	187,267
Other intangible assets	336,261	380,522
Trade and other receivables	24,103	29,136
Investments in associates and joint ventures	2,435	2,391
Deferred tax assets	80,733	79,345
Other financial assets	89,424	71,580
Other non-current assets	14,769	14,221
Total non-current assets	901,801	953,176
Current assets		
Inventories	161,691	159,874
Trade and other receivables	327,599	347,939
Income tax receivable	16,403	3,847
Other financial assets	14,394	22,666
Other current assets	17,221	17,777
Cash and cash equivalents	360,030	348,660
Sub total	897,337	900,763
Assets held for sale	200	—
Total current assets	897,537	900,763
Total assets	1,799,338	1,853,939

(Millions of yen)

	As of 31 March 2016	As of 31 December 2016
Equity and liabilities		
Equity		
Share capital	103,001	103,001
Capital surplus	176,903	177,032
Treasury shares	(157,111)	(93,137)
Retained earnings	973,054	970,922
Other components of equity	163,363	155,735
Total equity attributable to owners of the parent	1,259,209	1,313,552
Total equity	1,259,209	1,313,552
Liabilities		
Non-current liabilities		
Trade and other payables	1,599	842
Deferred tax liabilities	—	18,789
Retirement benefit liabilities	39,797	41,384
Provisions	7,083	5,497
Other financial liabilities	722	18,617
Other non-current liabilities	77,569	55,197
Total non-current liabilities	126,769	140,326
Current liabilities		
Trade and other payables	181,559	162,234
Income tax payable	19,312	14,877
Provisions	89,858	111,579
Other financial liabilities	1,505	8,740
Other current liabilities	121,126	102,630
Total current liabilities	413,359	400,061
Total liabilities	540,129	540,387
Total equity and liabilities	1,799,338	1,853,939

(4) Condensed Interim Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	
					Subscription rights to shares	Foreign currency translation adjustments
As of 1 April 2015	103,001	176,822	(86,997)	905,083	2,241	177,306
Comprehensive income						
Profit for the period	―	―	―	164,547	―	―
Other comprehensive income	―	―	―	―	―	590
Total comprehensive income	―	―	―	164,547	―	590
Transactions with owners of the parent						
Acquisition of treasury shares	―	―	(92,671)	―	―	―
Disposals of treasury shares	―	―	219	(106)	(113)	―
Cancellation of treasury shares	―	―	49,577	(49,577)	―	―
Dividends	―	―	―	(69,615)	―	―
Share-based payments	―	46	―	―	73	―
Transfers	―	―	―	2,497	―	―
Total transactions with owners of the parent	―	46	(42,874)	(116,800)	(41)	―
As of 31 December 2015	103,001	176,868	(129,871)	952,830	2,200	177,895

As of 1 April 2016	103,001	176,903	(157,111)	973,054	2,126	132,134
Comprehensive income						
Profit for the period	―	―	―	178,800	―	―
Other comprehensive income	―	―	―	―	―	1,985
Total comprehensive income	―	―	―	178,800	―	1,985
Transactions with owners of the parent						
Acquisition of treasury shares	―	―	(46,665)	―	―	―
Disposals of treasury shares	―	(78)	420	(190)	(151)	―
Cancellation of treasury shares	―	―	110,219	(110,219)	―	―
Dividends	―	―	―	(70,119)	―	―
Share-based payments	―	207	―	―	―	―
Transfers	―	―	―	(404)	―	―
Total transactions with owners of the parent	―	129	63,973	(180,932)	(151)	―
As of 31 December 2016	103,001	177,032	(93,137)	970,922	1,975	134,119

(Millions of yen)

	Equity attributable to owners of the parent				Total equity
	Other components of equity			Total	
	Fair value movements on available-for-sale financial assets	Remeasurements of defined benefit plans	Total		
As of 1 April 2015	40,461	—	220,007	1,317,916	1,317,916
Comprehensive income					
Profit for the period	—	—	—	164,547	164,547
Other comprehensive income	(1,090)	2,497	1,997	1,997	1,997
Total comprehensive income	(1,090)	2,497	1,997	166,544	166,544
Transactions with owners of the parent					
Acquisition of treasury shares	—	—	—	(92,671)	(92,671)
Disposals of treasury shares	—	—	(113)	0	0
Cancellation of treasury shares	—	—	—	—	—
Dividends	—	—	—	(69,615)	(69,615)
Share-based payments	—	—	73	119	119
Transfers	—	(2,497)	(2,497)	—	—
Total transactions with owners of the parent	—	(2,497)	(2,538)	(162,167)	(162,167)
As of 31 December 2015	39,371	—	219,466	1,322,294	1,322,294

As of 1 April 2016	29,103	—	163,363	1,259,209	1,259,209
Comprehensive income					
Profit for the period	—	—	—	178,800	178,800
Other comprehensive income	(9,461)	(404)	(7,881)	(7,881)	(7,881)
Total comprehensive income	(9,461)	(404)	(7,881)	170,919	170,919
Transactions with owners of the parent					
Acquisition of treasury shares	—	—	—	(46,665)	(46,665)
Disposals of treasury shares	—	—	(151)	1	1
Cancellation of treasury shares	—	—	—	—	—
Dividends	—	—	—	(70,119)	(70,119)
Share-based payments	—	—	—	207	207
Transfers	—	404	404	—	—
Total transactions with owners of the parent	—	404	253	(116,576)	(116,576)
As of 31 December 2016	19,642	—	155,735	1,313,552	1,313,552

(5) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended 31 December 2015	Nine months ended 31 December 2016
Cash flows from operating activities		
Profit before tax	228,463	243,898
Depreciation and amortisation	53,023	47,485
Impairment losses and reversal of impairment losses	9,309	10,145
Finance income and expense	(12,864)	(12,610)
(Increase) decrease in inventories	7,954	(1,092)
(Increase) decrease in trade and other receivables	(50,480)	(26,235)
Increase (decrease) in trade and other payables	(42,655)	(6,698)
Other	44,476	(15,829)
Cash generated from operations	237,227	239,065
Income tax paid	(62,546)	(52,661)
Net cash flows from operating activities	174,681	186,403
Cash flows from investing activities		
Purchases of property, plant and equipment	(28,630)	(21,136)
Proceeds from sales of property, plant and equipment	1,646	645
Purchase of intangible assets	(55,765)	(15,241)
Purchase of available-for-sale financial assets	(522)	(476)
Proceeds from sales of available-for-sale financial assets	16,450	17,503
Acquisition of subsidiaries, net of cash acquired	—	(50,915)
Interest and dividends received	1,784	1,289
Other	(3,458)	(2,458)
Net cash flows used in investing activities	(68,495)	(70,790)
Cash flows from financing activities		
Acquisition of treasury shares	(92,671)	(46,665)
Dividends paid to owners of the parent	(69,615)	(70,119)
Other	(795)	(3,429)
Net cash flows used in financing activities	(163,081)	(120,213)
Effect of exchange rate changes on cash and cash equivalents	919	(6,771)
Net increase (decrease) in cash and cash equivalents	(55,976)	(11,370)
Cash and cash equivalents at the beginning of the year	396,430	360,030
Cash and cash equivalents at the end of the period	340,454	348,660

(6) Notes to condensed interim consolidated financial statements

Notes on going concern assumption

Not applicable.

Business Combinations

For the nine months ended 31 December 2016

Acquisition of Ocata Therapeutics, Inc.

On 10 February 2016, Ocata Therapeutics, Inc. (The company name was changed to Astellas Institute for Regenerative Medicine in May 2016.) became a consolidated subsidiary of Astellas Pharma Inc. through a tender offer to purchase all issued and outstanding shares of common stock in cash.

During the nine months ended 31 December 2016, further facts came to light and additional analysis was performed on the fair value measurement of the assets acquired and liabilities assumed at the acquisition date. As a result, the provisional fair values were adjusted as follows:

(Millions of yen)

	Provisional fair value	Fair value adjustments	Provisional fair value (as adjusted)
Property, plant and equipment	151	－	151
Other intangible assets	17,456	(3,136)	14,321
Deferred tax assets	3,167	513	3,679
Cash and cash equivalents	1,084	－	1,084
Other assets	41	－	41
Other liabilities	(2,494)	－	(2,494)
Fair value of assets acquired and liabilities assumed (net)	19,405	(2,623)	16,782
Goodwill	24,332	2,623	26,955
Total	43,737	－	43,737
Fair value of purchase consideration transferred (cash)	43,737	－	43,737

Due to the adjustments to the provisional fair values at the acquisition date, the Group retrospectively revised the corresponding balances in the condensed interim consolidated statement of financial position as of 31 March 2016. As a result, “Goodwill” and “Deferred tax assets” increased by 2,460 million yen and 481 million yen, respectively, while “Other intangible assets” decreased by 2,941 million yen.

The initial accounting for the business combination is incomplete as of 31 December 2016 as the Group is still in the process of finalizing the fair value measurement.

Acquisition of Ganymed Pharmaceuticals AG

(1) Outline of the business combination

(i) Name and business description of the acquiree

Name of the acquiree: Ganymed Pharmaceuticals AG (“Ganymed”)

Business description: Development of antibodies against cancer

(ii) Acquisition date

20 December 2016

(iii) Percentage of voting equity interests acquired

100%

(iv) Acquisition method

Acquisition of all shares of common stock in cash with contingent consideration to be paid when certain milestones are achieved in the future.

(v) Primary reasons for the business combination

Ganymed is a formerly privately-held biopharmaceutical company founded in 2001 and focuses on the development of a new class of cancer drugs. Ganymed has several oncology pipeline assets in pre-clinical and clinical stages including IMAB362. Through the acquisition, Astellas will expand its oncology pipeline with antibody program in the late-stage to build upon its leading oncology franchise as a platform for sustainable growth.

(2) The fair values of assets acquired, liabilities assumed and purchase consideration transferred as at the date of the acquisition are as follows:

(Millions of yen)

Property, plant and equipment	272
Other intangible assets	62,275
Cash and cash equivalents	629
Other assets	1,103
Deferred tax liabilities	(18,679)
Other liabilities	(5,066)
Fair value of assets acquired and liabilities assumed (net)	40,534
Goodwill	28,799
Total	69,333
Cash	51,544
Contingent consideration	17,789
Total fair value of purchase consideration transferred	69,333

Certain items above reflect provisional amounts based on reasonable information obtained at 31 December 2016 as the purchase price allocation is incomplete.

Goodwill mainly comprises the value of expected synergies arising from the acquisition and future economic benefits, which is not separately recognised.

(3) Contingent consideration

The contingent consideration relates to certain milestones based on progress in the development of IMAB362, Ganymed's clinical program. Potential future cash outflows associated with the contingent consideration total 860 million euros (105,522 million yen). The fair value of the contingent consideration is calculated based on the success probability of the clinical program adjusted for the time value of money.

The movement of the contingent consideration for the nine months ended 31 December 2016 is as follows:

(Millions of yen)

Balance at 1 April 2016	―
Business combination	17,789
Settlements	―
Movement of fair value	―
Exchange differences	105
Balance at 31 December 2016	17,894

(4) Cash flow information

(Millions of yen)

Total fair value of purchase consideration transferred	69,333
Fair value of contingent consideration included in purchase consideration transferred	(17,789)
Cash and cash equivalents held by the acquiree	(629)
Acquisition of subsidiaries, net of cash acquired	50,915

(5) Acquisition-related costs

Acquisition-related costs: 125 million yen

Acquisition-related costs were recognised in selling, general and administrative expenses in the condensed interim consolidated statement of income.

(6) Effect on the condensed interim consolidated statement of income

(i) Profit (loss) before tax of the acquiree since the acquisition date included in the condensed interim consolidated statement of income: Immaterial

(ii) Profit (loss) before tax of the combined entity for the nine months ended 31 December 2016 assuming the acquisition date had been at the beginning of the fiscal year (unaudited): (3,800) million yen

(Note) This effect is calculated based on the business results of Ganymed from 1 April 2016 to the acquisition date.

Supplementary Documents [IFRS]

Financial results for the first nine months of the fiscal year 2016 (FY2016)

Astellas Pharma Inc.

- Q3/FY2016 Financial Results
  - Nine months ended December 31, 2016
  - Three months ended December 31, 2016
- Pipeline list

Cautionary Notes
In this material, statements made with respect to current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Astellas. These statements are based on management's current assumptions and beliefs in light of the information currently available to it and involve known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to: (i) changes in general economic conditions and in laws and regulations, relating to pharmaceutical markets, (ii) currency exchange rate fluctuations, (iii) delays in new product launches, (iv) the inability of Astellas to market existing and new products effectively, (v) the inability of Astellas to continue to effectively research and develop products accepted by customers in highly competitive markets, and (vi) infringements of Astellas' intellectual property rights by third parties.
Information about pharmaceutical products (including products currently in development) which is included in this material is not intended to constitute an advertisement or medical advice.

[Nine months ended December 31, 2016]

1. Consolidated Results (Full Basis)

Unit: B¥

	FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 Change (%)
Sales	1,065.7	1,005.6	-60.1	-5.6%	1,372.7	1,300.0	-5.3%
Cost of sales	270.5	250.8	-19.7	-7.3%	335.6		
Ratio to Sales	25.4%	24.9%			24.4%		
Gross profit	795.2	754.8	-40.3	-5.1%	1,037.1		
SG&A expenses	362.7	336.7	-26.0	-7.2%	500.4		
Ratio to Sales	34.0%	33.5%			36.5%		
Advertising and Sales Promotion	125.1	105.1	-19.9	-15.9%	169.1		
Personnel expenses	137.3	129.7	-7.5	-5.5%	186.1		
Other	100.4	101.8	1.4	1.4%	145.1		
R&D expenses	165.0	148.3	-16.7	-10.1%	225.7	216.0	-4.3%
Ratio to Sales	15.5%	14.7%			16.4%	16.6%	
Amortisation of intangible assets	33.2	26.7	-6.4	-19.3%	42.4		
Share of profits/losses of associates and joint ventures	-0.5	-1.3	-0.8	-	-1.2		
Other income	1.1	6.6	5.5	496.9%	1.7		
Net foreign exchange gains	-	4.3	4.3	-	-		
Other expense	19.4	17.1	-2.2	-11.6%	20.2		
Impairment losses	9.5	11.9	2.3	24.6%	9.5		
Net foreign exchange losses	7.0	-	-7.0	-	7.0		
Operating profit	215.6	231.3	15.7	7.3%	249.0	267.0	7.2%
Ratio to Sales	20.2%	23.0%			18.1%	20.5%	
Finance income	13.8	14.0	0.2	1.7%	14.4		
Gain on sales of available-for-sale financial assets	12.1	12.7	0.7	5.5%	12.3		
Finance expense	0.9	1.4	0.5	52.5%	1.6		
Impairment losses for available-for-sale financial assets	0.1	0.4	0.3	202.0%	0.4		
Profit before tax	228.5	243.9	15.4	6.8%	261.8	268.0	2.4%
Ratio to Sales	21.4%	24.3%			19.1%	20.6%	
Income tax expense	63.9	65.1	1.2	1.8%	68.1		
Profit for the period	164.5	178.8	14.3	8.7%	193.7	198.0	2.2%
Ratio to Sales	15.4%	17.8%			14.1%	15.2%	
Comprehensive income	166.5	170.9	4.4	2.6%	130.9		

2. Consolidated Results (Core Basis)

Unit: B¥

	FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 Change (%)
Sales	1,065.7	1,005.6	-60.1	-5.6%	1,372.7	1,300.0	-5.3%
Cost of sales	270.5	250.8	-19.7	-7.3%	335.6		
Ratio to Sales	25.4%	24.9%			24.4%		
Gross profit	795.2	754.8	-40.3	-5.1%	1,037.1		
SG&A expenses	362.7	336.7	-26.0	-7.2%	500.4		
Ratio to Sales	34.0%	33.5%			36.5%		
Advertising and Sales Promotion	125.1	105.1	-19.9	-15.9%	169.1		
Personnel expenses	137.3	129.7	-7.5	-5.5%	186.1		
Other	100.4	101.8	1.4	1.4%	145.1		
R&D expenses	165.0	148.3	-16.7	-10.1%	225.7	216.0	-4.3%
Ratio to Sales	15.5%	14.7%			16.4%	16.6%	
Amortisation of intangible assets	33.2	26.7	-6.4	-19.3%	42.4		
Share of profits/losses of associates and joint ventures	-0.5	-1.3	-0.8	-	-1.2		
Operating profit	233.9	241.8	8.0	3.4%	267.5	274.0	2.4%
Ratio to Sales	21.9%	24.0%			19.5%	21.1%	
Finance income	1.7	1.3	-0.4	-24.6%	2.1		
Finance expense	0.6	1.0	0.5	82.9%	1.0		
Profit before Tax	235.1	242.1	7.1	3.0%	268.6		
Ratio to Sales	22.1%	24.1%			19.6%		
Income tax expense	65.7	64.9	-0.7	-1.1%	69.8		
Profit for the period	169.4	177.2	7.8	4.6%	198.8	202.0	1.6%
Ratio to Sales	15.9%	17.6%			14.5%	15.5%	

3. Exchange Rate

Unit: yen

	FY15 APR. - DEC.Ave.	FY16 APR. - DEC.Ave.	FY15 End	FY16 3Q End	FY15 Full Year	Forecasts FY16 Full Year
USD/Yen	122	107	113	116	120	103
EUR/Yen	134	118	128	123	133	117

* Exchange rate fluctuations had negative impact by 89.6 billion yen on sales and negative impact by 33.6 billion yen on Core operating profit in Q3/FY2016

4. Reconciliation of Full Basis to Core Basis

Unit: B¥

	FY15 APR. - DEC.			FY16 APR. - DEC.		
	Full basis	Adjustment	Core basis	Full basis	Adjustment	Core basis
Sales	**1,065.7**	**-**	**1,065.7**	**1,005.6**	**-**	**1,005.6**
Cost of sales	270.5	-	270.5	250.8	-	250.8
Gross profit	**795.2**	**-**	**795.2**	**754.8**	**-**	**754.8**
SG&A expenses	362.7	-	362.7	336.7	-	336.7
R&D expenses	165.0	-	165.0	148.3	-	148.3
Amortisation of intangible assets	33.2	-	33.2	26.7	-	26.7
Share of losses of associates and joint ventures	-0.5	-	-0.5	-1.3	-	-1.3
Other income *1	1.1	-1.1	-	6.6	-6.6	-
Other expense *1	19.4	-19.4	-	17.1	-17.1	-
Operating profit	**215.6**	**18.3**	**233.9**	**231.3**	**10.5**	**241.8**
Finance income *2	13.8	-12.1	1.7	14.0	-12.7	1.3
Finance expense *2	0.9	-0.4	0.6	1.4	-0.4	1.0
Profit before tax	**228.5**	**6.6**	**235.1**	**243.9**	**-1.8**	**242.1**
Income tax expense	63.9	1.8	65.7	65.1	-0.2	64.9
Profit for the period	**164.5**	**4.8**	**169.4**	**178.8**	**-1.6**	**177.2**

*1. “Other income” and “Other expense” are excluded from Full basis results.
“Other income” and “Other expense” include gain/loss on sale and disposal of property, plant and equipment, impairment losses, loss on the restructuring, litigation costs and foreign exchange gains/losses, etc.

*2. Gain/loss on sale of available-for-sale (“AFS”) and impairment losses of AFS included in “Finance income” and “Finance expense” are excluded from Full basis results as non-core items.

5. Sales by Region

Unit: B¥

			FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 Change (%)
Sales			1,065.7	1,005.6	-60.1	-5.6%	1,372.7	1,300.0	-5.3%
	Japan		396.8	380.1	-16.7	-4.2%	497.2	483.7	-2.7%
		Ratio to Sales	37.2%	37.8%			36.2%	37.2%	
	Americas		348.7	308.1	-40.6	-11.6%	455.1	409.1	-10.1%
		Ratio to Sales	32.7%	30.6%			33.2%	31.5%	
	EMEA		251.4	252.9	1.6	0.6%	329.3	322.1	-2.2%
		Ratio to Sales	23.6%	25.2%			24.0%	24.8%	
	Asia and Oceania		68.8	64.5	-4.3	-6.3%	91.1	85.1	-6.6%
		Ratio to Sales	6.5%	6.4%			6.6%	6.5%	

- Calculated according to locations of sellers.
- EMEA: Europe, Middle East and Africa

6. Depreciation/Amortisation

Unit: B¥

		FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 Change (%)
Depreciation (PP&E)								
	Consolidated	15.5	16.3	0.8	5.3%	21.0	22.0	5.0%
Amortisation (Intangible Assets) *								
	Consolidated	37.6	31.2	-6.4	-16.9%	48.2	41.0	-15.0%

* Amortisation (Intangible Assets): Including amortisation of software, etc.

7. Sales of major products

1) Sales of global products

Unit: B¥

	FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 Change (%)
XTANDI	188.8	189.2	0.5	0.2%	252.1	265.7	5.4%
US	112.9	100.4	-12.5	-11.0%	148.4	143.7	-3.1%
ex-US	75.9	88.8	12.9	17.0%	103.7	122.0	17.6%
Japan	20.2	18.0	-2.2	-10.8%	26.2	24.3	-7.2%
Americas (ex-US)	3.4	5.2	1.8	53.8%	4.5	7.2	59.9%
EMEA	50.7	63.1	12.5	24.6%	70.7	86.8	22.9%
Asia and Oceania	1.7	2.5	0.8	47.8%	2.4	3.7	54.9%
Eligard	13.7	12.1	-1.6	-11.9%	17.6	15.3	-12.9%
EMEA	13.5	11.9	-1.7	-12.2%	17.4	15.0	-13.5%
Asia and Oceania	0.2	0.2	0.0	19.1%	0.2	0.3	35.9%
Vesicare	104.8	89.3	-15.6	-14.9%	135.6	114.9	-15.3%
Japan	20.6	20.0	-0.6	-2.9%	26.5	26.1	-1.5%
Americas	49.0	40.6	-8.5	-17.2%	63.7	51.0	-19.9%
EMEA	30.9	24.7	-6.2	-20.1%	39.8	32.5	-18.4%
Asia and Oceania	4.0	3.7	-0.3	-7.6%	5.3	5.1	-3.0%
Betanis/Myrbetriq/BETMIGA	60.1	71.6	11.5	19.2%	81.7	95.1	16.4%
Japan	15.8	19.6	3.8	24.1%	21.2	26.9	26.6%
Americas	33.4	39.0	5.6	16.7%	45.7	50.6	10.7%
EMEA	10.1	10.7	0.5	5.1%	13.4	14.5	8.5%
Asia and Oceania	0.8	2.4	1.6	205.3%	1.4	3.1	117.0%
Harnal/Omnic	41.8	35.7	-6.1	-14.7%	53.4	44.1	-17.5%
Sales by Astellas	39.3	34.3	-5.0	-12.6%	50.4	42.1	-16.4%
Japan	10.1	7.3	-2.8	-28.0%	12.7	9.0	-28.7%
EMEA	12.3	10.5	-1.8	-14.8%	15.4	13.2	-14.2%
Asia and Oceania	16.3	15.8	-0.5	-2.9%	21.5	19.9	-7.7%
Bulk and Royalties	2.5	1.3	-1.2	-46.8%	3.0	1.9	-35.5%
Prograf	157.5	142.2	-15.2	-9.7%	203.6	182.9	-10.2%
Sales by Astellas	155.2	140.2	-15.0	-9.6%	200.7	180.5	-10.1%
Japan (Including Graceptor)	39.0	38.1	-1.0	-2.5%	49.8	48.4	-2.7%
Americas	26.9	20.7	-6.2	-23.2%	34.6	26.6	-23.3%
EMEA	60.2	53.5	-6.7	-11.2%	77.9	68.7	-11.8%
Advagraf	23.9	22.6	-1.3	-5.5%	31.1		
Asia and Oceania	29.0	28.0	-1.0	-3.5%	38.4	36.8	-4.3%
Exports to third parties	2.3	2.0	-0.3	-12.0%	2.8	2.4	-14.9%
Funguard/MYCAMINE	32.0	30.7	-1.2	-3.8%	41.6	38.2	-8.3%
Japan	9.3	8.9	-0.3	-3.7%	11.7	11.0	-5.7%
Americas	10.0	9.1	-1.0	-9.7%	13.0	11.1	-14.7%
EMEA	8.5	8.4	-0.1	-0.9%	11.2	10.3	-8.5%
Asia and Oceania	4.2	4.4	0.2	4.5%	5.7	5.8	1.7%

- Sales of products in Japan are shown in a gross sales basis.
- EMEA: Europe, Middle East and Africa

2) Sales of products in Japan

Unit: B¥

<Global products>	FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 Change (%)
XTANDI	20.2	18.0	-2.2	-10.8%	26.2	24.3	-7.2%
Vesicare	20.6	20.0	-0.6	-2.9%	26.5	26.1	-1.5%
Betanis	15.8	19.6	3.8	24.1%	21.2	26.9	26.6%
Harnal	10.1	7.3	-2.8	-28.0%	12.7	9.0	-28.7%
Prograf （Including Graceptor ）	39.0	38.1	-1.0	-2.5%	49.8	48.4	-2.7%
Funguard	9.3	8.9	-0.3	-3.7%	11.7	11.0	-5.7%
<Local products in Japan>							
Micardis [Family]	76.9	73.4	-3.6	-4.6%	97.2	94.7	-2.6%
Micombi	8.0	7.4	-0.7	-8.3%	10.1		
Micamlo	20.3	20.4	0.1	0.4%	26.0		
Celecox	36.2	37.0	0.9	2.5%	46.6	48.3	3.8%
Symbicort	28.9	30.6	1.7	6.0%	37.4	40.1	7.2%
Bonoteo	11.0	10.8	-0.2	-1.5%	14.1	14.0	-0.7%
Geninax	8.6	7.9	-0.7	-8.5%	10.8	10.0	-7.7%
Vaccines	38.6	31.6	-7.1	-18.3%	41.1	30.2	-26.6%
Argamate	4.8	4.5	-0.2	-5.0%	6.2	6.0	-3.4%
Kiklin	1.2	1.2	-0.1	-5.0%	1.6	1.6	-0.3%
Gonax	3.0	3.4	0.4	13.9%	3.9	4.5	15.5%
Cimzia	5.0	6.0	0.9	18.3%	6.6	8.0	21.9%
Suglat	5.5	7.3	1.8	33.1%	7.3	9.7	32.9%
Lipitor	24.8	18.5	-6.3	-25.3%	30.9	22.6	-26.8%
Myslee	14.2	11.6	-2.6	-18.6%	17.9	14.6	-18.3%
Gaster	11.8	8.5	-3.3	-27.8%	14.7	10.7	-27.4%
Seroquel	8.5	6.0	-2.4	-28.8%	10.5	7.4	-29.2%
Total Rx Sales In Japanese market	386.1	358.2	-28.0	-7.2%	483.0	453.0	-6.2%

- Sales of products in Japan are shown in a gross sales basis.

3) Sales of products in Americas and EMEA

Unit: B¥

	FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 Change (%)
Tarceva	37.3	27.7	-9.6	-25.7%	46.8		
(US)	27.1	20.4	-6.8	-24.9%	33.8		
(ex-US)	10.1	7.3	-2.8	-27.6%	13.0		
Scan* (Americas)	58.8	51.8	-7.0	-11.9%	76.2	67.7	-11.2%
AmBisome (Americas)	8.2	7.8	-0.4	-5.2%	10.9	9.7	-10.9%
CRESEMBA (Americas)	1.7	4.1	2.4	139.0%	2.6	5.8	122.3%
Qutenza** (EMEA)	1.6	1.5	-0.0	-2.7%	2.1		
DIFICLIR (EMEA)	2.0	1.6	-0.4	-20.0%	2.6		

* Adenoscan + Lexiscan

** Astellas Pharma Europe Ltd. has entered into a definitive agreement with Grünenthal in December 2016.
The exclusive rights for Qutenza will be transfered to Grünenthal under the agreement.

- EMEA: Europe, Middle East and Africa

4) Sales in Americas and EMEA (Local currency)

Unit: M$

Americas	FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 (%)
Sales	2,865	2,889	24	0.8%	3,788	3,986	5.2%
XTANDI	955	990	35	3.7%	1,272	1,470	15.5%
US	927	942	14	1.5%	1,235	1,400	13.4%
Americas (ex-US)	28	49	21	75.5%	37	70	87.1%
Tarceva	306	260	-46	-15.2%	389		
US	223	191	-32	-14.3%	281		
ex-US	83	69	-15	-17.4%	108		
VESIcare	403	380	-22	-5.5%	530	497	-6.3%
Myrbetriq	275	366	91	33.2%	380	493	29.6%
Prograf	221	194	-27	-12.3%	288	259	-10.3%
Scan*	483	486	3	0.5%	634	660	4.0%
MYCAMINE	82	85	2	3.0%	109	108	-0.2%
AmBisome	68	73	6	8.2%	91	95	4.3%
CRESEMBA	14	39	24	172.8%	22	56	160.2%

* Adenoscan + Lexiscan

Unit: M€

EMEA	FY15 APR. - DEC.	FY16 APR. - DEC.	Change	Change (%)	FY15 Full Year	Forecasts FY16 Full Year	Change from FY15 (%)
Sales	1,871	2,143	272	14.6%	2,484	2,763	11.3%
XTANDI	377	535	158	41.9%	533	745	39.8%
Eligard	101	101	-0	-0.1%	131	129	-1.6%
Vesicare	230	209	-21	-9.0%	300	279	-7.2%
BETMIGA	75	90	15	19.7%	101	125	23.4%
Omnic	110	100	-10	-9.2%	139	130	-6.3%
Sales by Astellas	91	89	-3	-3.0%	116	114	-2.4%
Bulk and Royalties	19	11	-7	-39.5%	23	17	-26.6%
Prograf	465	470	5	1.1%	609	610	0.2%
Sales by Astellas	448	453	5	1.1%	588	590	0.3%
Advagraf	178	192	13	7.6%	234		
Exports to third parties	17	17	0	0.1%	21	21	-3.2%
MYCAMINE	63	71	8	12.8%	85	88	4.1%
Qutenza*	12	13	1	10.7%	16		
DIFICLIR	15	13	-1	-8.9%	20		

* Astellas Pharma Europe Ltd. has entered into a definitive agreement with Grünenthal in December 2016.
The exclusive rights for Qutenza will be transfered to Grünenthal under the agreement.

- EMEA: Europe, Middle East and Africa

8.Consolidated statements of financial position

Unit: B¥

			31-Mar-16	31-Dec-16	
			Amount	Amount	Change
Assets			**1,799.3**	**1,853.9**	**54.6**
	Non-current assets		**901.8**	**953.2**	**51.4**
		Property, plant and equipment	201.0	188.7	-12.2
		Goodwill	153.1	187.3	34.1
		Other intangible assets	336.3	380.5	44.3
		Trade and other receivables	24.1	29.1	5.0
		Investments in associates and joint ventures	2.4	2.4	-0.0
		Deferred tax assets	80.7	79.3	-1.4
		Other financial assets	89.4	71.6	-17.8
		Other non-current assets	14.8	14.2	-0.5
	Current assets		**897.5**	**900.8**	**3.2**
		Inventories	161.7	159.9	-1.8
		Trade and other receivables	327.6	347.9	20.3
		Income tax receivable	16.4	3.8	-12.6
		Other financial assets	14.4	22.7	8.3
		Other current assets	17.2	17.8	0.6
		Cash and cash equivalents	360.0	348.7	-11.4
		Assets held for sale	0.2	-	-0.2

- Due to the adjustments of the provisional fair value for the acquisition of Ocata Therepeutics, Inc. (The company name was changed to Astellas Institute for Regenerative Medicine in May 2016.), consolidated statement of financial position as of 31 March, 2016 was retrospectively revised. For the details, refer to Financial Results P.18

Unit: B¥

	31-Mar-16	31-Dec-16	
	Amount	Amount	Change
Equity and Liabilities	**1,799.3**	**1,853.9**	**54.6**
Equity	**1,259.2**	**1,313.6**	**54.3**
Equity attributable to owners of the parent	**1,259.2**	**1,313.6**	**54.3**
Share capital	103.0	103.0	-
Capital surplus	176.9	177.0	0.1
Treasury shares	-157.1	-93.1	64.0
Retained earnings	973.1	970.9	-2.1
Other components of equity	163.4	155.7	-7.6
Liabilities	**540.1**	**540.4**	**0.3**
Non-current liabilities	**126.8**	**140.3**	**13.6**
Trade and other payables	1.6	0.8	-0.8
Deferred tax liabilities	-	18.8	18.8
Retirement benefit liabilities	39.8	41.4	1.6
Provisions	7.1	5.5	-1.6
Other financial liabilities	0.7	18.6	17.9
Other non-current liabilities	77.6	55.2	-22.4
Current liabilities	**413.4**	**400.1**	**-13.3**
Trade and other payables	181.6	162.2	-19.3
Income tax payable	19.3	14.9	-4.4
Provisions	89.9	111.6	21.7
Other financial liabilities	1.5	8.7	7.2
Other current liabilities	121.1	102.6	-18.5

[Three months ended December 31, 2016]

1. Consolidated Results (Full Basis)

Unit: B¥

	FY16					
	APR.-JUN. (Quarterly)	Change (%)	JUL.-SEP. (Quarterly)	Change (%)	OCT.-DEC. (Quarterly)	Change (%)
Sales	337.8	-1.7%	313.9	-8.7%	353.9	-6.4%
Cost of sales	71.5	-20.7%	74.7	-4.6%	104.6	2.4%
Ratio to Sales	21.2%		23.8%		29.5%	
Gross profit	266.3	5.0%	239.2	-9.9%	249.4	-9.7%
SG&A expenses	111.9	-5.7%	109.0	-10.0%	115.8	-5.8%
Ratio to Sales	33.1%		34.7%		32.7%	
Advertising and Sales Promotion	35.8	-13.9%	33.4	-19.9%	35.9	-13.9%
Personnel expenses	43.5	-3.5%	42.0	-9.2%	44.3	-3.7%
Other	32.6	1.9%	33.6	1.3%	35.6	1.1%
R&D expenses	51.0	-8.9%	48.6	-13.2%	48.6	-8.2%
Ratio to Sales	15.1%		15.5%		13.7%	
Amortisation of intangible assets	9.0	-17.5%	8.7	-20.8%	9.0	-19.7%
Share of profits/losses of associates and joint ventures	-0.4	-	-0.3	-	-0.5	-
Other income	0.2	-81.8%	0.1	-44.0%	6.7	-
Net foreign exchange gains	-	-	-	-	4.8	-
Other expense	1.3	-81.7%	8.5	22.8%	7.9	32.2%
Impairment losses	-	-	7.6	-	4.2	43.8%
Net foreign exchange losses	0.4	-	0.1	-97.8%	-	-
Operating profit	92.9	50.0%	64.2	-9.2%	74.2	-10.5%
Ratio to Sales	27.5%		20.4%		21.0%	
Finance income	1.2	-79.8%	1.2	-84.0%	11.9	-
Gain on sales of available-for-sale financial assets	0.7	-88.1%	0.9	-85.8%	11.1	-
Finance expense	0.9	225.1%	0.8	166.0%	0.0	-93.2%
Impairment losses for available-for-sale financial assets	0.3	888.3%	0.1	14.2%	0.0	-36.3%
Profit before tax	93.2	37.7%	64.6	-16.9%	86.1	3.7%
Ratio to Sales	27.6%		20.6%		24.3%	
Income tax expense	26.6	15.3%	16.1	-17.0%	22.4	4.5%
Profit for the period	66.6	49.3%	48.5	-16.9%	63.7	3.4%
Ratio to Sales	19.7%		15.4%		18.0%	
Comprehensive income	-34.0	-	36.7	11.0%	168.3	172.8%

2. Consolidated Results (Core Basis)

Unit: B¥

	FY16					
	APR.-JUN. (Quarterly)	Change (%)	JUL.-SEP. (Quarterly)	Change (%)	OCT.-DEC. (Quarterly)	Change (%)
Sales	337.8	-1.7%	313.9	-8.7%	353.9	-6.4%
Cost of sales	71.5	-20.7%	74.7	-4.6%	104.6	2.4%
Ratio to Sales	21.2%		23.8%		29.5%	
Gross profit	266.3	5.0%	239.2	-9.9%	249.4	-9.7%
SG&A expenses	111.9	-5.7%	109.0	-10.0%	115.8	-5.8%
Ratio to Sales	33.1%		34.7%		32.7%	
Advertising and Sales Promotion	35.8	-13.9%	33.4	-19.9%	35.9	-13.9%
Personnel expenses	43.5	-3.5%	42.0	-9.2%	44.3	-3.7%
Other	32.6	1.9%	33.6	1.3%	35.6	1.1%
R&D expenses	51.0	-8.9%	48.6	-13.2%	48.6	-8.2%
Ratio to Sales	15.1%		15.5%		13.7%	
Amortisation of intangible assets	9.0	-17.5%	8.7	-20.8%	9.0	-19.7%
Share of profits/losses of associates and joint ventures	-0.4	-	-0.3	-	-0.5	-
Operating profit	94.0	38.5%	72.5	-6.3%	75.4	-15.0%
Ratio to Sales	27.8%		23.1%		21.3%	
Finance income	0.6	2.8%	0.2	-67.8%	0.8	74.6%
Finance expense	0.6	624.3%	0.7	213.0%	-	-
Profit before Tax	93.9	37.5%	72.1	-7.5%	76.2	-14.3%
Ratio to Sales	27.8%		23.0%		21.5%	
Income tax expense	26.8	15.1%	18.6	-1.7%	19.5	-16.6%
Profit for the period	67.1	49.1%	53.4	-9.3%	56.6	-13.5%
Ratio to Sales	19.9%		17.0%		16.0%	

3. Sales by Region

Unit: B¥

			FY16					
			APR.-JUN. (Quarterly)	Change (%)	JUL.-SEP. (Quarterly)	Change (%)	OCT.-DEC. (Quarterly)	Change (%)
Sales			337.8	-1.7%	313.9	-8.7%	353.9	-6.4%
	Japan		124.2	-1.1%	113.0	-7.0%	142.9	-4.5%
		Ratio to Sales	36.8%		36.0%		40.4%	
	Americas		107.6	-6.3%	99.1	-16.1%	101.4	-12.4%
		Ratio to Sales	31.8%		31.6%		28.7%	
	EMEA		85.3	4.4%	80.8	0.3%	86.9	-2.5%
		Ratio to Sales	25.3%		25.7%		24.5%	
	Asia and Oceania		20.7	-3.8%	21.1	-11.0%	22.7	-3.9%
		Ratio to Sales	6.1%		6.7%		6.4%	

- Calculated according to locations of sellers.
- EMEA: Europe, Middle East and Africa

4. Depreciation/Amortisation

Unit: B¥

		FY16					
		APR.-JUN. (Quarterly)	Change (%)	JUL.-SEP. (Quarterly)	Change (%)	OCT.-DEC. (Quarterly)	Change (%)
Depreciation (PP&E)							
	Consolidated	5.5	9.9%	5.4	2.9%	5.4	3.3%
Amortisation (Intangible Assets) *							
	Consolidated	10.4	-15.4%	10.2	-18.7%	10.6	-16.7%

* Amortisation (Intangible Assets): Including amortisation of software, etc.

5. Sales of major products

1) Sales of global products

Unit: B¥

	FY16					
	APR.-JUN. (Quarterly)	Change (%)	JUL.-SEP. (Quarterly)	Change (%)	OCT.-DEC. (Quarterly)	Change (%)
XTANDI	64.2	8.7%	61.7	-2.4%	63.3	-4.8%
US	35.7	-1.4%	32.6	-14.8%	32.1	-16.4%
ex-US	28.5	24.8%	29.1	16.4%	31.2	11.2%
Japan	6.1	-10.7%	5.7	-9.0%	6.2	-12.6%
Americas (ex-US)	1.8	70.0%	1.8	45.1%	1.7	48.1%
EMEA	20.0	37.0%	20.8	22.8%	22.4	16.9%
Asia and Oceania	0.7	62.5%	0.9	47.4%	0.9	38.4%
Eligard	4.4	-0.1%	3.4	-21.8%	4.2	-13.6%
EMEA	4.4	-0.6%	3.4	-22.4%	4.1	-13.6%
Asia and Oceania	0.1	59.5%	0.1	27.9%	0.1	-12.8%
Vesicare	30.4	-14.0%	29.4	-14.5%	29.5	-16.1%
Japan	7.0	1.7%	6.0	-6.7%	7.0	-3.8%
Americas	13.6	-20.5%	14.1	-13.3%	12.9	-17.9%
EMEA	8.7	-14.8%	7.9	-22.3%	8.2	-23.0%
Asia and Oceania	1.2	-3.3%	1.2	-15.7%	1.4	-3.5%
Betanis/Myrbetriq/BETMIGA	23.6	30.1%	22.1	10.9%	25.9	17.7%
Japan	6.4	32.5%	5.9	21.5%	7.2	19.4%
Americas	12.9	31.4%	12.1	4.5%	13.9	16.5%
EMEA	3.5	6.4%	3.4	0.9%	3.8	8.0%
Asia and Oceania	0.7	606.9%	0.7	351.4%	1.0	89.7%
Harnal/Omnic	12.1	-14.6%	11.3	-12.3%	12.2	-17.0%
Sales by Astellas	11.5	-13.3%	11.0	-11.3%	11.8	-13.2%
Japan	2.6	-25.1%	2.3	-30.7%	2.5	-28.2%
EMEA	3.7	-22.5%	3.1	-5.4%	3.7	-13.6%
Asia and Oceania	5.2	3.3%	5.3	-5.2%	5.4	-6.0%
Bulk and Royalties	0.6	-34.4%	0.4	-33.1%	0.4	-64.7%
Prograf	49.4	-1.9%	44.8	-17.4%	48.1	-9.1%
Sales by Astellas	48.7	-2.4%	43.9	-17.5%	47.6	-8.5%
Japan (Including Graceptor)	12.9	1.4%	11.9	-6.2%	13.3	-2.7%
Americas	7.7	-8.4%	6.4	-33.8%	6.6	-25.4%
EMEA	19.0	-2.8%	16.6	-19.0%	17.8	-11.3%
Advagraf	7.9	5.1%	7.1	-14.3%	7.6	-6.4%
Asia and Oceania	9.0	-1.3%	9.0	-12.9%	10.0	4.5%
Exports to third parties	0.8	45.6%	0.9	-13.7%	0.4	-46.7%
Funguard/MYCAMINE	10.0	-2.5%	10.1	-6.5%	10.6	-2.3%
Japan	2.7	-7.0%	2.9	-7.0%	3.3	2.6%
Americas	3.1	-4.9%	2.9	-16.8%	3.1	-7.2%
EMEA	2.8	-2.8%	2.8	1.1%	2.8	-1.0%
Asia and Oceania	1.5	14.9%	1.5	4.2%	1.4	-4.0%

- Sales of products in Japan are shown in a gross sales basis.
- EMEA: Europe, Middle East and Africa

2) Sales of products in Japan

Unit: B¥

	FY16					
	APR.-JUN.	Change	JUL.-SEP.	Change	OCT.-DEC.	Change
<Global products>	(Quarterly)	(%)	(Quarterly)	(%)	(Quarterly)	(%)
XTANDI	6.1	-10.7%	5.7	-9.0%	6.2	-12.6%
Vesicare	7.0	1.7%	6.0	-6.7%	7.0	-3.8%
Betanis	6.4	32.5%	5.9	21.5%	7.2	19.4%
Harnal	2.6	-25.1%	2.3	-30.7%	2.5	-28.2%
Prograf （Including Graceptor ）	12.9	1.4%	11.9	-6.2%	13.3	-2.7%
Funguard	2.7	-7.0%	2.9	-7.0%	3.3	2.6%
<Local products in Japan>						
Micardis [Family]	24.7	-0.4%	22.1	-6.8%	26.6	-6.5%
Micombi	2.5	-4.8%	2.2	-10.3%	2.6	-9.9%
Micamlo	6.8	5.2%	6.2	-1.2%	7.4	-2.2%
Celecox	12.4	4.9%	11.7	1.2%	12.9	1.4%
Symbicort	9.8	9.3%	8.8	3.6%	11.9	5.2%
Bonoteo	3.6	-0.8%	3.3	-1.3%	3.8	-2.4%
Geninax	2.5	-12.5%	1.8	-9.3%	3.6	-5.2%
Vaccines	3.8	-42.4%	7.3	-1.5%	20.5	-16.9%
Argamate	1.5	-0.4%	1.4	-6.8%	1.5	-7.6%
Kiklin	0.4	-1.6%	0.4	-10.3%	0.4	-3.0%
Gonax	1.1	14.7%	1.1	10.7%	1.2	16.0%
Cimzia	1.9	20.8%	1.9	18.4%	2.1	16.0%
Suglat	2.3	14.9%	2.3	58.2%	2.7	33.7%
Lipitor*	6.4	-22.8%	5.7	-27.8%	6.3	-25.5%
Myslee	3.9	-15.8%	3.7	-19.9%	4.0	-20.1%
Gaster	3.0	-24.6%	2.6	-30.5%	2.9	-28.2%
Seroquel	2.2	-25.3%	1.8	-32.1%	2.0	-29.3%
Total Rx Sales In Japanese market	114.8	-6.1%	107.0	-9.1%	136.4	-6.7%

- Sales of products in Japan are shown in a gross sales basis.

3) Sales of products in Americas and EMEA

Unit: B¥

	FY16					
	APR.-JUN.	Change	JUL.-SEP.	Change	OCT.-DEC.	Change
	(Quarterly)	(%)	(Quarterly)	(%)	(Quarterly)	(%)
Tarceva	9.4	-28.4%	8.5	-31.5%	9.8	-16.5%
(US)	6.8	-30.2%	6.4	-28.4%	7.2	-15.4%
(ex-US)	2.6	-23.3%	2.1	-39.5%	2.6	-19.5%
Scan* (Americas)	19.3	-7.3%	16.1	-18.8%	16.4	-9.7%
AmBisome (Americas)	2.4	-12.9%	2.3	-14.6%	3.1	12.1%
CRESEMBA (Americas)	1.3	346.4%	1.2	120.7%	1.6	84.0%
Qutenza** (EMEA)	0.6	10.3%	0.5	3.4%	0.5	-19.8%
DIFICLIR (EMEA)	0.6	-6.9%	0.5	-27.6%	0.5	-24.9%

* Adenoscan + Lexiscan

** Astellas Pharma Europe Ltd. has entered into a definitive agreement with Grünenthal in December 2016.
The exclusive rights for Qutenza will be transfered to Grünenthal under the agreement.

- EMEA: Europe, Middle East and Africa

4) Sales in Americas and EMEA (Local currency)

Unit: M$

Americas	FY16 APR.-JUN. (Quarterly)	Change (%)	JUL.-SEP. (Quarterly)	Change (%)	OCT.-DEC. (Quarterly)	Change (%)
Sales	995	5.2%	968	0.2%	927	-2.8%
XTANDI	347	12.9%	336	3.9%	308	-5.3%
US	330	10.7%	318	1.7%	293	-7.3%
Americas (ex-US)	16	90.8%	17	72.9%	15	64.2%
Tarceva	87	-19.6%	83	-18.1%	90	-7.1%
US	63	-21.6%	62	-14.5%	66	-5.8%
ex-US	24	-13.9%	21	-27.4%	24	-10.5%
VESIcare	126	-10.7%	137	3.3%	118	-9.0%
Myrbetriq	119	47.5%	119	24.7%	128	29.7%
Prograf	71	2.8%	63	-20.8%	60	-17.3%
Scan*	178	4.0%	158	-2.7%	150	0.0%
MYCAMINE	29	6.7%	28	-0.6%	28	3.1%
AmBisome	23	-2.2%	23	1.9%	28	25.2%
CRESEMBA	12	400.9%	12	162.7%	15	105.8%

* Adenoscan + Lexiscan

Unit: M€

EMEA	FY16 APR.-JUN. (Quarterly)	Change (%)	JUL.-SEP. (Quarterly)	Change (%)	OCT.-DEC. (Quarterly)	Change (%)
Sales	699	14.8%	706	19.3%	738	10.2%
XTANDI	164	50.6%	181	45.5%	190	32.2%
Eligard	36	9.3%	30	-7.0%	35	-2.4%
Vesicare	71	-6.3%	69	-7.4%	69	-13.1%
BETMIGA	29	16.9%	29	20.0%	32	22.0%
Omnic	35	-16.9%	31	8.7%	34	-13.8%
Sales by Astellas	30	-14.8%	28	13.2%	31	-2.4%
Bulk and Royalties	5	-27.8%	3	-18.6%	3	-60.0%
Prograf	162	8.2%	153	-3.2%	155	-1.4%
Sales by Astellas	156	6.8%	146	-3.4%	151	0.2%
Advagraf	65	15.6%	62	2.1%	64	5.7%
Exports to third parties	6	59.8%	7	1.8%	4	-39.7%
MYCAMINE	23	6.9%	24	20.0%	24	11.8%
Qutenza*	5	21.3%	4	23.4%	4	-9.3%
DIFICLIR	5	2.4%	4	-13.5%	4	-15.2%

* Astellas Pharma Europe Ltd. has entered into a definitive agreement with Grünenthal in December 2016.
The exclusive rights for Qutenza will be transfered to Grünenthal under the agreement.

- EMEA: Europe, Middle East and Africa

R&D Pipeline (As of January 2017)

Underlined items indicate for changes from the previous announcement on October 28, 2016.

1. Global Development

(1) Filed

*Compounds with "In-house" in this column include ones discovered by collaborative research. (The same applicable hereafter.)

Code No. Generic Name	Classification	Target Disease	Area / Phase	Dosage Form	Licensor*	Remarks
MDV3100 enzalutamide	Androgen receptor inhibitor	Metastatic castration-resistant prostate cancer (Tablet)	Europe Filed (Mar. 2016)	Oral	Pfizer	New formulation
		Castration-resistant prostate cancer (Tablet)	Japan Filed (Sept. 2016)			

(2) Phase-III / Phase-II (1/4)

Code No. Generic Name	Classification	Target Disease	Area / Phase	Dosage Form	Licensor	Remarks
MDV3100 enzalutamide	Androgen receptor inhibitor	Non-metastatic castration-resistant prostate cancer	US/Europe/Asia Phase-III	Oral	Pfizer	New indication
		Prostate cancer in patients with non-metastatic biochemical recurrence	US/Europe/Asia Phase-III			New indication
		Metastatic hormone-sensitive prostate cancer	US/Europe/Japan/Asia Phase-III			New indication
		Triple-negative breast cancer	US/Europe/Japan/Asia Phase-III			New indication
		Breast cancer (ER/PR positive, HER2 positive)	US/Europe Phase-II			New indication
		Hepatocellular carcinoma	US/Europe/Asia Phase-II			New indication

(2) Phase-III / Phase-II (2/4)

Code No. Generic Name	Classification	Target Disease	Area / Phase	Dosage Form	Licensor	Remarks
ASP0113 (VCL-CB01)	DNA vaccine for cytomegalovirus	Cytomegalovirus reactivation in hematopoietic cell transplant recipients	US/Europe/Japan Phase-III	Injection	Vical	
YM905 solifenacin	Muscarine M_3 receptor antagonist	Neurogenic detrusor overactivity in pediatric patients	US/Europe Phase-III	Oral	In-house	New indication (pediatric)
EB178 solifenacin/ mirabegron	Concomitant use of solifenacin and mirabegron	Urinary frequency, urinary incontinence or urgency associated with overactive bladder	US/Europe/Asia Phase-III	Oral	In-house	
fidaxomicin	Macrocyclic antibiotic	Infectious enteritis (bacterial target: *Clostridium difficile*)	Japan Phase-III	Oral	Merck	
		Clostridium difficile infection in pediatric patients	Europe Phase-III			New indication (pediatric)
ASP015K peficitinib	JAK inhibitor	Rheumatoid arthritis	Japan/Asia Phase-III US/Europe Phase-II	Oral	In-house	
ASP1517 (FG-4592) roxadustat	HIF stabilizer	Anemia associated with chronic kidney disease in patients not on dialysis and on dialysis	Europe Phase-III Japan Phase-III	Oral	FibroGen	

(2) Phase-III / Phase-II (3/4)

Code No. Generic Name	Classification	Target Disease	Area / Phase	Dosage Form	Licensor	Remarks
ASP2215 gilteritinib	FLT3/AXL inhibitor	Acute myeloid leukemia	US/Europe/Japan/Asia Phase-III	Oral	In-house	
ASP8273	Mutant-selective irreversible EGFR inhibitor	Non-small cell lung cancer	US/Europe/Japan/Asia Phase-III	Oral	In-house	
YM178 mirabegron	Beta 3 receptor agonist	Neurogenic detrusor overactivity in pediatric patients	Europe Phase-III	Oral	In-house	New indication (pediatric)
YM311 (FG-2216)	HIF stabilizer	Renal anemia	Europe Phase-II Japan Phase-I	Oral	FibroGen	
ASKP1240 bleselumab	Anti-CD40 monoclonal antibody	Recurrence of focal segmental glomerulosclerosis in de novo kidney transplant recipients	US Phase-II	Injection	Kyowa Hakko Kirin	
ASP1707	GnRH antagonist	Endometriosis	Europe/Japan Phase-II	Oral	In-house	
		Rheumatoid arthritis	Japan Phase-II			
ASP8232	VAP-1 inhibitor	Diabetic nephropathy	Europe Phase-II	Oral	In-house	
CK-2127107	Fast skeletal troponin activator	Spinal muscular atrophy	US Phase-II	Oral	Cytokinetics	
		Chronic obstructive pulmonary disease	US Phase-II			

(2) Phase-III / Phase-II (4/4)

Code No. Generic Name	Classification	Target Disease	Area / Phase	Dosage Form	Licensor	Remarks
ASP7962	TrkA inhibitor	Osteoarthritis	Europe Phase-II	Oral	In-house	
AGS-16C3F	ADC targeting ENPP3	Renal cell carcinoma	US/Europe Phase-II	Injection	In-house (ADC technology in-licensed from Seattle Genetics)	
RPE cell program	Cell therapy (Retinal pigment epithelium cell)	Dry age-related macular degeneration, Stargardt's macular degeneration	US Phase-II	Injection	In-house (Astellas Institute for Regenerative Medicine)	
ASP8062	$GABA_B$ receptor positive allosteric modulator	Fibromyalgia	US Phase-II	Oral	In-house	
ASP0819	$Calcium^{2+}$-activated K^+ channel opener	Fibromyalgia	US Phase-II	Oral	In-house	
IMAB362	Anti-Claudin 18.2 monoclonal antibody	Gastroesophageal adenocarcinoma	Europe Phase-II	Injection	In-house (Ganymed)	
ASG-22ME enfortumab vedotin	ADC targeting nectin-4	Urothelial cancer	US Phase-II	Injection	In-house (co-development with Seattle Genetics)	
ASP3662	11beta-HSD1 inhibitor	Agitation associated with Alzheimer's disease	US Phase-II	Oral	In-house	

2. Local Development: Japan

(1) Approved

Code No. Generic Name	Product Name (Approval Date)	Classification	Target Disease	Area	Dosage Form	Licensor	Remarks
ASP0456 linaclotide	LINZESS (Dec. 2016)	Guanylate cyclase-C receptor agonist	Irritable bowel syndrome with constipation	Japan	Oral	Ironwood	

(2) Filed

Code No. Generic Name	Classification	Target Disease	Area / Phase	Dosage Form	Licensor	Remarks
FK949E quetiapine	Serotonin / dopamine antagonist	Improvement of depressive symptoms associated with bipolar disorder (Extended-release tablet)	Japan Filed (Aug. 2016)	Oral	AstraZeneca	
AMG 785 romosozumab	Anti-Sclerostin monoclonal antibody	Osteoporosis for those at high risk of fracture	Japan Filed (Dec. 2016)	Injection	Amgen (co-development with Amgen Astellas)	

(3) Phase-III / Phase-II

Code No. Generic Name	Classification	Target Disease	Area / Phase	Dosage Form	Licensor	Remarks
ASP3550 degarelix	GnRH antagonist	Prostate cancer (3-month formulation)	Japan Phase-III	Injection	Ferring	New formulation
ipragliflozin/ sitagliptin	Fixed dose combination of ipragliflozin and sitagliptin	Type 2 diabetes mellitus	Japan Phase-III	Oral	In-house (co-development with MSD and Kotobuki)	
ASP1941 ipragliflozin	SGLT2 inhibitor	Type 1 diabetes mellitus	Japan Phase-III	Oral	In-house (co-development with Kotobuki)	New indication
ASP0456 linaclotide	Guanylate cyclase-C receptor agonist	Chronic constipation	Japan Phase-III	Oral	Ironwood	New indication
AMG 103 blinatumomab	Anti-CD19 BiTE	Acute lymphoblastic leukemia	Japan Phase-II	Injection	Amgen (co-development with Amgen Astellas)	

3. Phase-I

Code No. Generic Name	Target Disease	Dosage Form	Licensor
ASG-15ME	Urothelial cancer	Injection	In-house (co-development with Seattle Genetics)
ASP5878	Cancer	Oral	In-house
AGS67E	Lymphoid malignancies	Injection	In-house (ADC technology in-licensed from Seattle Genetics)
ASP5094	Rheumatoid arthritis	Injection	In-house
ASP4132	Cancer	Oral	In-house
ASP4345	Cognitive impairment associated with schizophrenia	Oral	In-house
ASP6282	Underactive bladder	Oral	In-house
ASP4070 (JRC2-LAMP-vax)	Pollinosis caused by Japanese red cedar	Injection	Immunomic Therapeutics
ASP7398	Nocturia	Oral	In-house
ASP6294	Bladder pain syndrome / Interstitial cystitis	Injection	In-house
ASP7266	Severe asthma	Injection	In-house
ASP0892	Peanut allergy	Injection	Immunomic Therapeutics
AGS62P1	Acute myeloid leukemia	Injection	In-house (ADC technology, EuCODE license from Ambrx)
ASP1807 (CC8464)	Neuropathic pain	Oral	Chromocell
ASP8302	Underactive bladder	Oral	In-house

4. Discontinued

(1) Filed/Phase II

Code No.	Target Disease	Area / Phase	Reason
ASP7374	Prophylaxis of seasonal influenza	Japan Filed	Excercised the right to terminate the agreement with UMN Pharma. Withdrew the application for marketing approval based on the comprehensive consideration.
ASP7373	Prophylaxis of H5N1 influenza	Japan Phase-II	Excercised the right to terminate the agreement with UMN Pharma.

(2) Phase-I

Code No.	Target Disease
ASP2205	Stress urinary incontinence

(3) Discontinued in a part of indication

Code No. Generic Name	Target Disease	Area / Phase	Reason
ASP2215 gilteritinib	Non-small cell lung cancer	US/Japan/Asia Phase-I	The Phase-I study was terminated due to adverse events in combination therapy.

5. Other items changed from the previous quarterly announcement on October 28, 2016

-Removed the description of Kiklin granules approved in Japan in September 2016.