Q3/FY2017 FINANCIAL RESULTS
ENDED DECEMBER 31, 2017



Chikashi Takeda
Chief Financial Officer
Astellas Pharma Inc.
January 31, 2018

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

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 Pharma. 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.

AGENDA

I Q3/FY2017 Financial Results

II Initiatives to Build Resilience for Sustainable Growth

III Profit Distribution Policy

Q3/FY2017 FINANCIAL RESULTS (CORE BASIS)

On-track toward FY2017 FCST

(billion yen)	Q3/FY16	Q3/FY17	Change	FY17 FCST*	Achieve-ment	Excl impacts from Fx and business transfer
Net sales	**1,005.6**	**999.4**	**-0.6%**	**1,297.0**	**77.1%**	-1.3%
Cost of sales	250.8	238.9	-4.7%			
% of sales	24.9%	23.9%				
SG&A expenses	336.7	350.0	+4.0%			
% of sales	33.5%	35.0%				
R&D expenses	148.3	161.6	+9.0%	218.0	74.1%	
% of sales	14.7%	16.2%		16.8%		
Amortisation of intangible	26.7	27.0	+0.9%			
Share of associates/JVs losses	- 1.3	- 1.4	-			
Core operating profit	**241.8**	**220.5**	**-8.8%**	**258.0**	**85.4%**	-2.6%
Core profit for the period	**177.2**	**167.9**	**-5.3%**	**201.0**	**83.5%**	

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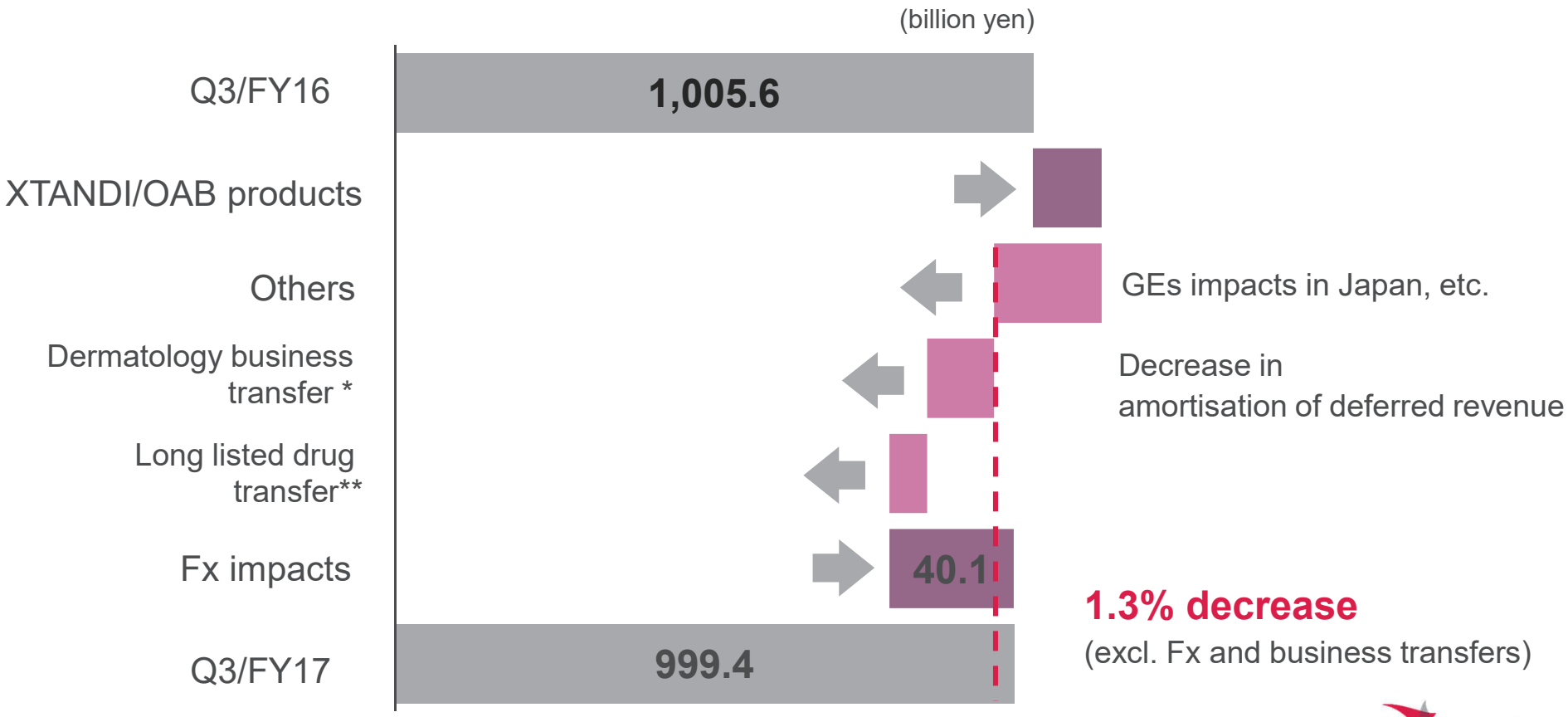
* Revised in Oct. 2017

SALES ANALYSIS (YEAR ON YEAR)

Growth drivers in good shape,
slight decrease in net sales due to GEs impacts in Japan

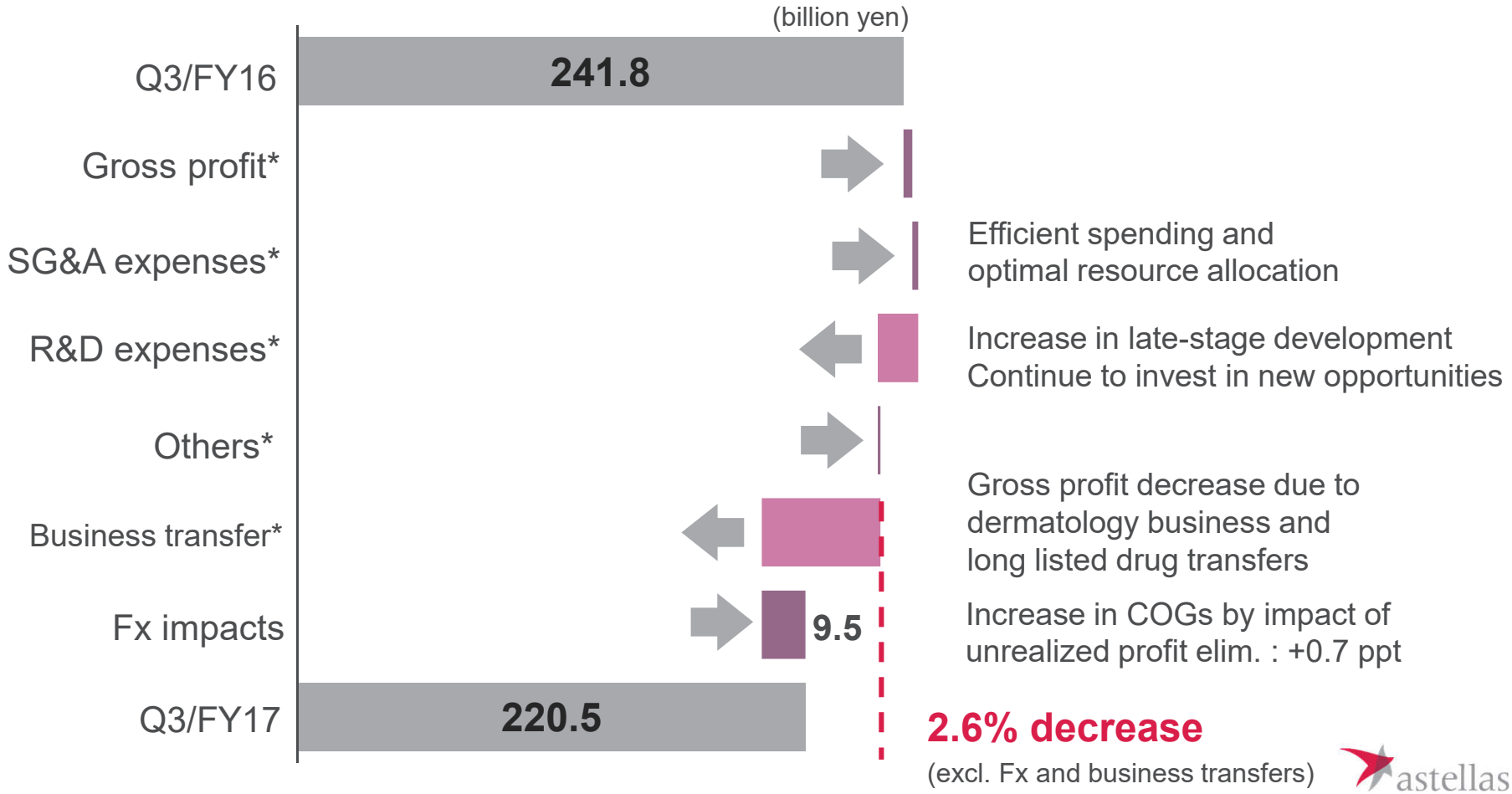


*Dermatology business transfer: Decrease in amortisation of deferred revenue
**Long listed drug transfer: Amortisation of deferred revenue in Q3/FY17 – Sales of transferred products in Q3/FY16

OAB : Overactive bladder,
OAB products : Vesicare＋Betanis/Myrbetriq/BETMIGA

CORE OP ANALYSIS (YEAR ON YEAR)

Development costs for late-stage projects, etc. increased



*Fx impacts excluded from each item

Q3/FY2017 FINANCIAL RESULTS (FULL BASIS)

On-track toward FY2017 FCST

(billion yen)	Q3/FY16	Q3/FY17	Change	FY17FCST*	Achieve-ment
Core operating profit	**241.8**	**220.5**	**-8.8%**	**258.0**	**85.4%**
Other income	6.6	10.4	+58.8%		
Other expenses	17.1	51.2	+198.7%		
Operating profit	**231.3**	**179.8**	**-22.3%**	**222.0**	**81.0%**
Financial income	14.0	6.1	-56.9%		
Financial loss	1.4	1.2	-16.0%		
Profit before tax	243.9	184.6	-24.3%	228.0	81.0%
Profit for the period	**178.8**	**142.6**	**-20.2%**	**180.0**	**79.2%**
EPS (yen)	**84.38**	**69.84**	**-17.2%**	**88.44**	**79.0%**

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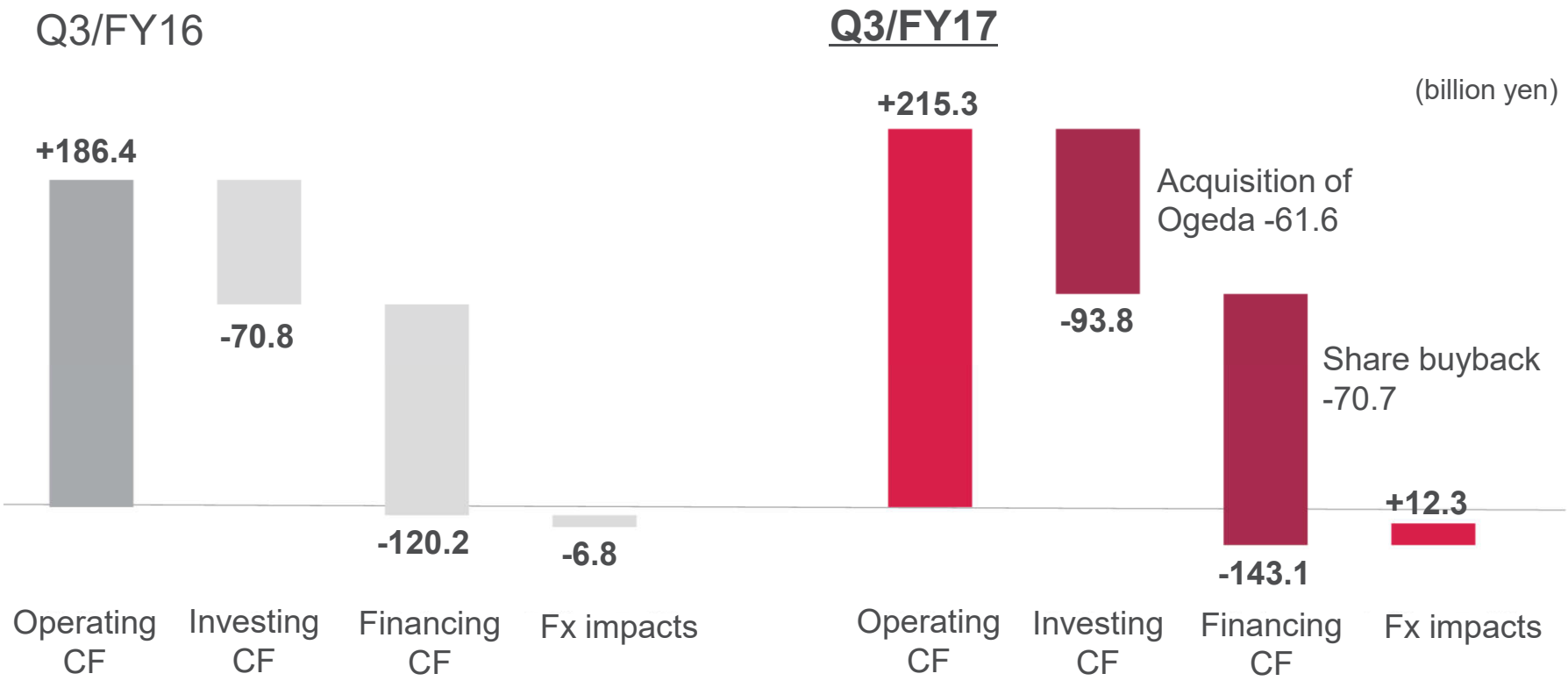
* Revised in Oct. 2017

CASH FLOW ANALYSIS

Cash flows from operating activities increased by 16% (YoY)
Implemented active business investment and flexible shareholder return



SALES IN THREE KEY AREAS

XTANDI, OAB franchise increase on a global basis

(billion yen)	Q3/FY16	Q3/FY17	Change	CER growth
Oncology	**232.3**	**260.8**	**+12.3%**	**+6.2%**
XTANDI	189.2	219.9	+16.2%	+9.9%
OAB in Urology	**160.9**	**171.6**	**+6.6%**	**+2.1%**
Vesicare	89.3	78.5	-12.1%	-16.0%
Betanis/Myrbetriq/BETMIGA	71.6	93.1	+30.0%	+24.7%
Transplantation	**142.2**	**150.2**	**+5.6%**	**+0.2%**

Oncology: XTANDI, Tarceva, Eligard and Gonax
Transplantation: Prograf, Advagraf/Graceptor/ASTAGRAF XL

CER : Constant Exchange Rate

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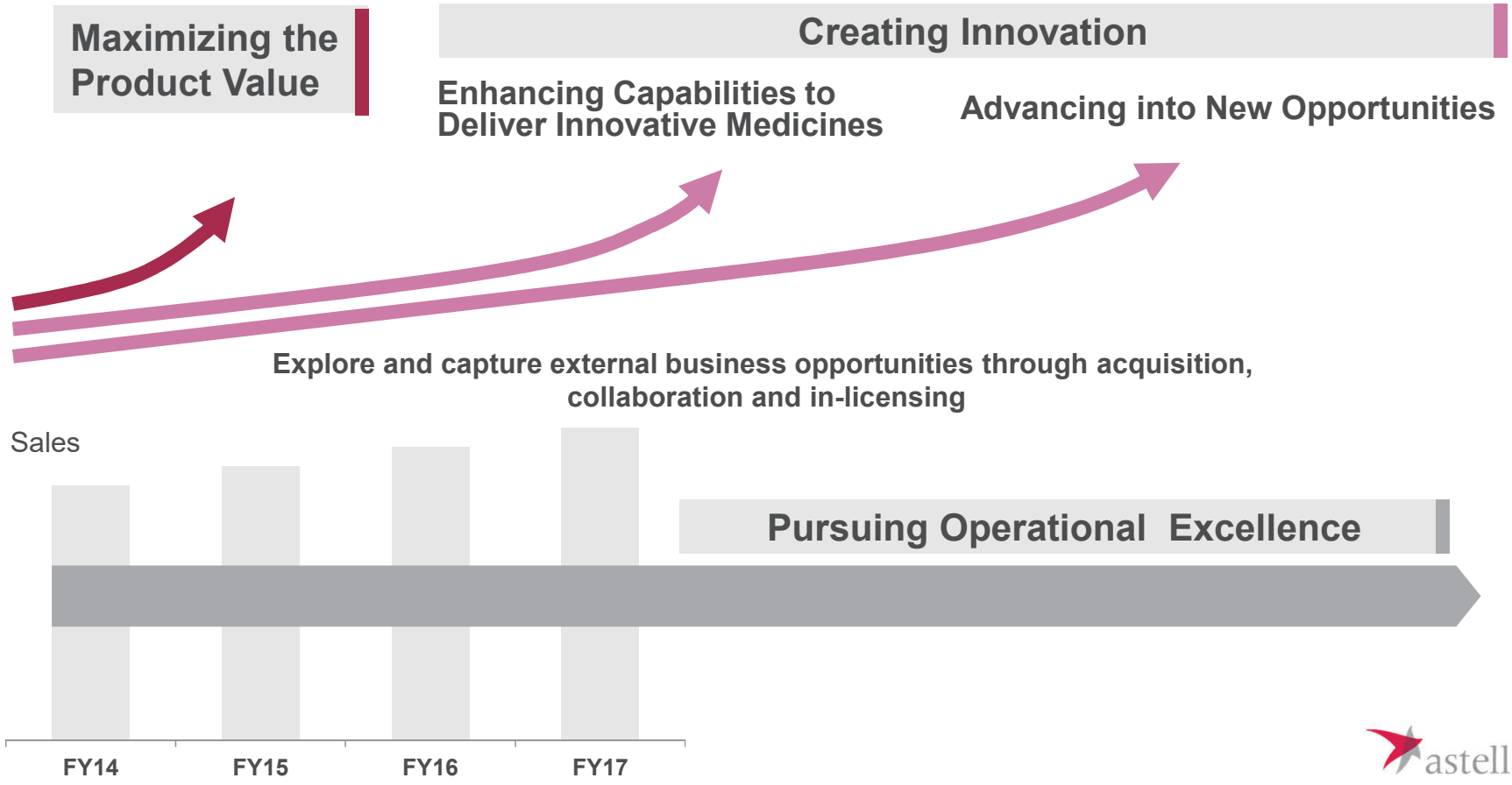
ACHIEVING SUSTAINABLE GROWTH

(same as Strategic Plan 2015-2017 slide)

New products will drive mid-term growth;
Sustainable growth will be reinforced by continuous selective investment in innovation and strengthening of the business foundation



MAXIMIZE THE PRODUCT VALUE

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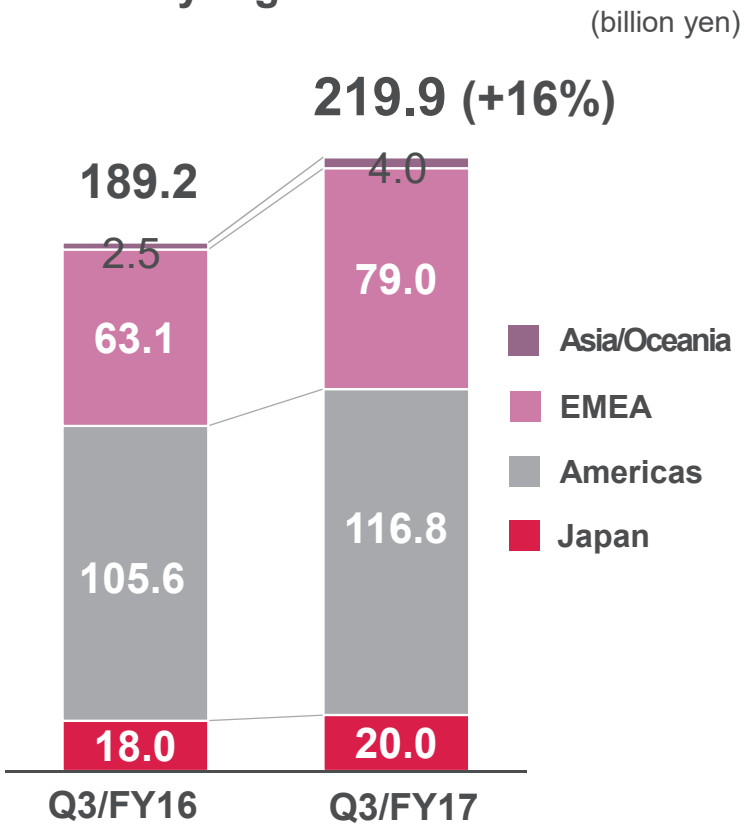
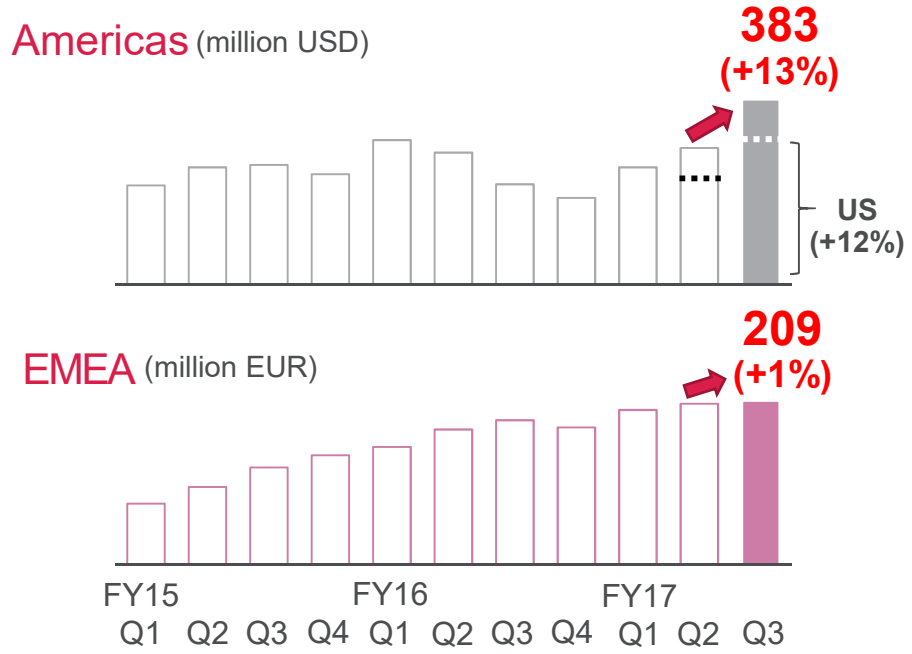
XTANDI

Record-high quarterly sales in each region

Sales by region



Quarterly sales (local currency)



- Further penetration in earlier treatment within current indications
- Expansion to new markets: launched in >70 countries

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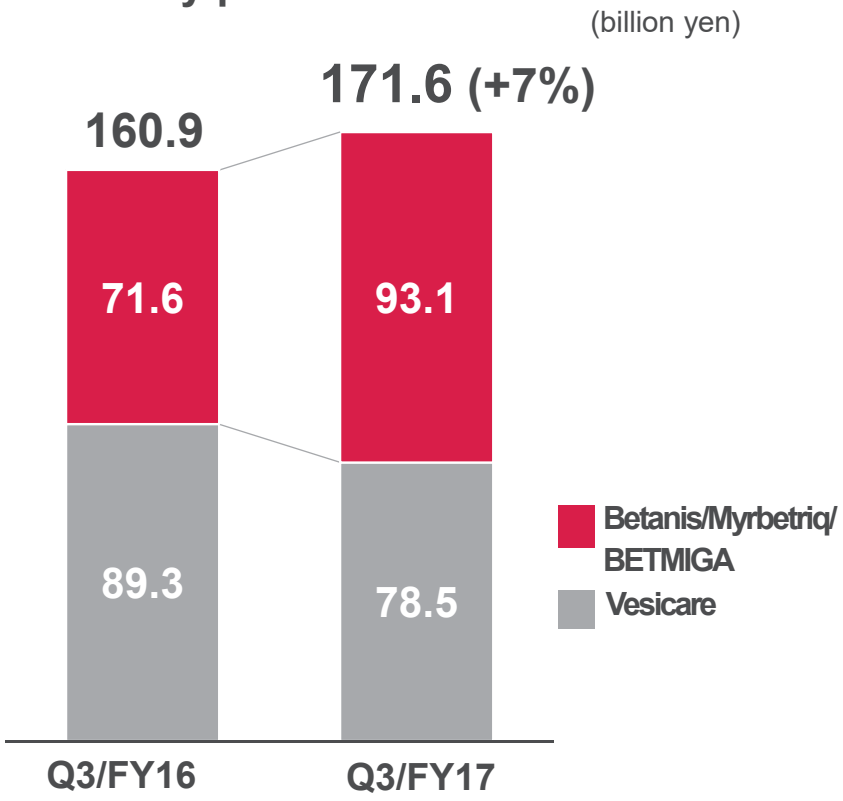
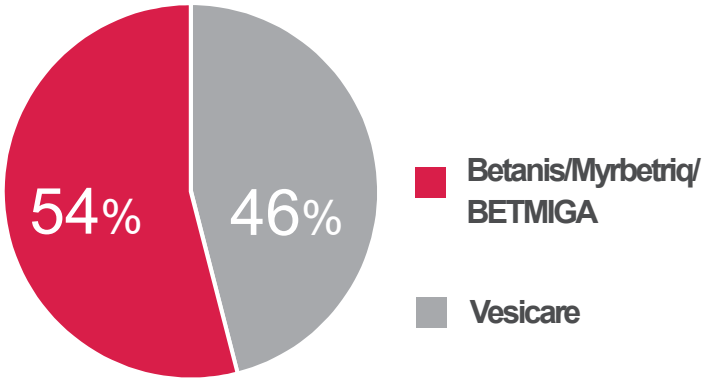
OAB FRANCHISE IN UROLOGY

Betanis/Myrbetriq/BETMIGA growth enhances OAB Franchise

Sales by product



Sales composition ratio by product (yen basis)



- The market share of Betanis/Myrbetriq/BETMIGA continuously increased

CREATE INNOVATION

PIPELINE

ROBUST PIPELINE OF ASTELLAS

Evaluating ~30 new molecular/biological entities as potential drivers of future growth

Phase 1

- AGS67E
- AGS62P1
- ASP8374/PTZ-201
- ASP7713
- MA-0217
- ASP0892
- ASP1807/CC8464
- ASP6981
- MA-0211

Phase 2

- enfortumab vedotin (ASG-22ME) (Urothelial cancer)
- AGS-16C3F (Renal cell carcinoma)
- YM311/FG-2216 (Renal anemia)
- ASP8232 (Diabetic kidney disease)
- ASP6294 (BPS/IC)
- ASP8302 (Underactive bladder)
- bleselumab (ASKP1240) (rFSGS)
- peficitinib (ASP015K) (Rheumatoid arthritis, US/EU)
- ASP8062 (Fibromyalgia)
- ASP0819 (Fibromyalgia)
- ASP4070 (Pollinosis caused by Japanese red cedar)
- ASP5094 (Rheumatoid arthritis)
- ASP1707 (Rheumatoid arthritis, etc.)
- ASP4345 (CIAS)
- fezolinetant (ESN364) (MR-VMS)
- reldesemtiv(CK-2127107) (SMA, COPD, ALS)
- ASP7317 (Dry AMD etc.)

Phase 3

- enzalutamide (M0 BCR:US/EU/Asia, M1 HSPC:US/EU/JP/Asia,)
- gilteritinib (ASP2215) (AML, US/EU/JP/Asia)
- IMAB362 (Gastric and gastroesophageal junction adenocarcinoma, US/EU/JP/Asia)
- mirabegron (Pediatric NDO, EU)
- roxadustat (ASP1517/FG-4592) (Anemia associated with CKD, EU/JP)
- peficitinib (ASP015K) (Rheumatoid arthritis, JP/Asia)
- ASP0113/VCL-CB01 (CMV-HCT, US/EU/JP)
- fidaxomicin (pediatric, EU)

Filed

- enzalutamide (M0 CRPC: US/EU, Tablet:JP)
- blinatumomab (AMG 103) (Acute lymphoblastic leukemia, JP)
- degarelix (3-month, JP)
- solifenacin (Pediatric NDO, US/EU)
- solifenacin/mirabegron (Concomitant use, US)
- tacrolimus (granule for pediatric, US)
- romosozumab (AMG 785) (Osteoporosis, JP)
- ipragliflozin (Type 1 diabetes, JP)
- ipragliflozin/sitagliptin (Fixed dose combination, JP)
- fidaxomicin (Infectious enteritis, JP)
- linaclotide (Chronic constipation, JP)

THERAPEUTIC AREA:

- Oncology
- Urology, Nephrology
- Immunology, Neuroscience
- Others

● New molecular/biological entity

Outline of the projects are shown. Please refer to pipeline list for details including target disease.

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BPS/IC: Bladder pain syndrome/Interstitial cystitis, rFSGS: Recurrence of focal segmental glomerulosclerosis, MR-VMS: Menopause-related vasomotor symptoms, CIAS: Cognitive impairment associated with schizophrenia, SMA: Spinal muscular atrophy, COPD: Chronic obstructive pulmonary disease, ALS: Amyotrophic lateral sclerosis, AMD: Age-related macular degeneration, M0 CRPC: Non-metastatic castration-resistant prostate cancer, M0 BCR: Non-metastatic biochemical recurrence, M1 HSPC: Metastatic hormone sensitive prostate cancer, AML: Acute myeloid leukemia, NDO: Neurogenic detrusor overactivity, CKD: Chronic kidney disease, CMV: Cytomegalovirus,HCT: Hematopoietic cell transplant

STEADY PROGRESS IN DEVELOPMENT
SUMMARY OF PROGRAM PROGRESS FROM OCT 2017 TO JAN 2018

Steady progression of pipeline

P1 Entry	P2 Entry	P3 Entry	Filing*	Regulatory Decision
MA-0217 Acute kidney injury	**ASP4345** Cognitive impairment associated with schizophrenia	**IMAB362** Gastric and gastroesophageal junction adenocarcinoma	**enzalutamide** **Jan 2018 (US)** **Jan 2018 (EU)** M0 CRPC	**blinatumomab** **Jan 2018 (JP)** Acute lymphoblastic leukemia
	ASP8302 Underactive bladder		**degarelix** **Nov 2017 (JP)** Prostate Cancer (3-month formulation)	**ipragliflozin** **Jan 2018 (JP)** Type I diabetes

Discontinuation (in a part of indications) etc.

enzalutamide: Hepatocellular carcinoma (P2)
ASP7962: Osteoarthristis (P2)
ASP7398: Nocturia (P1)
ASP6282: Underactive bladder (P1)

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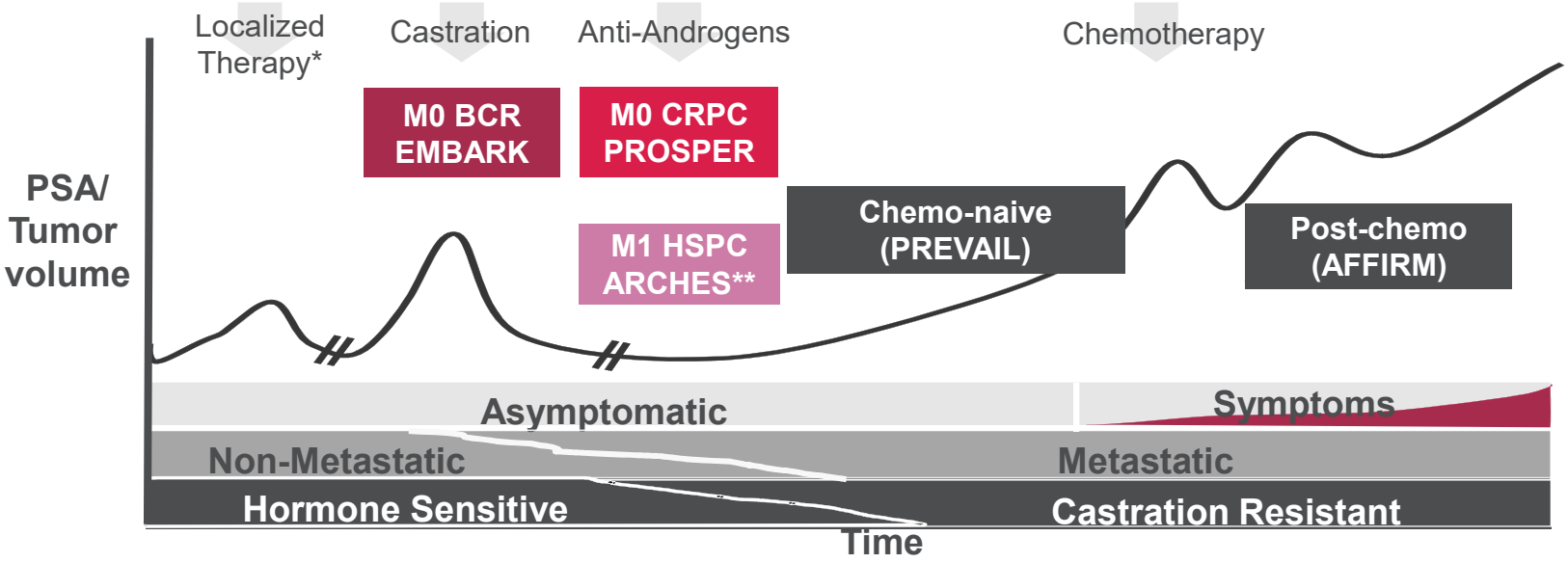
Note: Phase 1 entry is defined as confirmation of IND open. Phase transition is defined by approval of company decision body for entering to next clinical phase. Filing is defined as submission of application to health authorities. Discontinuation is defined by the decision of company decision body.

ENZALUTAMIDE: MAXIMIZE THE VALUE FOR PROSTATE CANCER PATIENTS

Application for marketing approval submitted to FDA and EMA for M0 CRPC.
PROSPER study data will be presented at ASCO-GU 2018

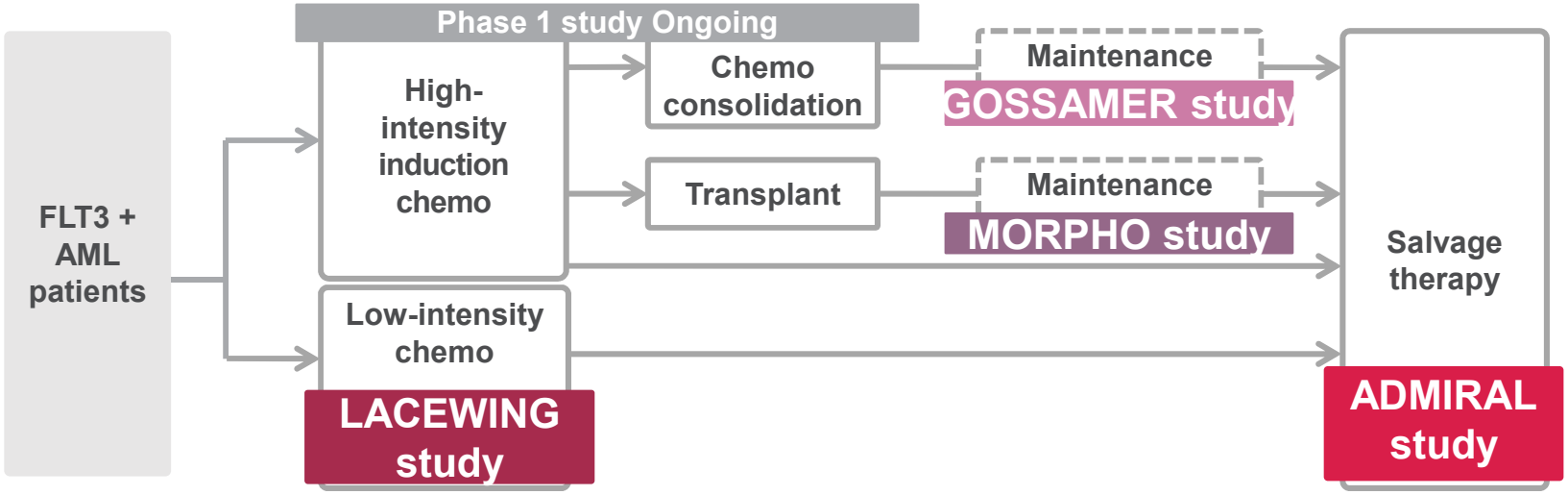


	PROSPER study P3	M0 CRPC Non-metastatic CRPC	Placebo-controlled, combination with ADT, n=1,440	Application submitted (US/EU)
	EMBARK study P3	M0 BCR Non-metastatic prostate cancer, biochemical recurrence	To compare with ADT and combination, n=1,860	First Patient In: Jan. 2015
	ARCHES study P3	M1 HSPC Metastatic hormone-sensitive prostate cancer	Placebo-controlled, combination with ADT, n=1,100	First Patient In: Mar. 2016

P. Mulders *et al. EAU2012,* modified by Astellas * Radiotherapy, prostatectomy, ** Metastatic at the time of diagnosis
PSA: Prostate-specific antigen, ASCO-GU: American Society of Clinical Oncology, Genitourinary

GILTERITINIB: TREATMENT LANDSCAPE IN AML

European Commission granted orphan designation to gilteritinib for the treatment of acute myeloid leukemia (AML)



ADMIRAL study P3	**Relapsed or refractory** 1st relapsed or refractory, FLT3 mutation positive	Open-label, randomized, monotherapy vs salvage chemo (2:1), n=369	First Patient In: Oct. 2015
LACEWING study P2/3	**1st line intensive chemo ineligible** Newly diagnosed, FLT3 mutation positive	Open-label, randomized, 3 arms (monotherapy, combo with azacitidine and azacitidine alone), n=528	First Patient in: Nov. 2016
GOSSAMER study P3	**Post-chemo maintenance** FLT3-ITD positive	Double-blind, randomized, monotherapy vs placebo (2:1), n=354	First Patient In: Apr. 2017
MORPHO study P3	**Post-HSCT maintenance** FLT3-ITD positive	Double-blind, randomized, monotherapy vs placebo (1:1), n=346	First Patient In: July 2017 Collaborating with BMT-CTN

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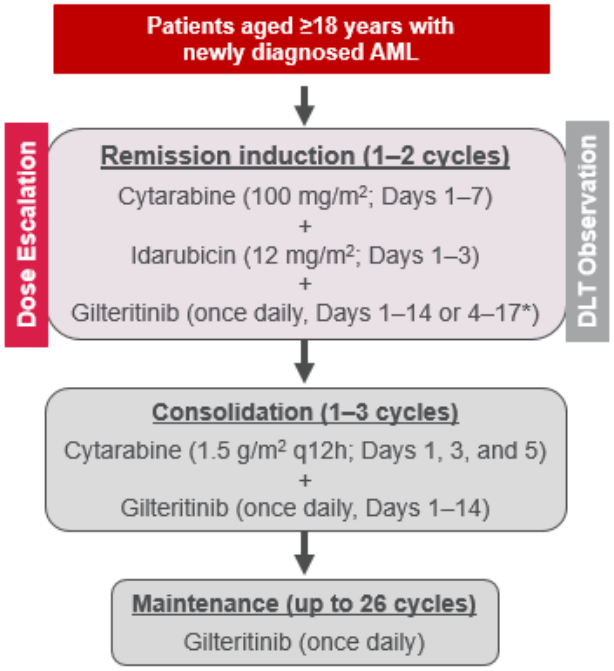
AML: Acute myeloid leukemia, HSCT: Hematopioetic Stem Cell Transplant, BMT-CTN: Blood and Marrow Transplant – Clinical Trial Network
ITD: Internal tandem duplication, ASH: American Society of Hematology

GILTERITINIB: PHASE 1 STUDY IN NEWLY DIAGNOSED AML

Encouraging data from on-going Phase 1 study in the FLT3 mutation positive, newly diagnosed AML patients was presented at ASH2017

Study design:

- Multicenter, open-label, 3+3 design
- Dose-escalation cohorts: 40, 80,120 mg/day



*Gilteritinib was initially administered on Days 1–14, but the schedule was later changed to administration on Days 4–17 due to DLTs in the 40 mg/day dose cohort.

Conclusion:

- Preliminary results suggest that gilteritinib can be safely combined with intensive induction chemotherapy
- All evaluable *FLT3*$^{Mut+}$ patients achieved CRc with gilteritinib in combination with intensive frontline chemotherapy

Response Parameter*, n (%)	FLT3^{Mut+} (n=21)†	FLT3^{WT} (n=23)†
CR	19 (90.5)	9 (39.1)
CRp	1 (4.8)	0
CRi	1 (4.8)	5 (21.7)
PR	0	3 (13.0)
CRc‡	21 (100)	14 (60.9)

*Response parameters were defined according to the International Working Group Criteria for AML (Cheson B, et al. *J Clin Oncol*. 2003;12(24):4642–4649).
†Two patients were excluded from the response analysis population: one patient was excluded due to favorable cytogenetic status and one patient was excluded due to refusal to undergo a bone marrow biopsy and withdrawal of consent.
‡CRc included patients who achieved CR, CRp, and CRi.

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ASH: American Society of Hematology, q12h: every 12 hours, DLT: Dose limiting toxicity, CR: complete remission, CRp: complete remission with incomplete platelet recovery, CRi: complete remission with incomplete hematologic recovery, CRc: composite complete remission, PR: partial remission, *FLT3*: *fms*-like tyrosine kinase 3, Mut+: mutation-positive, WT: wild-type.

IMAB362: PHASE 3 PROGRAM

Global Phase 3 studies to support global registration for first-line gastric and gastroesophageal junction adenocarcinoma indication

Phase 3:Combination with mFOLFOX6

Study design:

- multicenter, double-blind, randomized
- vs placebo, combination with mFOLFOX6

Patient population:

- CLDN18.2-positive, HER2-negative, metastatic adenocarcinomas of the stomach or the gastroesophageal junction

Planned enrollment: approx. 550 patients

Primary endpoint: Progression free survival

Secondary endpoint (key): Overall survival

Study region: global (US, EU, JP, Asia, etc)

Phase 3: Combination with CAPOX

Study design:

- multicenter, double-blind, randomized
- vs placebo, combination with CAPOX

Patient population:

- CLDN18.2-positive, HER2-negative, metastatic adenocarcinomas of the stomach or the gastroesophageal junction

Planned enrollment: approx. 420 patients

Primary endpoint: Progression free survival

Secondary endpoint (key): Overall survival

Study region: global (US, EU, JP, Asia, etc)

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mFOLFOX6: 5-FU, leucovorin, oxaplatin, CAPOX: capecitabine, oxaliplatin

ROXADUSTAT: ROBUST PHASE 3 PROGRAM TO SUPPORT FILING AND REIMBURSEMENT IN EUROPE AND JAPAN

Steady progress of Phase 3 program in dialysis and non-dialysis patients

	Dialysis	Non-dialysis
Global	**HIMALAYAS:** FIBROGEN Incident dialysis, vs epoetin alfa	**DOLOMITES**, vs darbepoetin astellas **Enrollment completed**
	SIERRAS: FIBROGEN Stable dialysis, vs epoetin alfa	**ALPS**, vs placebo astellas **Study completed** Data readout planned in 1Q/2018
	PYRENEES: astellas Stable dialysis, vs epoetin alfa or darbepoetin **Enrollment completed**	**ANDES**, vs placebo FIBROGEN **Enrollment completed**
Japan astellas	**HD:** Conversion, vs darbepoetin **Enrollment completed**	Conversion, vs darbepoetin
	HD: Conversion, long-term **Study completed** Data readout planned in 1Q/2018	
	HD: Correction (ESA-naïve) **Study completed** Data readout planned in 1Q/2018	Correction
	PD: **Study completed** TLR obtained in Oct/2017	

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Note: Company logo in the table shows the sponsor of studies
HD: Hemodialysis, PD: Peritoneal dialysis, ESA: Erythropoietin stimulation agents

EXPECTED KEY PIPELINE EVENTS IN FY2017

Important milestones from POC through registration

*Subject to internal assessment, decision and regulatory consultation, as appropriate

Data Readouts

Phase 2 (POC) study

enzalutamide
Breast Cancer (HER2+)

ASP4070 (JRC2-LAMP-vax)
Pollinosis caused by Japanese red cedar

ASP1707
Rheumatoid Arthritis (MTX-IR)

reldesemtiv (CK-2127107)
Spinal Muscular Atrophy

ASP7962
Osteoarthritis

Phase 3 study

enzalutamide
M0 CRPC (PROSPER)

roxadustat
Non-dialysis pts (ALPS)

Hemodialysis: Conversion, long-term (Japan)
Peritoneal dialysis (Japan)

ASP0113
Hematopoietic Cell Transplantation

peficitinib
RA pts with MTX-IR
RA pts with DMARD-IR

Filing*

solifenacin/mirabegron
Concomitant use of solifenacin and mirabegron (US)

linaclotide
Chronic constipation (Japan)

evolocumab
Cardiovascular outcome study (Japan)

ipragliflozin/sitagliptin
Fixed dose combination (Japan)

Regulatory Decisions

enzalutamide
Tablet (EU)
Tablet (Japan)

romosozumab
Osteoporosis (Japan)

quetiapine
BP-D (Japan)

solifenacin
Pediatric NDO (US)
Pediatric NDO (EU)

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*Light gray items indicate completed events.
MTX-IR:Methotrexate inadequate response, RA: Rheumatoid arthritis, DMARD-IR: Disease-modifying antirheumatic drugs inadequate response,
BP-D: Depressive symptoms associated with bipolar disorder, NDO: Neurogenic detrusor overactivity

POTENTIAL GROWTH DRIVERS

Future growth driven by compounds that already have achieved POC

Growth drivers/ new products

- Xtandi (enzalutamide)
- Myrbetriq (mirabegron)
- CRESEMBA (isavuconazonium sulfate) 372 mg for injection・186 mg capsules
- cimzia (certolizumab pegol)
- Suglat®
- Repatha (evolocumab) injection 140 mg/mL
- Linzess (linaclotide) capsules

Near term growth drivers
(Filed/Filing expected in FY2017)

- **enzalutamide** (M0 CRPC)
- **solifenacin/ mirabegron** (Combination therapy)
- **evolocumab** (Cardiovascular outcome study)
- **linaclotide** (Chronic constipation)
- **romosozumab** (Filed in Dec 2016)

Mid-term growth drivers
(FY2018-)

- **gilteritinib**
- **enzalutamide** (label expansion)
- **enfortumab vedotin**
- **IMAB362**
- **roxadustat**
- **ASP0113**
- **peficitinib**
- **fezolinetant**

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Subject to internal assessment, decision and regulatory consultation, as appropriate

POC; Proof of Concept

■ Oncology, ■ Urology, Nephrology, ■ Immunology, Neuroscience, ■ Others

CREATE INNOVATION

NEW INITIATIVES

BIOLOGY: ACQUISITION OF MITOBRIDGE

Reinforce the discovery and development of novel drugs that target Mitochondrial functions

Programs:

MA-0211

- Phase 1 ongoing for duchenne muscular dystrophy

MA-0217

- Phase 1 ongoing for acute kidney injury

Several other INDs expected in the next few years

Transaction Summary:

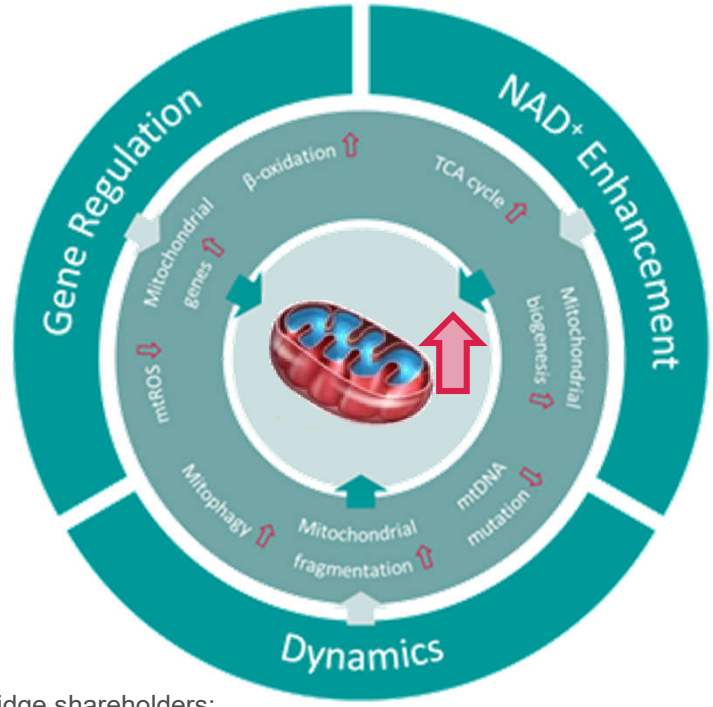
Up-front payment

USD 225 million*

Earn-outs

Up to USD 225 million*, depending on the progress of various programs in clinical development

Approaches to mitochondrial function



*As Astellas is a shareholder in Mitobridge, the followings are actual payment to Mitobridge shareholders; Up-front payment: $161.7 million, Earn-outs: $165.5 million

mitobridge

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TCA: TriCarboxylic Acid
NAD: Nicotinamide Adenine Dinucleotide

CREATE SOCIAL VALUE: INITIATIVES FOR ACCESS TO HEALTH

Resolve social issues and enhance our enterprise value over the long-term

ACCESS ACCELERATED
Moving NCD Care Forward

Participation in Access Accelerated

GHIT Fund
Global Health Innovative Technology Fund

GHIT Fund replenishment

東京大学 医科学研究所
THE INSTITUTE OF MEDICAL SCIENCE THE UNIVERSITY OF TOKYO

Collaborative development agreement for rice-based oral vaccine

Action on Fistula

Support of Action on Fistula

PEDIATRIC PRAZIQUANTEL CONSORTIUM

Development of pediatric formulation for schistosomiasis

TB ALLIANCE

Collaborative research agreement to discover anti- tuberculosis drugs

MMV
Medicines for Malaria Venture

Screening collaboration agreement to discover antimalarial drugs

Recent activities

- Collaborative research agreement aiming at the practical application of the rice-based oral vaccine “MucoRice”

  Designated as a project under CiCLE and supported by AMED

CHIBA UNIVERSITY

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CiCLE: Cyclic Innovation for Clinical Empowerment)
AMED: Japan Agency for Medical Research and Development

PURSUE OPERATIONAL EXCELLENCE

INITIATIVES TO CONTINUOUS STRENGTHENING OF MANAGEMENT FOUNDATION

Resource allocation from scratch responding to environment changes

Investment priority

- Investment in growth areas and withdrawal from non-growth areas
- Sufficient investment to deal with new risks

Capability, organization / structure

- Optimization of organization / structure
- Identify core capabilities and form strategic partnerships

Cost structure

- Cost reduction through strategic procurement activities
- Further focus on appropriate expenses use

Initiatives in FY2017

- ✓ Transfer of long-listed products
- ✓ Enhancement of global management structure
- ✓ Pursuing strategic outsourcing
- ✓ Wind-down of Agensys research operations

AGENDA

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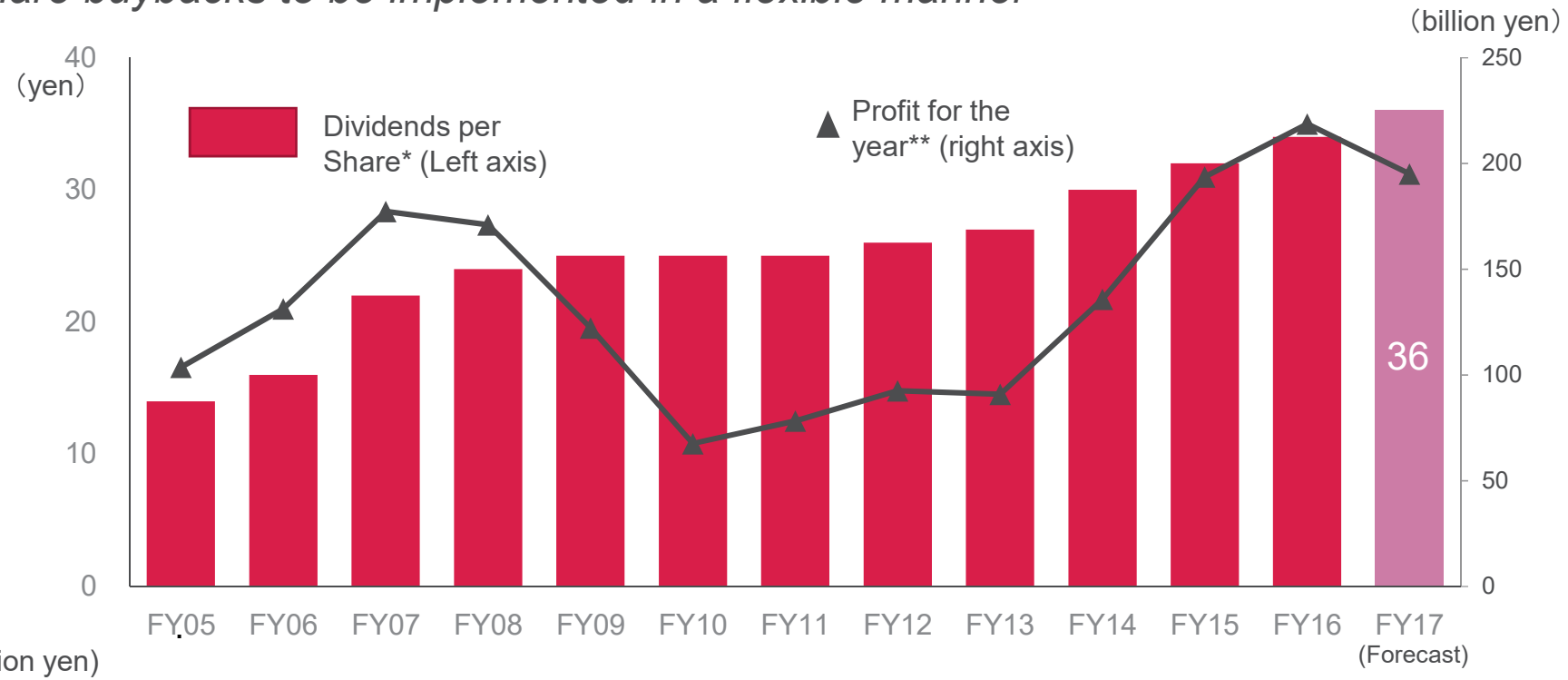
PROFIT DISTRIBUTION POLICY

Top priority on investment for growth business
Dividends to be increased continuously based on mid-and long-term growth
Share buybacks to be implemented in a flexible manner



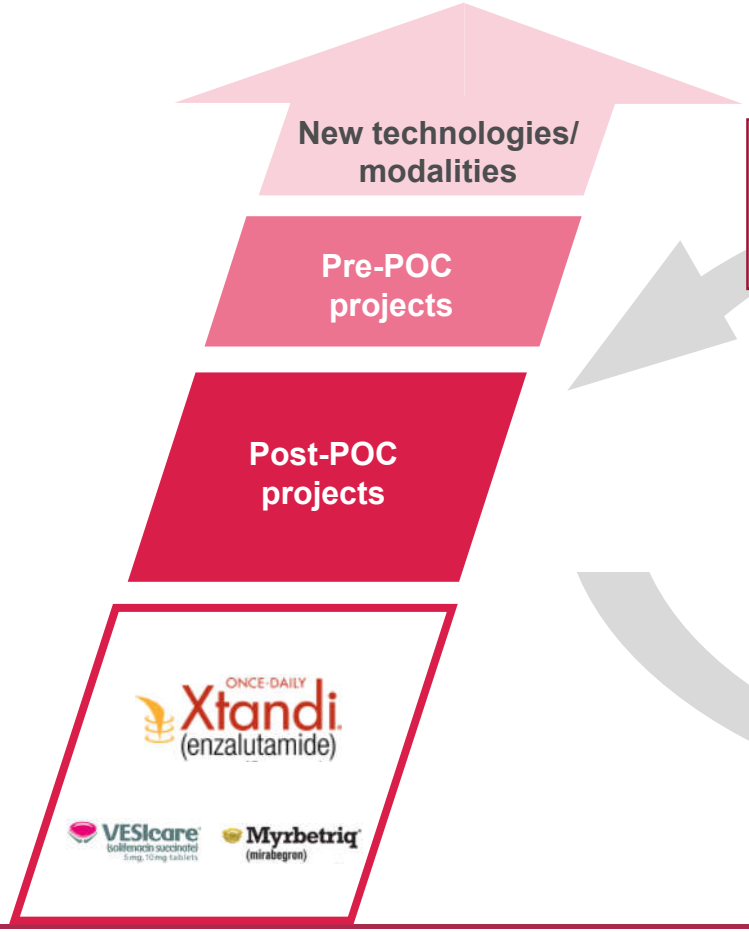
(billion yen)	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17 (Forecast)
Total dividends	39.3	42.3	55.2	56.9	58.2	57.7	57.7	59.4	60.6	66.0	68.5	71.3	74.4
Acquisition of own share	46.2	219.9	81.8	123.4	27.0	-	-	49.4	30.0	58.2	119.3	91.4	70.0
Total return ratio(%)	82	200	77	106	70	85	74	118	100	92	97	74	

*The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2014, Figures are calculated based on the number of shares issued after the stock split (excluding treasury shares) on the assumption that the stock split was conducted at the beginning of fiscal 2005.

**From fiscal 2013, figures are in accordance with International Financial Reporting Standards (IFRS).

REALIZE SUSTAINABLE GROWTH

Turn innovative science into value for patients on the forefront of healthcare change



* ocata THERAPEUTICS, GANYMED Pharmaceuticals AG, ogeda, mitobridge

Strategic resource allocation

-Transfer of dermatology business
-Transfer of US manufacturing subsidiary
-Transfer of 16 long-listed products in Japan
-Wind-down of Agensys research operations

astellas

POC: Proof of concept

Company name was changed to the Astellas Institute for Regenerative Medicine.

SCHEDULE

April 26, 2018: Financial Results for FY2017

May 22, 2018: New Strategic Plan

APPENDIX

Q3/FY2017: SALES BY REGION

	Q3/FY16	Q3/FY17	Change
Japan (billion yen)	**380.1**	**337.3**	-11.3%
of sales in Japanese market	358.2	309.0	-13.7%
Americas (million USD)	**2,889**	**2,926**	+1.3%
EMEA (million EUR)	**2,143**	**2,023**	-5.6%
Asia/Oceania (billion yen)	**64.5**	**75.3**	+16.8%

FX RATE (ACTUAL)

Average rate for the period (yen)

Currency	Q3/FY16	Q3/FY17	Change
USD	107	112	+5
EUR	118	129	+11

Change in closing rate from PY end

Currency	Q3/FY16	Q3/FY17
USD	+4	+1
EUR	-5	+15

Exchange rate change +: Yen Weakening, - : Yen Strengthening

FY2017 FCST：FX SENSITIVITY

Forecast rates from October 2017 onwards:
110 USD/yen, 130EUR/yen

Estimated Fx sensitivity (October 2017 and onward) of FY2017 forecasts by 1 yen appreciation*

Currency	Average rate 1 yen higher than assumption		Year-end rate 1 yen higher than assumption
	Net sales	Core OP	Core OP
USD	Approx. -2.4 bil yen	Approx. -0.6 bil yen	Approx. +0.6 bil yen
EUR	Approx. -1.3 bil yen	Approx. -0.5 bil yen	Approx. +0.3 bil yen

*Sensitivity to fluctuation of Fx rates used for consolidation of overseas affiliates' results compared to forecasted rates from October 2017 and onwards

BALANCE SHEET/CASH FLOW HIGHLIGHTS

(billion yen)	FY2016 end	Dec. 2017
Total assets	1,814.1	1,933.8
Cash and cash equivalents	340.9	331.7
Total net assets	1,271.8	1,366.9
Equity ratio (%)	70.1%	70.7%

(billion yen)	Q3/FY16	Q3/FY17	FY2016
Cash flows from operating activities	186.4	215.3	235.6
Cash flows from investing activities	(70.8)	(93.8)	(73.4)
Free cash flows	115.6	121.5	162.2
Cash flows from financing activities	(120.2)	(143.1)	(166.2)
Acquisition of treasury shares	(46.7)	(70.7)	(92.2)
Dividends paid	(70.1)	(71.6)	(70.1)

PROFIT DISTRIBUTION

	FY2015	FY2016	FY2017 (forecast)
EPS (yen)	89.75	103.69	88.44
Divided per share (yen)	32	34	36 (forecast)
ROE	15.0%	17.3%	-
DOE	5.4%	5.6%	-
Share buyback	68 million shares 119.3 billion yen	60 million shares 91.4 billion yen	Implemented in a flexible manner 49 million shares 70.0 billion yen (in Jul. - Oct.)
Treasury stock cancellation	38 million shares	68 million shares	85 million shares

ON THE FOREFRONT OF HEALTHCARE CHANGE

