FY2017 FINANCIAL RESULTS
ENDED MARCH 31, 2018



Kenji Yasukawa, Ph.D
President and CEO
Astellas Pharma Inc.
April 26, 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 Review of Strategic Plan 2015-2017

II FY2017 Financial Results and FY2018 Forecasts

III Initiatives to Build Resilience for Sustainable Growth

REVIEW OF STRATEGIC PLAN 2015-2017 (FINANCIAL)

Achieved profit targets despite net sales behind assumptions

Financial overview

- **Net sales (CAGR*) : +1.4%**
- **Core OP (CAGR*) : +7.5%**
  - R&D investment: 16-17% of net sales / improvement of cost structure
- **Core EPS (CAGR*) : +13.2%**
  - Achieved EPS CAGR exceeding CAGR of Core OP along with enhancement of capital efficiency
- **ROE (Full basis) : 15.1% (average for three years, FY2015 – FY2017)**
- **Shareholder return:** Dividend per share increased by 2 yen per year (planned for FY17)
  Average total return ratio for three years including share buybacks was 98.4%

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*CAGR for 3 years starting from FY2014 results

REVIEW OF STRATEGIC PLAN 2015-2017 (STRATEGIC INITIATIVES)

Steady progress in 3 strategic initiatives

Maximizing the Product Value

- Maximized sales of XTANDI in the current indications and steadily progressed development in earlier stages of prostate cancer
- Shifted resources from Vesicare to Betanis/ Myrbetriq/ Betmiga
  Advancing development for pediatric indication and combination therapy of solifenacin and mirabegron
- Launched Repatha and Linzess in Japan

GEs impacts in Japan exceeded our expectations

Further pressure on prices in EU and the US

Creating Innovation

- Steadily progressed late-stage pipeline including gilteritinib, enfortumab vedotin and roxadustat
- Expanded pipeline through acquisition of Ganymed and Ogeda
- Unique development programs with various modality and biology into clinical study

Pursuing Operational Excellence

- Transferred US manufacturing subsidiary
- Transferred dermatology business and 16 long-listed Japanese products
- Enhanced global management structure
- Pursued strategic outsourcing
- Wind-down of Agensys research operations
- Optimized EMEA organizational structure

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FY2017 FINANCIAL RESULTS (CORE BASIS)

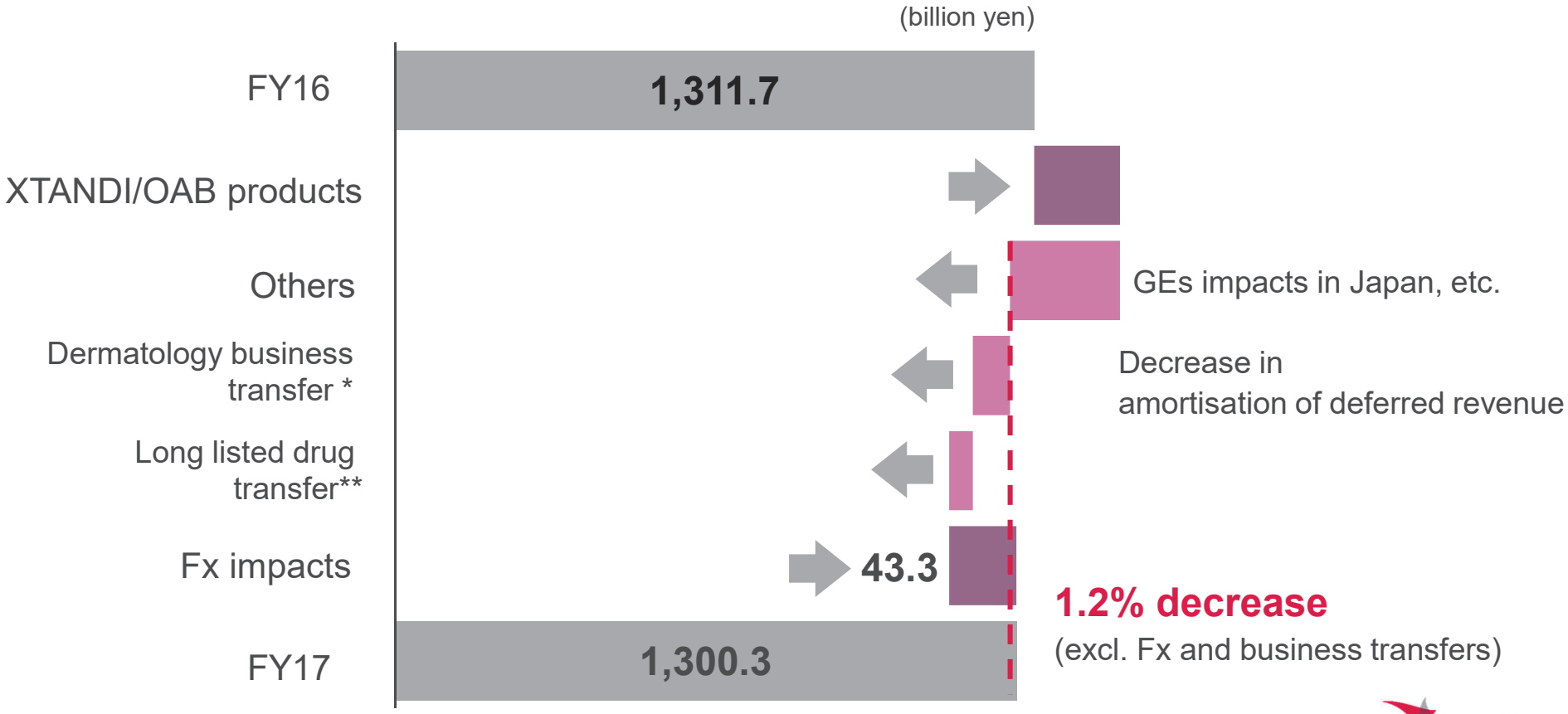
(billion yen)	FY16	FY17	Change	FY17 FCST*	Achieve-ment	Excl impacts from Fx and business transfer
Net sales	**1,311.7**	**1,300.3**	**-0.9%**	**1,297.0**	**100.3%**	-1.2%
Cost of sales	320.5	294.2	-8.2%			
% of sales	24.4%	22.6%				
SG&A expenses	470.8	478.3	+1.6%			
% of sales	35.9%	36.8%				
R&D expenses	208.1	220.8	+6.1%	218.0	101.3%	
% of sales	15.9%	17.0%		16.8%		
Amortisation of intangible	35.8	35.8	+0.0%			
Share of associates/JVs losses	- 1.9	- 2.4	-			
Core operating profit	**274.6**	**268.7**	**-2.1%**	**258.0**	**104.1%**	+4.6%
Core profit for the period	**213.3**	**204.3**	**-4.2%**	**201.0**	**101.7%**	
Core EPS (yen)	**101.15**	**100.64**	**-0.5%**	**98.43**	**102.2%**	

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* Revised in Oct. 2017

SALES ANALYSIS (YEAR ON YEAR)

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



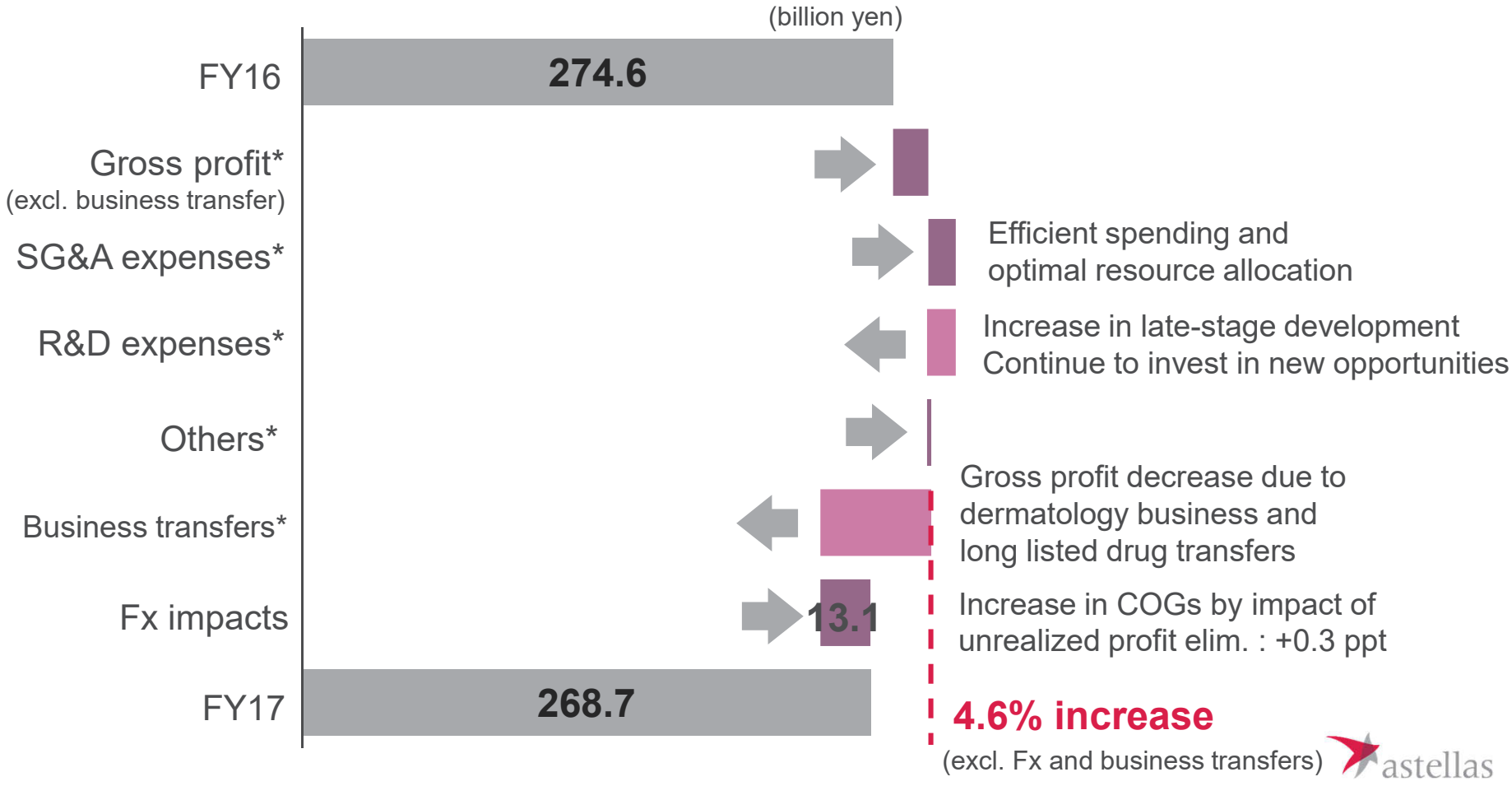
*Dermatology business transfer: Decrease in amortisation of deferred revenue

**Long listed drug transfer: Amortisation of deferred revenue in FY17 – Sales of transferred products in FY16

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

CORE OP ANALYSIS (YEAR ON YEAR)

Increased operating profit excluding impacts of Fx and business transfers, while increased development costs for late-stage projects, etc.



*Fx impacts excluded from each item

FY2017 FINANCIAL RESULTS (FULL BASIS)

Booked other expenses for business restructuring and impairment loss

(billion yen)	FY16	FY17	Change	FY17FCST*	Achieve-ment
Core operating profit	**274.6**	**268.7**	**-2.1%**	**258.0**	**104.1%**
Other income	9.6	11.9	+23.7%		
Other expenses	23.3	67.3	+188.7%		
Operating profit	**260.8**	**213.3**	**-18.2%**	**222.0**	**96.1%**
Financial income	22.9	6.6	-71.0%		
Financial loss	2.0	1.8	-9.8%		
Profit before tax	281.8	218.1	-22.6%	228.0	95.7%
Profit for the period	**218.7**	**164.7**	**-24.7%**	**180.0**	**91.5%**
EPS (yen)	**103.69**	**81.11**	**-21.8%**	**88.15**	**92.0%**

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* Revised in Oct. 2017

SALES IN KEY AREAS

XTANDI and OAB franchise increase globally

(billion yen)	FY16	FY17	Change	CER growth	FY17 FCST*	Achieve-ment
XTANDI	**252.1**	**294.3**	**+16.8%**	**+11.7%**	**291.3**	**101.0%**
OAB in Urology	**214.9**	**228.1**	**+6.1%**	**+2.7%**	**232.3**	**98.2%**
Vesicare	116.1	102.3	-11.9%	-15.2%	106.2	96.3%
Betanis/Myrbetriq/BETMIGA	98.8	125.7	+27.2%	+23.7%	126.1	99.7%
Transplantation	**186.2**	**198.5**	**+6.6%**	**+1.5%**	**194.8**	**101.9%**

Transplantation: Prograf, Advagraf/Graceptor/ASTAGRAF XL

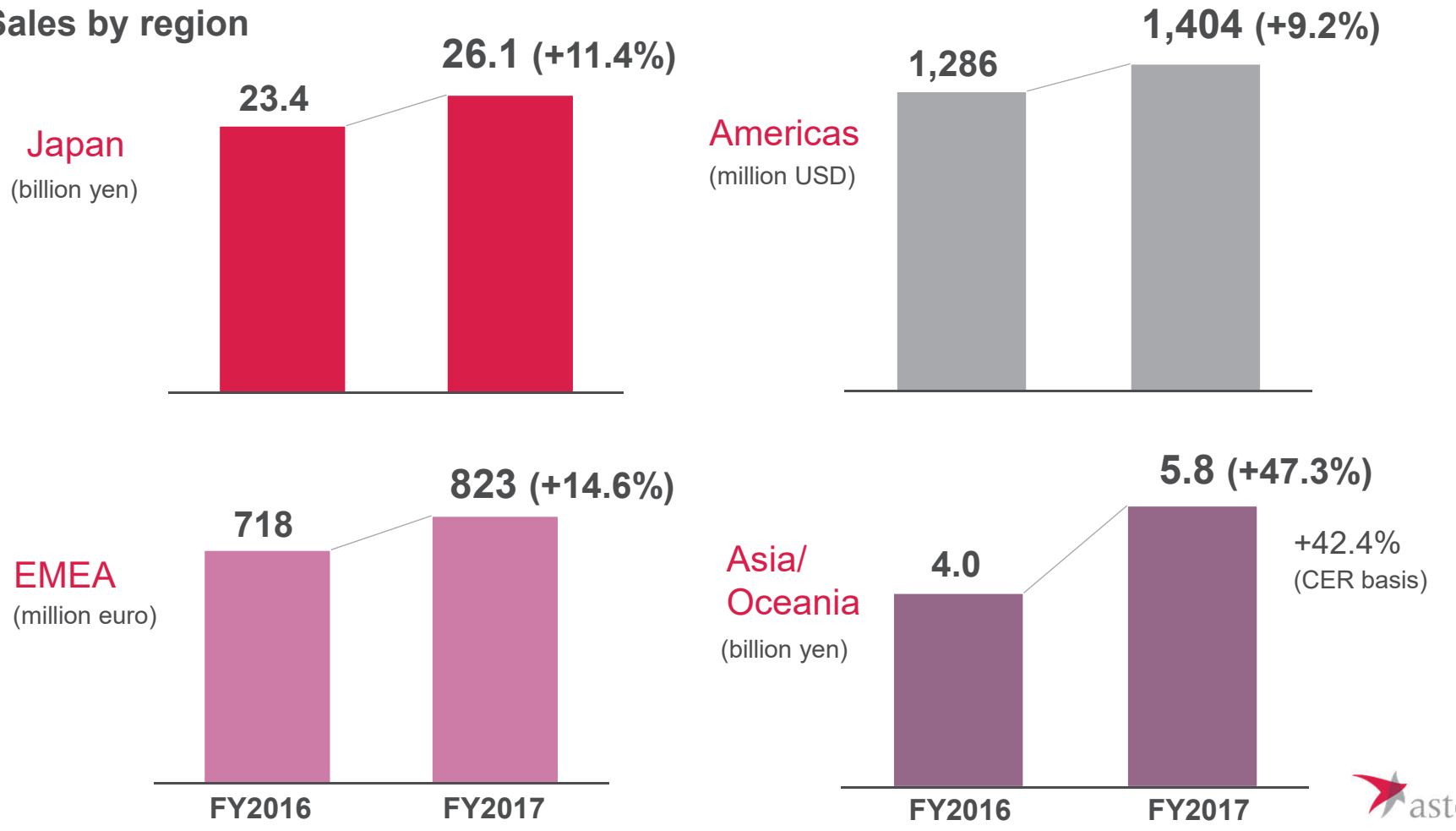
CER : Constant Exchange Rate

* Revised in Oct. 2017

XTANDI

Steadily increasing XTANDI sales in all regions

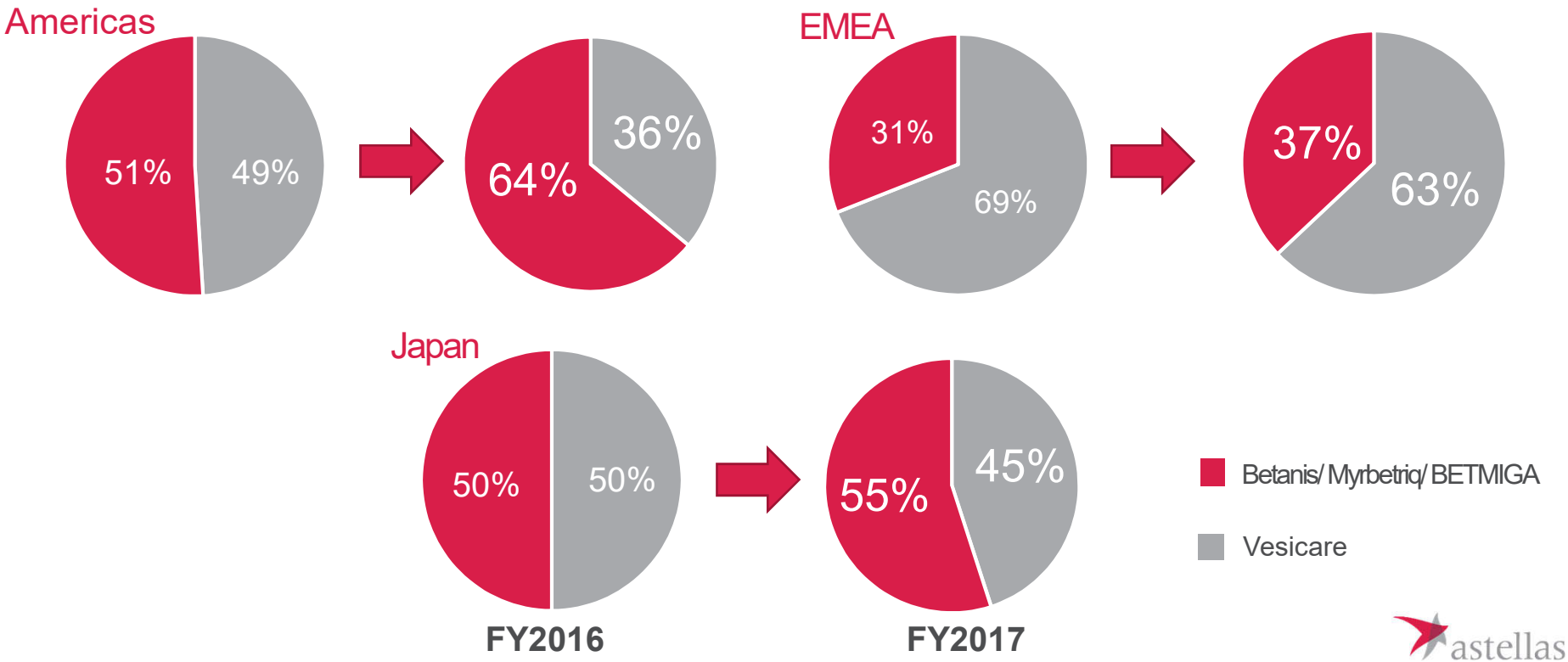
Sales by region



OAB FRANCHISE IN UROLOGY

Proportion of Betanis/Myrbetriq/BETMIGA sales steadily expanding by shifting resources from Vesicare

Sales composition ratio by product
(FY2016 vs FY2017:local currency basis)



FY2018 FORECASTS：SUMMARY

- **Net sales**
  - XTANDI & OAB franchise to continue growth on a global basis. Prograf to show steady progress
  - Decrease in sales in Japan due to NHI price revision and GEs impacts
  - Negative impacts on sales due to decrease in deferred revenue of dermatology business transfer and long-listed drug business transfer
- **Continue to invest in R&D and business development for future growth**
  - R&D expenses: 214.0 bil.yen (Ratio to sales 16.7%)
- **Pursue operational excellence through zero-based budgeting and continuous enhancement of organization structure**
- **Fx impact on Core OP to be minimal while negative impact on net sales is anticipated : USD 105 yen, Euro 130 yen**
- **Dividends per share：Forecasted 2 yen increase to 38 yen**

FY2018 FORECASTS

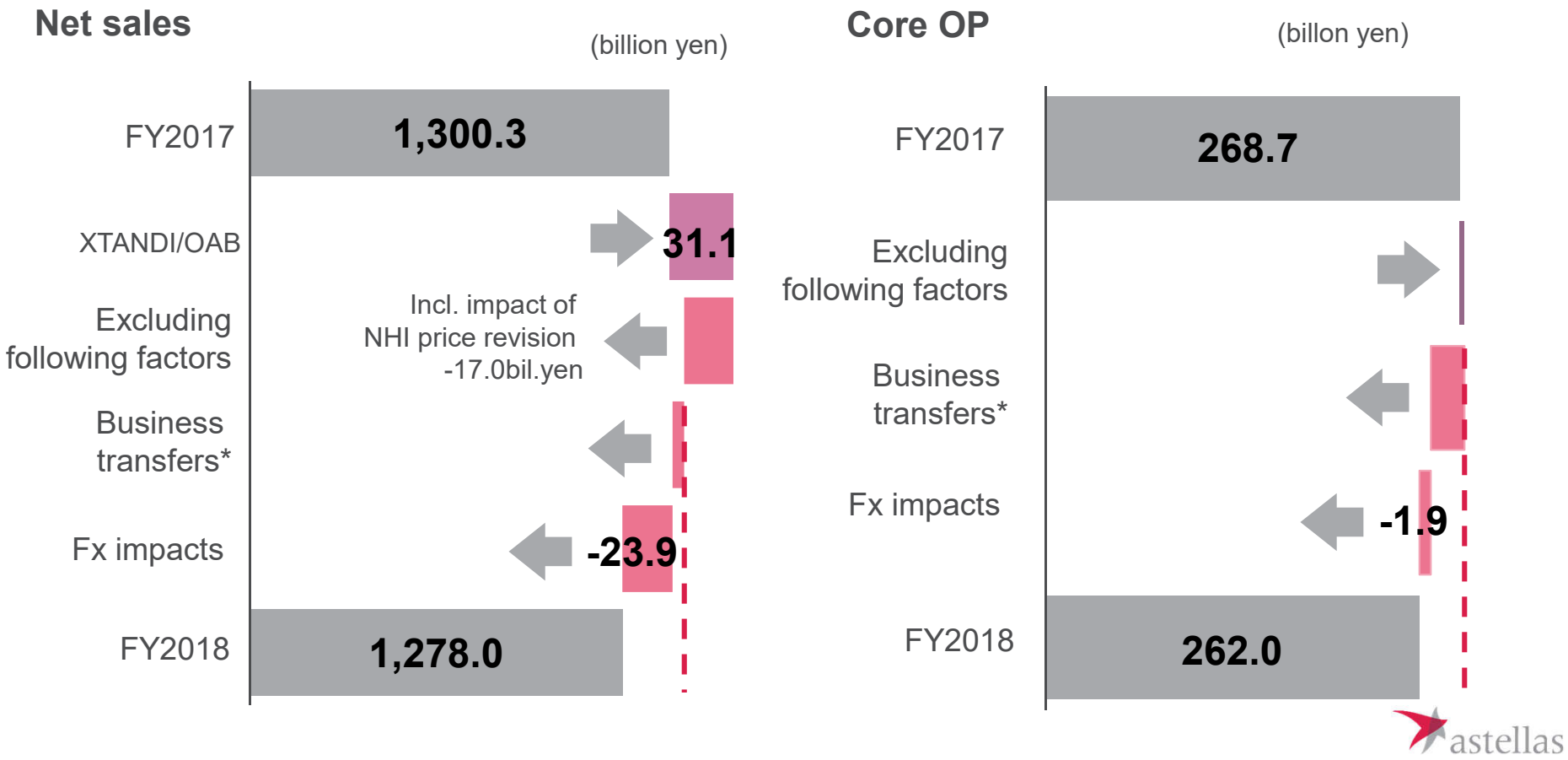
Core basis: Profit for the year and EPS to increase, while operating profit to decrease

(billion yen)	FY2017 ACT	FY2018 FCST	Change
Net sales	**1,300.3**	**1,278.0**	**-1.7%**
R&D expenses	220.8	214.0	-3.1%
as % of sales	17.0%	16.7%	-0.3ppt
Core operating profit	**268.7**	**262.0**	**-2.5%**
Core profit for the year	**204.3**	**210.0**	**+2.8%**
Core EPS (yen)	**100.64**	**106.27**	**+5.6%**
Operating profit	**213.3**	**265.0**	**+24.3%**
Profit for the year	**164.7**	**213.0**	**+29.3%**
EPS (yen)	**81.11**	**107.79**	**+32.9%**

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FY2018 FCST: NET SALES/CORE OP

Flat net sales and Core OP adjusted for business transfer and Fx impacts despite NHI price revision

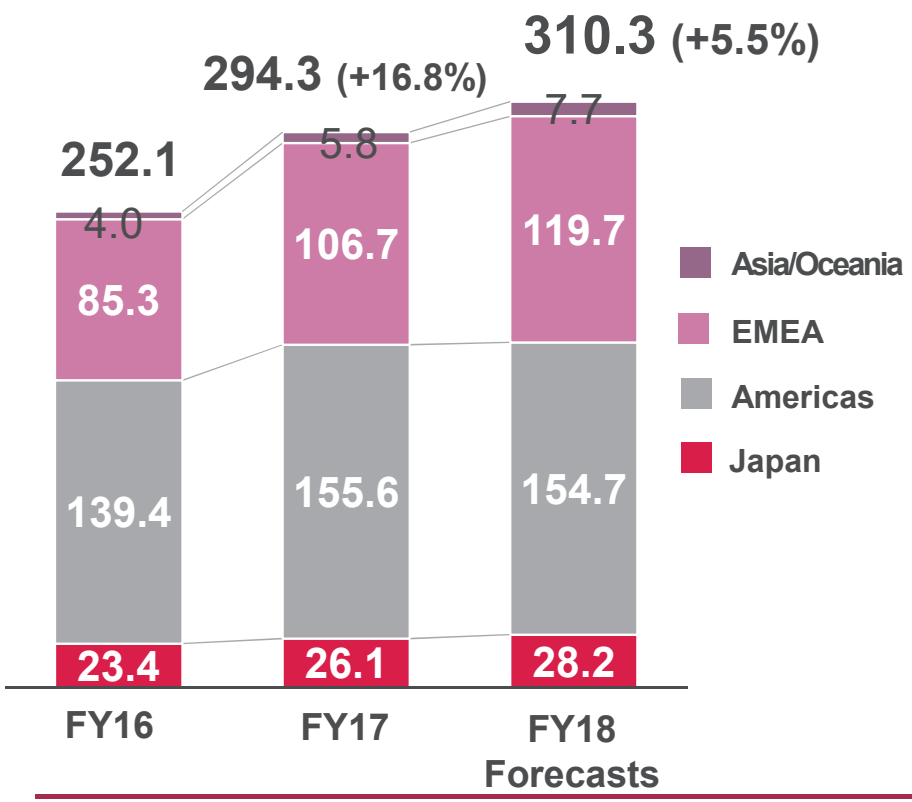


*Dermatology business and long-listed drugs transfer: Amortisation of deferred revenue for this year - PY amortisation of deferred revenue

FY2018 FCST: XTANDI

XTANDI sales to increase in all regions on a local currency basis

Sales by region (billion yen)



- Further penetration in earlier treatment within the current indications
  - Utilize solid evidence obtained in clinical trials and our strong presence in the urology field
  - Cooperation with Pfizer in the US
- Further maximize the value of XTANDI through expanded indication

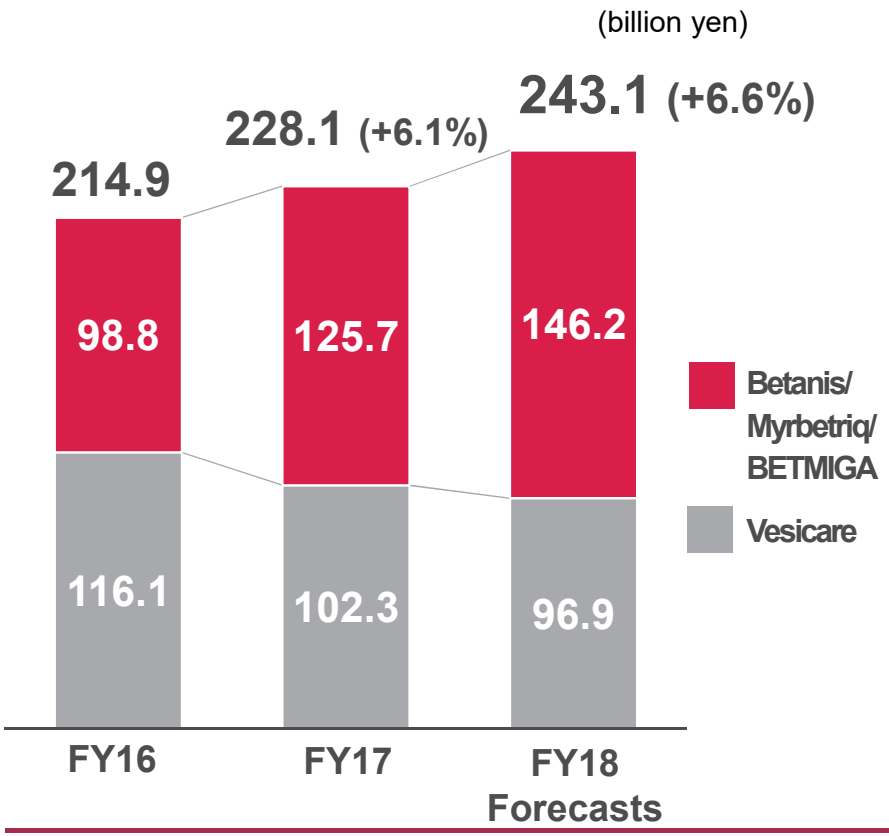
Year on Year sales growth (FY17 vs FY18)

Japan: +8%
Americas: +5% (USD basis)
EMEA: +12% (EUR basis)
Asia/Oceania: +34% (CER basis)

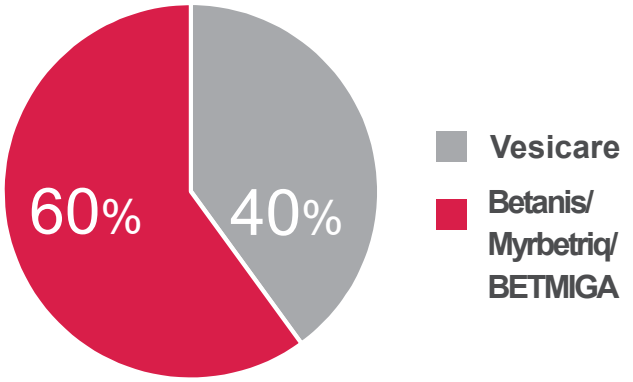
FY2018 FCST: OAB FRANCHISE IN UROLOGY

Betanis/Myrbetriq/BETMIGA growth enhances OAB Franchise

Sales by products



Sales composition ratio by product (FY18 FCST: yen basis)



Year on Year sales growth (FY17 vs FY18)

Japan: +3%
Americas: +15% (USD basis)
EMEA: +3% (EUR basis)
Asia/Oceania: +18% (CER basis)

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INITIATIVES TO BUILD RESILIENCE FOR SUSTAINABLE GROWTH

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)
- 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)
- zolbetuximab(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)
- fidaxomicin (Pediatric, EU)

Filed

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

THERAPEUTIC AREA:

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

● New molecular/biological entity

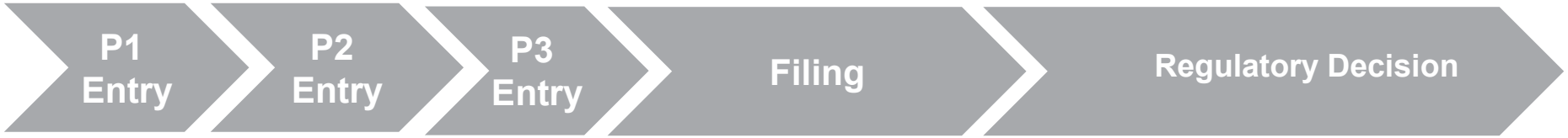
Outline of the projects are shown. Please refer to pipeline list for details including target disease.

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

STEADY PROGRESS IN DEVELOPMENT
SUMMARY OF PROGRAM PROGRESS FROM JAN 2018 TO APR 2018

Steady progression of pipeline



gilteritinib
Mar 2018 (JP)
Mar 2018 (US)
Relapsed or refractory AML

solifenacin
Approved in Feb 2018 (EU)
NDO in pediatric

ipragliflozin/ sitagliptin
Approved in Mar 2018 (JP)
Fixed dose for Type 2 diabetes

enzalutamide
Approved in Feb 2018 (JP)
Tablets for CRPC

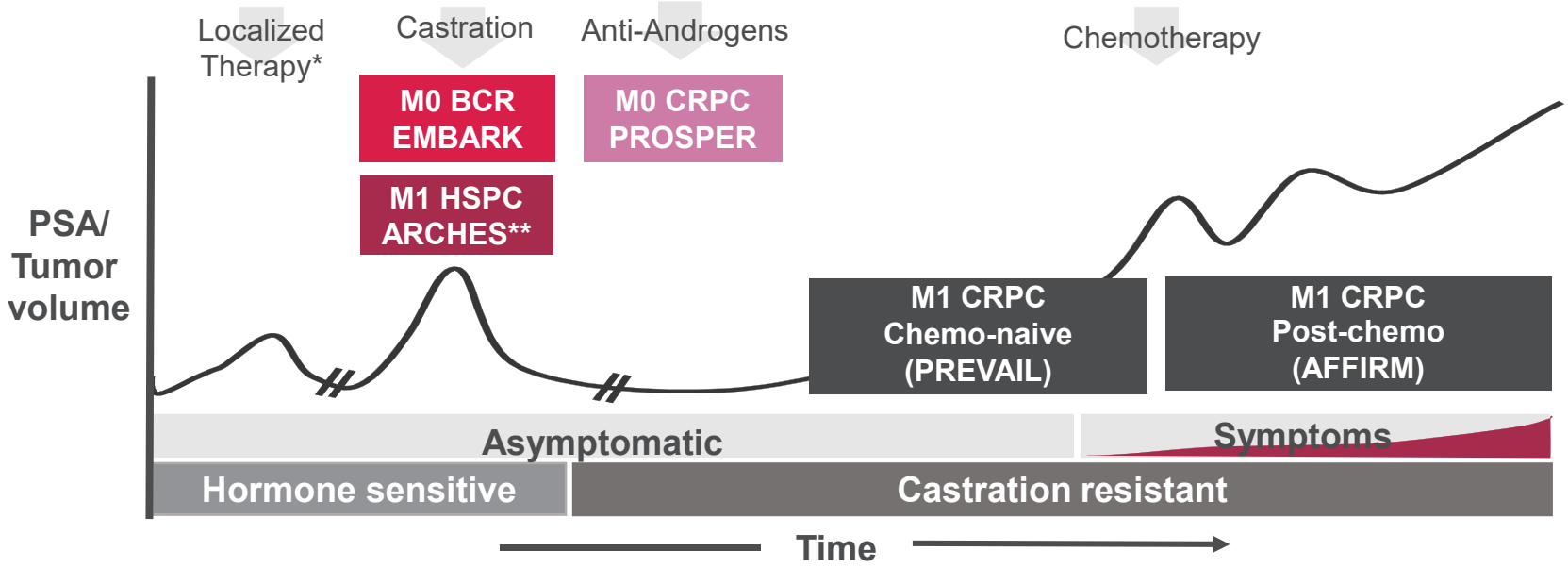
Discontinuation (in a part of indications) etc.

ASP0113: Cytomegalovirus reactivation in hematopoietic cell transplant recipients (P3)
ASP1707: Rheumatoid arthritis, Endometriosis (P2)

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

Acceptance of application from FDA/EMA were received. PDUFA date is Jul 2018.



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	Enrollment completed
PROSPER study P3	M0 CRPC Non-metastatic CRPC	Placebo-controlled, combination with ADT, n=1,440	Accepted for review (US/EU)

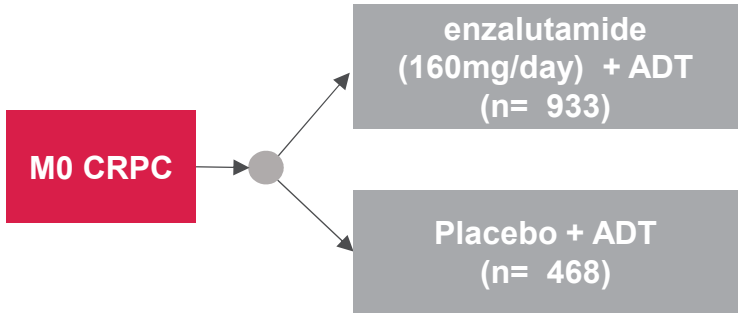
P. Mulders *et al. EAU2012,* modified by Astellas * Radiotherapy, prostatectomy, ** Metastatic at the time of diagnosis

PSA: Prostate-specific antigen, PDUFA: the prescription drug user fee act

ENZALUTAMIDE: PROSPER STUDY RESULTS

Enzalutamide decreased the risk of metastasis or death by 71% and delayed median metastasis-free survival by approximately 3 years in M0 CRPC patients.

Study design:



Primary endpoints:

- Metastasis Free Survival (MFS)

Secondary endpoints:

- Safety
- Overall Survival (OS)
- Time to PSA progression
- Time to use of new antineoplastic therapy
- PSA response
- Quality of Life

Conclusion:

- In men with M0 CRPC with rapid PSA doubling time (median 3.7 months), enzalutamide resulted in a clinically meaningful and statistically significant **71% reduction** in the relative risk of developing M1 CRPC or death.
- Enzalutamide showed consistent improvement across the secondary endpoints compared to placebo.
- Median OS was not reached in either group in the interim analysis, though a trend toward benefit was observed.(HR = 0.80 [95% CI: 0.58-1.09]; p = 0.1519)
- Therapy was well tolerated; adverse events were generally **consistent with those reported in prior clinical trials** in men with metastatic CRPC.

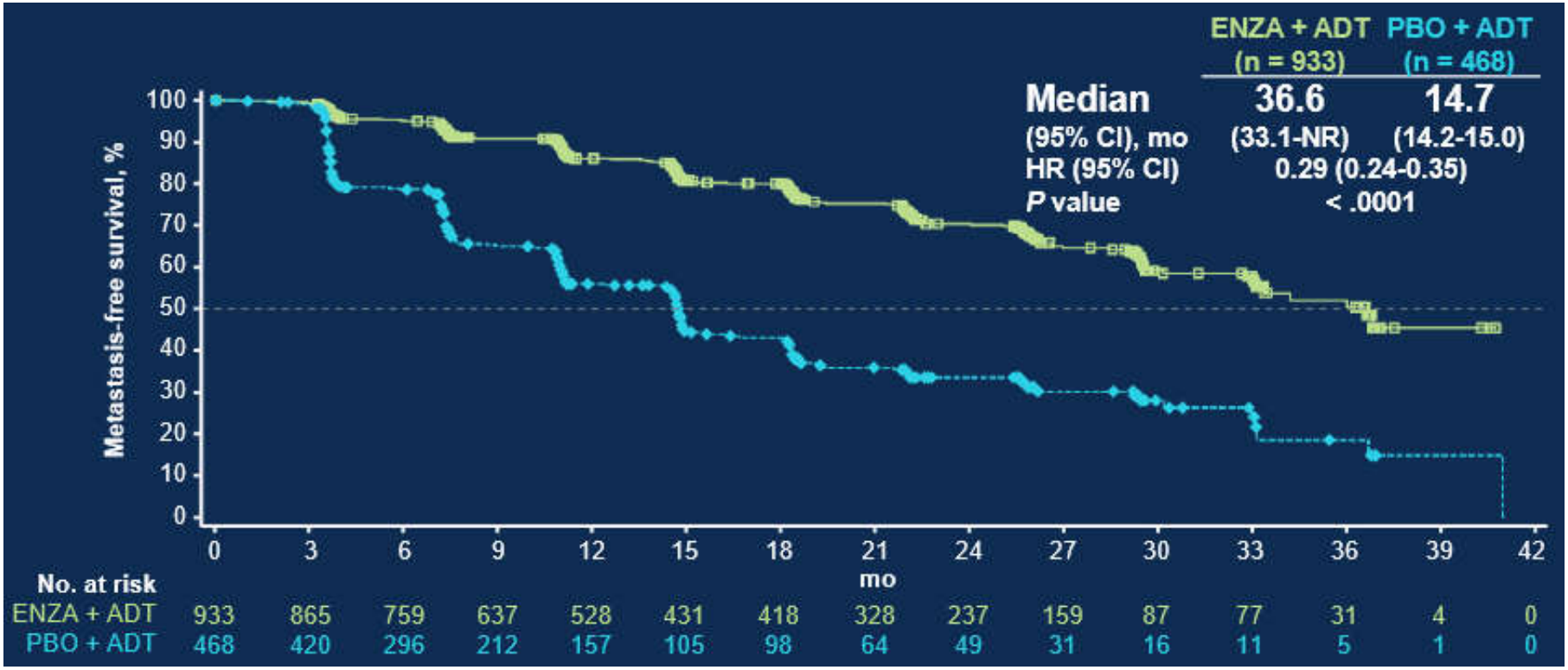
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ADT: Androgen deprivation therapy, PSA: Prostate-specific antigen, HR: hazard ration, CI: Confidence interval

ENZALUTAMIDE: PROSPER STUDY RESULTS

Median MFS was approximately 3 years with enzalutamide compared to 14.7 months for placebo (71% reduction in relative risk of radiographic progression or death)

Primary endpoint: Metastatic Free Survival (MFS)*



***MFS:** a measure of the amount of time that passes until a cancer can be radiographically detected as having metastasized, or until death, within 112 days of treatment discontinuation.

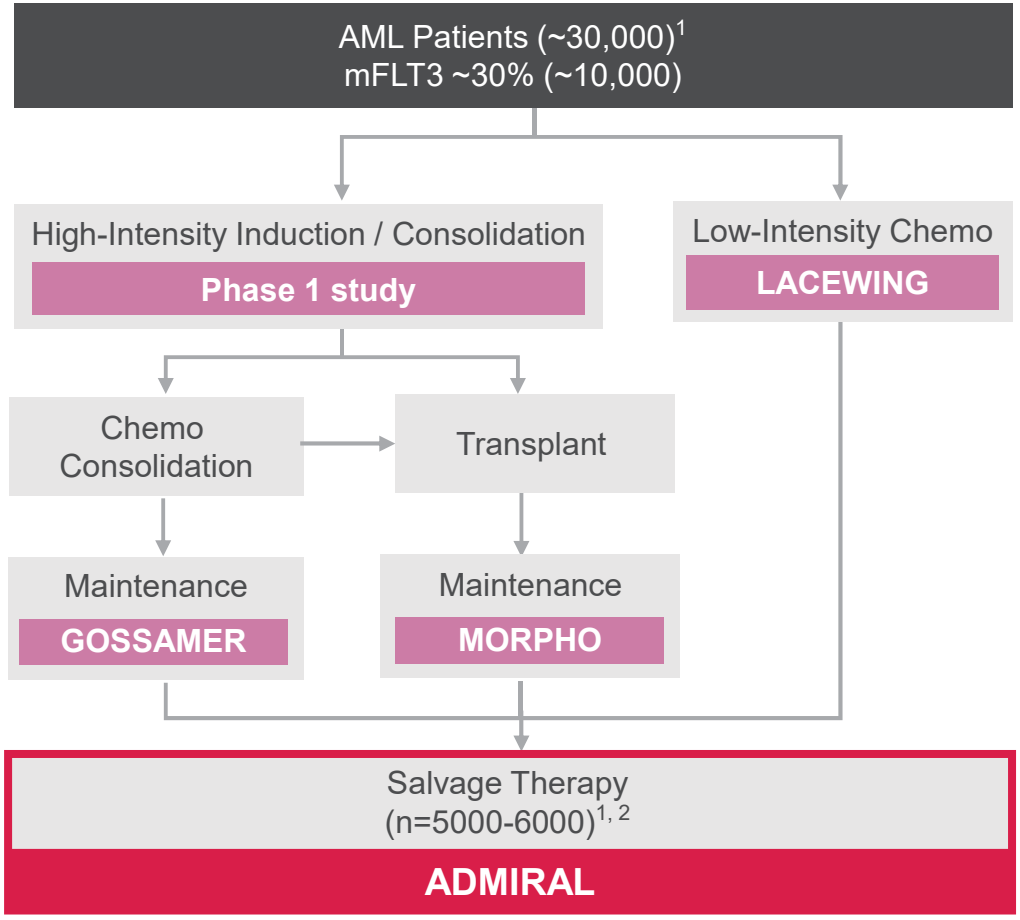
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ENZA: enzalutamide, PBO: placebo, CI: confidence interval, NR: not reached, HR: hazard ratio, mo: month

Maha Hussain, et. al., ASCO Genitourinary Cancer symposium 2018

GILTERITINIB: RELAPSED AND REFRACTORY(R/R) AML

Application for market authorization for R/R AML was submitted to PMDA in Mar 2018 under SAKIGAKE designation. NDA submission in US followed in Mar 2018



ADMIRAL study

- Enrollment completed
- Submission was made based on interim analysis of CR/CRh rate
- Study is being continued to obtain the final data analysis including OS co-primary endpoint.

Japan:

- Filed in Mar 2018 for R/R AML in Japan ahead of global submission under Sakigake designation.

US:

- NDA submitted in Mar 2018 for R/R AML. Fast track designation was granted by FDA.

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1: Annual incidence in U.S., EU5, JP, KantarHealth CancerMPact 2016, 2: 2016 ClearView Market Research, 2016 ZS Market Research
CR: complete remission, CRh: CR with partial hematological recovery

ENFORTUMAB VEDOTIN: METASTATIC UROTHELIAL CANCER

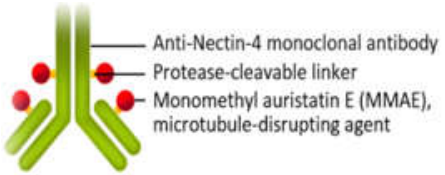
FDA granted "Breakthrough therapy designation" for locally advanced or metastatic urothelial cancer (mUC) with prior checkpoint inhibitor (CPI) treatment

Target: Nectin-4

- Targeting Nectin-4 which is a type I transmembrane protein that belongs to the Nectin family of adhesion molecules.
- Highly expressed in bladder cancer with more moderate expression in breast, pancreatic, lung and ovarian cancer tissue microarrays (TMA)

Antibody Drug Conjugate (ADC)

- enfortumab vedotin is utilizing ADC technology*.



Locally advanced and metastatic urothelial cancer

	P3: EV-301 study	Pts with prior CPI treatment	Open-label, randomized, n=550	First Patient in: 2H/2018
	P2: EV-201 study	Pts with prior CPI treatment	Open-label, single arm, n=120	First Patient in: Oct 2017
	P1b: EV-103 study	Combination with CPI	Open-label, single arm, n=85	First Patient In: Nov 2017
	P1: EV-101 study	mUC pts (Part A) Pts with renal insufficiency (Part B) Pts with prior CPI treatment (Part C)	Open-label, dose-escalation/expansion, n=185	First Patient In: Jun 2014

Exploration in other solid tumor

	P1: EV-101 study	metastatic NSCLC (Part B) metastatic ovarian cancer (Part B)	Open-label, dose-expansion, n= 30	First Patient in: Jun 2014

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*: ADC technology is license-in from Seattle Genetics, Inc.

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** **Data readout planned in 4Q/2018**
	SIERRAS: (FibroGen) Stable dialysis, vs epoetin alfa	**ALPS**, vs placebo (astellas) **Study completed** **Data readout in 2018**
	PYRENEES: (astellas) Stable dialysis, vs epoetin alfa or darbepoetin **Enrollment completed** **Data readout planned in 3Q/2018**	**ANDES**, vs placebo (FibroGen) **Enrollment completed** **Data readout planned in 4Q/2018**
Japan (astellas)	**HD:** Conversion, vs darbepoetin **Study completed** **Data readout planned in 2Q/2018**	Conversion, vs darbepoetin
	HD: Conversion, long-term **Study completed (TLR obtained in Feb 2018)**	
	HD: Correction (ESA-naïve) **Study completed (TLR obtained in Feb 2018)**	Correction **Enrollment completed** **Data readout planned in 4Q/2018**
	PD: **Study completed (TLR obtained in Oct 2017)**	

FibroGen astellas

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

ROXADUSTAT: JAPANESE STUDIES IN DIALYSIS PATIENTS

Positive results obtained from 2 Phase 3 studies in Japanese dialysis patients

Hemodialysis: Correction (ESA-naive)

- **Study design:** multi-center, open-label, randomized, non-comparator study
- **Enrolled patients:** 75
- **Dose:** 50 mg or 70 mg for initial dose[1]
- **Treatment :** 3 times/week, up to 24 weeks
- **Key outcome measure:**

  Hemoglobin (Hb) response rate[2] from baseline to End of Treatment (EOT)

Results:

- Hb response rate from baseline to EOT was 86.5% in starting 50 mg group and 89.2% in starting 70 mg group.
- roxadustat was well tolerated and in line with the safety data available to date.

Hemodialysis: ESA-conversion, long-term

- **Study design:** multi-center, open-label, non-comparator study
- **Enrolled patients:** 164
- **Dose:** 70 mg or 100 mg for initial dose[3]
- **Treatment :** 3 times/week, up to 52 weeks
- **Key outcome measure:**

  Maintenance rate of target Hb level[4] for Week 18-24 and for Week 46-52.

Results:

- Hb maintenance rate was 79.1% for Week 18-24 and 71.2% for Week 46-52.
- roxadustat was well tolerated. The long-term treatment with roxadustat was consistent with the previously known safety profile.

FIBROGEN

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1: Dose adjustment was allowed between 20 to 300 mg. 2: Proportion of subjects who achieve Hb response (Hb ≥ 10.0 g/dL and a Hb increase from baseline by ≥ 1.0 g/dL).
3: Subjects were assigned to 70 mg or 100 mg initial dose based on the average weekly dose of previous ESA. Dose adjustment was allowed between 20-300 mg.
4: Proportion of subjects who achieve the target Hemoglobin (Hb) level (10.0 g/dL to 12.0 g/dL) based on the average Hb level which was measured every two weeks.

PHASE 2 PROGRAMS: RECENT UPDATES

Making progress and near-term plan for Phase 2 programs

ASP4070

Pollinosis caused by Japanese red cedar

- TLR (preliminary) of POC study obtained
- Study didn't meet the primary endpoint
- Final data readout expected in 2H/2018

IMMUNOMIC Therapeutics, Inc.

ASP0819

Fibromyalgia

- POC study: Patient enrollment completed
- TLR planned in 2Q/2018

ASP8062

Fibromyalgia

- POC study: Patient enrollment completed
- TLR planned in 2Q/2018

reldesemtiv (CK-2127107)

< Cytokinetics-sponsored study >

Cytokinetics

SMA

- Phase 2 study: enrollment completed
- TLR planned in 2Q/2018

ALS

- Phase 2 study: Recruiting patients
- TLR planned in 4Q/2018

< Astellas-sponsored study >

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COPD

- Phase 2 study: Recruiting patients
- TLR planned in 4Q/2018

Note: P1b (proof of mechanism) study in elderly subjects with limited mobility is also on-going

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EXPECTED KEY PIPELINE EVENTS IN FY2018

Important milestones from POC through registration

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

Data Readouts

Phase 2 (POC) study

ASP0819
Fibromyalgia

ASP8062
Fibromyalgia

reldesemtiv (CK-2127107)
SMA
COPD
ALS

ASP5094
Rheumatoid arthritis

Phase 2b study

fezolinetant
MR-VMS

Phase 3 study

gilteritinib
R/R AML (ADMIRAL study)**

roxadustat

EU: Non-dialysis pts
- ALPS study
- DOLOMITE study
- ANDES study

EU: Dialysis pts
- HIMALAYA study
- SIERRA study
- PYRENEES study

JP: Dialysis pts
- Conversion in HD pts

JP: Non-dialysis pts
- Correction study (ESA-naive)

Filing*

peficitinib
Rheumatoid arthritis (Japan)

Regulatory Decisions

enzalutamide
M0 CRPC (US, EU)

gilteritinib
Relapsed and refractory AML (US, Japan)

solifenacin/mirabegron
concomitant use in OAB (US)

blinatumomab
ALL (Japan)

degarelix
Prostate cancer, 3M (Japan)

romosozumab
Osteoporosis (Japan)

linaclotide
Chronic constipation (Japan)

ipragliflozin
Type 1 diabetes (Japan)

fidaxomicin
Infectious enteritis (Japan)

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**: event-driven study, SMA: Spinal muscular atrophy, COPD: Chronic obstructive pulmonary disease, ALS: Amyotrophic lateral sclerosis, MR-VMS: Menopause-related vasomotor symptoms, R/R: Relapsed and refractory, AML: Acute myeloid leukemia, HD: hemodialysis, M0 CRPC: Non-metastatic castration-resistant prostate cancer, OAB: overactive bladder, ALL: Acute lymphoblastic leukemia

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 or Filing expected in FY2018)

- **enzalutamide** (M0 CRPC)
- **gilteritinib** (Relapsed and Refractory AML)
- **solifenacin/mirabegron** (Combination therapy)
- **roxadustat** (JP: Dialysis)
- **peficitinib**
- **linaclotide** (Chronic constipation)
- **romosozumab**

Mid-term growth drivers
(FY2019-)

- **enzalutamide** (label expansion)
- **gilteritinib** (Other AML patient segments)
- **enfortumab vedotin**
- **zolbetuximab (IMAB362)**
- **roxadustat** (EU: Dialysis/Non-dialysis) (JP: Non-dialysis)
- **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

INITIATIVES TO BUILD RESILIENCE FOR SUSTAINABLE GROWTH

STRATEGIC INITIATIVES

MODALITY:
ACQUISITION OF UNIVERSAL CELLS

Reinforce focus on cell therapy by acquiring Universal Donor Cell technology

- Strength of Universal Donor Cell technology
  - Technology to create stem cell therapies that overcome immune rejection
  - Universal Donor Cell technology can be administered to any recipient without the need for Human Leukocyte Antigen (HLA) matching
  - Expands research potential to wide range of differentiated cells

→ Universal Donor Cell technology is essential for expansion to systemic diseases such as autoimmune diseases and blood diseases

Further strengthens R&D focus in cell therapy by combining capability of AIRM* with Universal Donor Cell technology

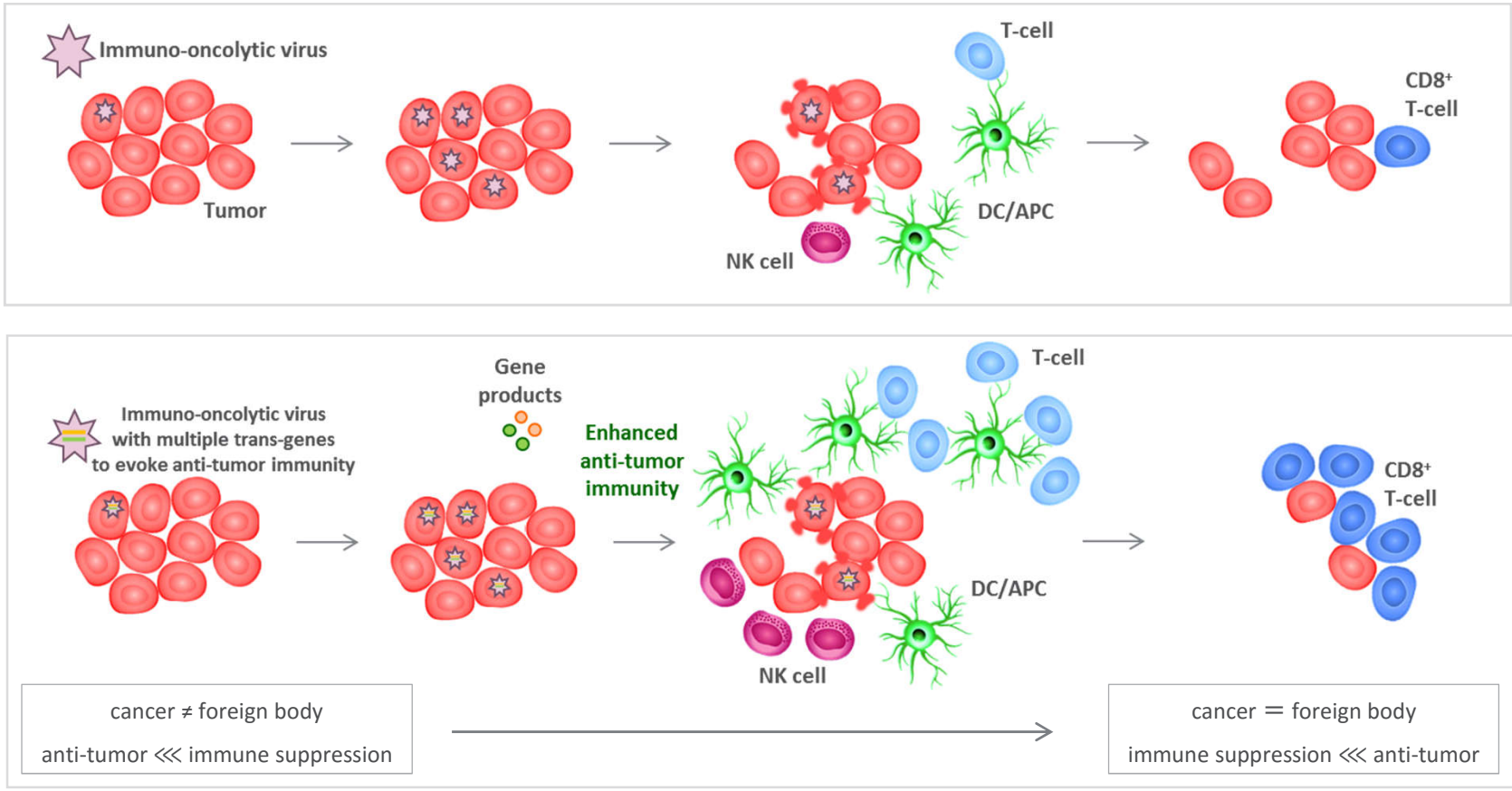
Universal Cells

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*Astellas Institute for Regenerative Medicine

MODALITY:
LICENSE AGREEMENT WITH TOTTORI UNIVERSITY

Immuno-oncolytic virus with multiple trans-genes to evoke anti-tumor immunity



鳥取大学 Tottori University

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NK cell: Natural Killer cell, DC: Dendritic Cell, APC: Antigen Presenting Cell

INITIATIVES TO BUILD RESILIENCE FOR SUSTAINABLE GROWTH

PURSUE OPERATIONAL EXCELLENCE

OPTIMIZATION OF ORGANIZATION / STRUCTURE IN EMEA

Evolve operating model with changes in external environment

- R&D activities in Netherlands consolidated in Japan and the U.S.
- Further improving efficiency of finance function in EMEA through outsourcing and reorganization
- Enhancing sales & marketing efficiency and strategy quality in EMEA through the optimization of sales & marketing organization / structure

Information meeting on Strategic Plan
May 22, 2018

2:00 pm – 3:30 pm (JST)

APPENDIX

FY2017: SALES BY REGION

	FY16	FY17	Change
Japan (billion yen)	**480.8**	**421.2**	-12.4%
of sales in Japanese market	452.7	383.4	-15.3%
Americas (million USD)	**3,805**	**3,909**	+2.7%
EMEA (million EUR)	**2,785**	**2,651**	-4.8%
Asia/Oceania (billion yen)	**87.7**	**102.0**	+16.3%

FY2018 FCST: SALES BY REGION

	FY17	FY18 FCST	Change
Japan (billion yen)	**421.2**	**396.8**	-5.8%
of sales in Japanese market	383.4	365.3	-4.7%
Americas (million USD)	**3,909**	**4,042**	+3.4%
EMEA (million EUR)	**2,651**	**2,645**	-0.2%
Asia/Oceania (billion yen)	**102.0**	**112.9**	+10.7%

FY2018 FCST: SALES IN KEY AREAS

(billion yen)	FY17	FY18 FCST	Change	CER growth
XTANDI	**294.3**	**310.3**	**+5.5%**	**+8.4%**
OAB in Urology	**228.1**	**243.1**	**+6.6%**	**+9.6%**
Vesicare	102.3	96.9	-5.2%	-3.2%
Betanis/Myrbetriq/BETMIGA	125.7	146.2	+16.3%	+20.1%
Transplantation	**198.5**	**190.7**	**-3.9%**	**-3.3%**

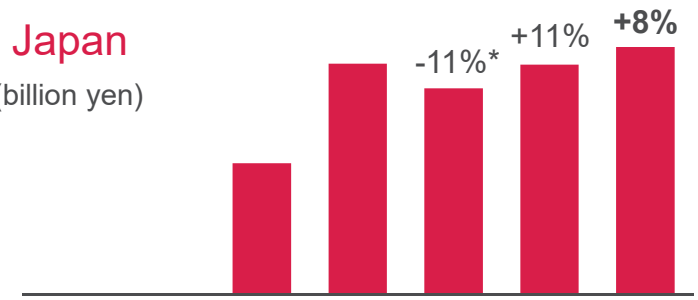
Transplantation: Prograf, Advagraf/Graceptor/ASTAGRAF XL

CER：Constant Exchange Rate

FY2018 SALES FCST: XTANDI

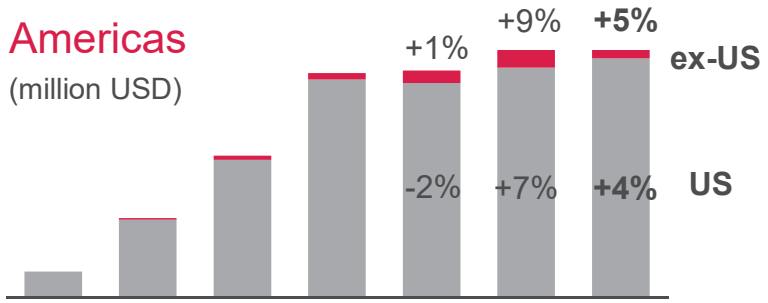
Sales since launch by region

Japan
(billion yen)

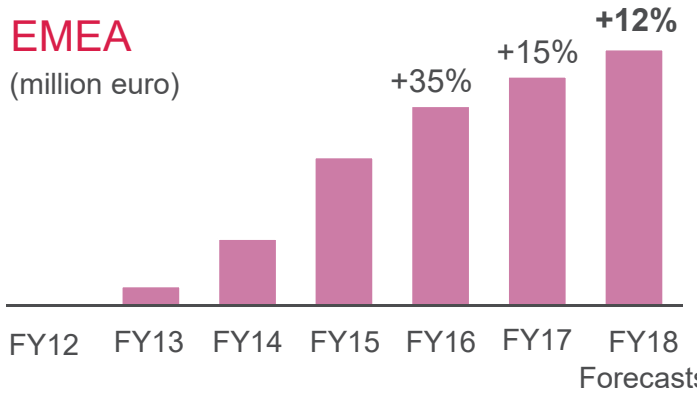


*+19% excl. NHI drug price cut impacts

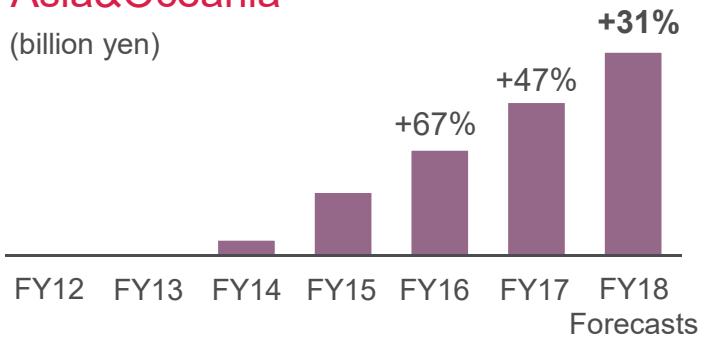
Americas
(million USD)



EMEA
(million euro)



Asia&Oceania
(billion yen)



FX RATE (ACTUAL)

Average rate for the period (yen)

Currency	FY16	FY17	Change
USD	108	111	+2
EUR	119	130	+11

Change in closing rate from PY end

Currency	FY16	FY17
USD	-0	-6
EUR	-8	+11

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

FY2018 FCST：FX RATE & FX SENSITIVITY

(yen)

Average rate for the period

Currency	FY17	FY18 FCST	Change
USD	111	105	-6
EUR	130	130	+0

Change in closing rate from PY end

Currency	FY17	FY18 FCST
USD	-6	-1
EUR	+11	-1

Estimated Fx sensitivity of FY2018 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. -5.1 bil yen	Approx. -1.2 bil yen	Approx. +0.6 bil yen
EUR	Approx. -2.6 bil yen	Approx. -1.1 bil yen	Approx. +0.3 bil yen

BALANCE SHEET/CASH FLOW HIGHLIGHTS

(billion yen)	FY2016 end	FY2017 end
Total assets	1,814.1	1,858.2
Cash and cash equivalents	340.9	331.7
Total net assets	1,271.8	1,268.3
Equity ratio (%)	70.1%	68.3%

(billion yen)	FY16	FY17
Cash flows from operating activities	235.6	312.6
Cash flows from investing activities	(73.4)	(121.8)
Free cash flows	162.2	190.8
Cash flows from financing activities	(166.2)	(203.4)
Acquisition of treasury shares	(92.2)	(130.7)
Dividends paid	(70.1)	(71.6)

PROFIT DISTRIBUTION

	FY2016	FY2017	FY2018 (Forecast)
EPS (yen)	103.69	81.11	107.79
Divided per share (yen)	34	36 (planned)	38 (forecast)
ROE	17.3%	13.0%	-
DOE	5.6%	5.7%	-
Share buyback	60 million shares 91.4 billion yen	88 million shares 129.9 billion yen	-
Treasury stock cancellation	68 million shares	85 million shares	89 million shares (planned)

ON THE FOREFRONT OF HEALTHCARE CHANGE

