



News Release

Takeda to Acquire Envoy Therapeutics, Inc.

Gains Innovative Research Platform-bacTRAP technology and Adds Novel CNS Programs

Osaka, Japan, November 6, 2012, and Jupiter, FL, November 5, 2012 – Takeda Pharmaceutical Company Limited (Takeda) and Envoy Therapeutics Inc. (Envoy) jointly announced today that Takeda's wholly-owned subsidiary, Takeda America Holdings, Inc. and Envoy have entered into a definitive agreement for Takeda America Holdings to acquire Envoy. Takeda expects that the transaction will be finalized in the next few days. Under the agreement, Takeda America Holdings will acquire 100% of the equity in Envoy for total consideration of up to \$140MM, which includes an up-front payment and progress-dependent, preclinical milestone payments.

Envoy is a privately-held drug discovery company focused on finding new drugs with superior efficacy and fewer side effects than existing treatments. The company's proprietary bacTRAP technology[®] combines innovative genetic engineering with molecular biology techniques for labeling and extracting the protein-making components of specific types of cells. The technology is especially powerful in the brain where many hundreds of cell types are intermingled but is applicable to therapeutic areas beyond the central nervous system (CNS). Takeda's corporate venture arm, Takeda Ventures, Inc. (TVI), participated in Envoy's series A financing in October 2009, in accordance with TVI's mission to nurture external innovation and help Takeda build on its heritage of innovative drug discovery.

The acquisition of Envoy provides Takeda with proprietary bacTRAP technology, know-how, materials, datasets and analysis techniques enabling the identification of novel targets expressed in disease-relevant cell populations. In addition, Takeda gains access to Envoy's pre-clinical CNS assets including programs for Parkinson's Disease and Cognitive Impairment Associated with Schizophrenia (CIAS).

"Since our initial investment in 2009, it has been clear to us that Envoy's scientific excellence in combination with their vision for the utilization of bacTRAP technology have great potential to create and explore truly innovative targets across multiple therapeutic areas," said Dr. Paul Chapman, General Manager of Pharmaceutical Research Division at Takeda. "Together with Envoy, we will continue our efforts to contribute to the health of patients worldwide by delivering innovative drugs."

“Takeda’s expertise in so many disease areas, coupled with its strong commitment to innovation in drug discovery, will enable the widespread application of Envoy’s bacTRAP technology, said Mr. Brad Margus, Chief Executive Officer and Director of Envoy. “Our scientists are thrilled by the opportunity to deploy bacTRAP’s unique capabilities across numerous new therapeutic areas.”

Takeda plans to continue operating Envoy in Jupiter, Florida through March 2013, and thereafter intends to transfer the majority of the Envoy scientific staff and management team to Takeda California in San Diego as a part of Takeda Pharmaceuticals Research Division.

Acquisition Summary

- (1) Acquiring company: Takeda America Holdings, Inc.
- (2) Owners of Envoy: 5AM Ventures, Roche Venture Fund, Takeda Ventures, Inc, the founders (Nathaniel Heintz, Ph.D, Paul Greengard, Ph.D, Brad Margus, Jeffrey Friedman, M.D., Ph.D.)
- (3) Payment: Cash
- (4) Acquisition amount: Up to US\$140MM, including up-front and contingent payments
- (5) Planned date of completion: November 2012
- (6) Financial advisor to Takeda: Ernst & Young
- (7) Legal advisor to Takeda: Cooley, LLC
- (8) Legal advisor to Envoy: Latham and Watkins, LLP

Profile of Envoy:

- (1) Corporate Name: Envoy Therapeutics, Inc.
- (2) Location of executive offices: Jupiter, Florida
- (3) Representative: Brad Margus, CEO and Member of the Board of Directors
- (4) Year of establishment: 2009
- (5) Capital Stock: US \$8 million
- (6) Number of employees: 21
- (7) Relationship with Takeda:
 - i. Takeda Venture, Inc. invested in Envoy’s series A financing in October 2009, holding approximately 12.5 % ownership.
 - ii. The research collaboration with Takeda was formed in October 2010 with the subsequent schizophrenia-focused research started in November of the same year.

The impact from this acquisition on Takeda’s consolidated financial statements of fiscal 2012 is limited, and Takeda does not find it necessary to revise the financial forecasts of fiscal 2012 at this point of time.

About Takeda Pharmaceutical Company Limited

Located in Osaka, Japan, Takeda is a research-based global company with its main focus on pharmaceuticals. As the largest pharmaceutical company in Japan and one of the global leaders of the industry, Takeda is committed to striving toward better health for individuals and progress in medicine. Additional information about Takeda is available through its corporate website, www.takeda.com.

About Envoy

Envoy's mission is to discover new drugs with superior efficacy and fewer side effects than existing treatments. The company's bacTRAP[®] technology enables the identification of proteins *in vivo* that are produced by specific cell types. The technology is especially powerful in tissues of the brain, where many hundreds of cell types are intermingled. Because therapeutically modulating the activity of a specific cell type in certain tissues has until recently been limited, Envoy's platform technology opens the window to new frontiers in drug discovery. Additional information about Envoy is available through its corporate website, www.envoytherapeutics.com

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