

May 22, 2019

**Ono's Statement in response to the Press Reports
with respect to PD-1 Related Patents**

As Ono Pharmaceutical Co., Ltd. remains true to our corporate philosophy "*Dedicated to Man's Fight against Disease and Pain*", we devote ourselves to deliver innovative pharmaceutical products to patients all over the world.

We have expressed our considerable respect to the research achievement of General and Distinguished Professor Tasuku Honjo of Kyoto University. Moreover, we feel sincere gratitude for the opportunity to work with him on a unique cancer treatment in connection with his winning the Nobel Prize in Physiology or Medicine last year for the discovery of cancer treatment by inhibiting immune response.

Some say that the chances of success to develop a new drug is one out of twenty to thirty thousand in this industry. In such a high risk business environment, we would like to express our gratitude to our shareholders for understanding our business activity focusing on research and development of new drugs.

We have successfully commercialized Opdivo® as a new anti-cancer drug, developed based on the basic research of Professor Honjo. Our mission is to deliver this drug to as many patients and as quickly as possible, while striving to expand the drug's application to various cancer types. While we pursued research and development that demolished the skeptical view on cancer immune therapy, we also recognized the importance of basic research and the need of academia-industry collaboration. It is our ambition to continue contributing to the advancement of medical and pharmaceutical science through collaborative research with universities and research institutions in Japan and overseas.

The license agreement with respect to the PD-1 related patents that has been reported by media was duly executed in 2006 (the "Agreement") after we reached an agreement with Professor Honjo. We have been paying the consideration due under the Agreement since 2014, and will continue to pay it every calendar quarter.

Despite that we have continuously engaged in good faith discussions with Professor Honjo aimed at reviewing of the terms and conditions of the Agreement – a review he demanded in 2011–, not even once have we been successful in reaching an agreement with Professor Honjo. In November 2018, we informed Professor Honjo that we were considering a donation to Kyoto University to contribute to the progress of basic research and cultivation of young scientists, a proposition which is different from the scheme of additional consideration.

We continue discussions with Professor Honjo, and will carefully consider a donation to support the progress of basic research and cultivation of young scientists while fulfilling accountability to our shareholders.

We would like to continue to be a company that can contribute broadly to a society, and would appreciate a continued understanding and support of our business activities by all of our stakeholders and shareholders.

Contact:
ONO PHARMACEUTICAL CO., LTD.
Corporate Communications
public_relations@ono.co.jp