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Eisai Co., Ltd.

EISAI TRANSFERS RIGHTS TO RECEIVE ROYALTIES OUTSIDE OF JAPAN FOR EZH2 INHIBITOR TAZEMETOSTAT TO ROYALTY PHARMA

Eisai Co., Ltd. (Headquarters: Tokyo, CEO: Haruo Naito, "Eisai") announced today that it has entered into an agreement to transfer the rights to receive royalties on the sales outside of Japan for an investigational anti-cancer agent tazemetostat (generic name) to Royalty Pharma (Headquarters: New York, United States).

Tazemetostat is a first-in-class, oral EZH2 inhibitor discovered by Epizyme, Inc. (Headquarters: Massachusetts, United States, "Epizyme"). Under the terms of the March 2015 amended and restated agreement with Epizyme, Eisai is responsible for development and commercialization of tazemetostat within Japan, as well as paying to Epizyme royalties on net sales of tazemetostat in Japan. Epizyme is responsible for development and commercialization outside of Japan, and paying to Eisai certain development and regulatory milestones, as well as royalties on net sales of tazemetostat in all regions outside of Japan.

In this agreement with Royalty Pharma, Eisai transfers to Royalty Pharma its rights to receive royalties from Epizyme on sales outside of Japan. Eisai will receive an upfront payment of 110 million U.S. dollars for the transfer and obtain the right to receive up to an additional 220 million U.S. dollars upon marketing approvals for tazemetostat in the United States for certain indications.

Eisai positions oncology as a key therapeutic area, and is aiming to discover revolutionary new medicines with the potential to cure cancer. By the effective use of management resources including the funds obtained through this agreement, Eisai will accelerate to discover the new medicines based on the cutting-edge cancer research, as it seeks to contribute further to addressing the diverse needs of, and increasing the benefits provided to, patients with cancer, their families, and healthcare providers.

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[Notes to editors]

1. About Tazemetostat (Generic Name, Development Code: E7438, Epizyme's Development Code: EPZ-6438)

Created through Epizyme's proprietary product platform, tazemetostat is a first-in-class small molecule inhibitor of the epigenetic enzyme EZH2. EZH2 is one of the proteins that make up the histone methyltransferases (HMTs) that alter gene expression. It is believed that EZH2 regulates cell proliferation, and may have an important role in carcinogenesis. In Japan, Eisai is currently conducting Phase II clinical studies for B-cell non-Hodgkin's lymphoma.

2. About Royalty Pharma

Founded in 1996, Royalty Pharma is the industry leader in acquiring pharmaceutical royalties, with over \$16 billion in royalty assets. Royalty Pharma funds innovation in life sciences both directly and indirectly: directly when it partners with life sciences companies to co-develop and co-fund products in late-stage clinical trials, and indirectly when it acquires existing royalty interests from the original innovators (academic institutions, research hospitals, foundations and inventors). The company's portfolio includes royalty interests in over 50 approved products including AbbVie and J&J's Imbruvica, Astellas and Pfizer's Xtandi, Biogen's Tysabri, Gilead's HIV franchise, Merck's Januvia, Novartis' Promacta, and Vertex's cystic fibrosis franchise. Royalty Pharma is also a leading investor in pre-approval royalties, having since 2011 invested over \$4 billion in royalties on pre-approval products and committed over \$900 million to direct R&D funding in exchange for royalties. More information on Royalty Pharma is available at www.royaltypharma.com.