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ONO announces collaboration with Fate Therapeutics for two iPSC-derived CAR-T Therapies for Cancers

Ono Pharmaceutical Co., Ltd. (Osaka, Japan; President, Representative Director and CEO, Gyo Sagara; “ONO”) announced that it entered into a collaboration agreement with Fate Therapeutics, Inc. (San Diego, CA, USA; President & Chief Executive Officer, Scott Wolchko; “Fate”) for the joint development and commercialization of two off-the-shelf chimeric antigen receptor (CAR)-T cell product candidates for cancer.

ONO and Fate will jointly advance each iPSC-derived CAR-T cell collaboration candidate to a pre-defined preclinical milestone. The first induced pluripotent stem cell (iPSC)-derived CAR T-cell candidate targets an antigen expressed on certain lymphoblastic leukemias, and Fate retains global responsibility for development and commercialization with ONO having an option to assume responsibilities in Asia. The second candidate targets a novel antigen identified by ONO expressed on certain solid tumors, with ONO having an option to assume global responsibility for further development and commercialization and Fate retaining the right to co-develop and co-commercialize the candidate in the United States and Europe. For both collaboration candidates, Fate retains manufacturing responsibilities on a global basis.

Under the terms of the strategic option agreement, ONO will pay to Fate a one-time upfront payment of \$10 million and, additionally up to \$60 million in connection with the successful optimization of two CAR-T products. Ono will also pay to Fate milestone payments on progress of clinical development stages, and on the achievement of certain net sales threshold as well as tiered royalties on annual net sales by ONO.

“Ono identified Fate Therapeutics as the partner of choice for the generation of off-the-shelf CAR T-cell cancer immunotherapies in our portfolio,” said Hiromu Habashita, Corporate Officer, and Executive Director of Discovery & Research of ONO. “We are excited to work with Fate Therapeutics and apply its industry-leading iPSC product platform to develop and deliver the next-generation of CAR T-cell therapies for cancer patients.”

“We are delighted to collaborate with ONO, a global leader in oncology with a long history of developing innovative breakthrough cancer drugs,” said Scott Wolchko, President and Chief Executive Officer of Fate Therapeutics. “This partnership with ONO enables Fate to further enhance its expertise in targeting solid tumors and to accelerate the global development of our pipeline of off-the-shelf, iPSC-derived CAR-T cell product candidates.”

About Fate Therapeutics’ iPSC Product Platform

The Company’s proprietary iPSC product platform enables mass production of off-the-shelf, engineered, homogeneous cell products that can be administered in repeat doses to mediate

more effective pharmacologic activity, including in combination with cycles of other cancer treatments. Human iPSCs possess the unique dual properties of unlimited self-renewal and differentiation potential into all cell types of the body. The Company's first-of-kind approach involves engineering human iPSCs in a one-time genetic modification event, and selecting a single iPSC for maintenance as a clonal master iPSC line. Analogous to master cell lines used to manufacture biopharmaceutical drug products such as monoclonal antibodies, clonal master iPSC lines are a renewable source for consistently and repeatedly manufacturing homogeneous cell products in quantities that support the treatment of patients in an off-the-shelf manner. Fate Therapeutics' iPSC product platform is supported by an intellectual property portfolio of over 100 issued patents and 100 pending patent applications.

About Fate Therapeutics, Inc.

Fate Therapeutics, Inc is a clinical-stage biopharmaceutical company dedicated to the development of first-in-class cellular immunotherapies for cancer and immune disorders. The Company is pioneering the development of off-the-shelf cell therapies using its proprietary iPSC product platform. The Company's immuno-oncology pipeline is comprised of FATE-NK100, a donor-derived natural killer (NK) cell cancer immunotherapy that is currently being evaluated in three Phase 1 clinical trials, as well as iPSC-derived NK cell and T-cell immunotherapies, with a focus on developing augmented cell products intended to synergize with checkpoint inhibitor and monoclonal antibody therapies and to target tumor-specific antigens. The Company's immuno-regulatory pipeline includes ProTmune™, a next-generation donor cell graft that is currently being evaluated in a Phase 2 clinical trial for the prevention of graft-versus-host disease, and a myeloid-derived suppressor cell immunotherapy for promoting immune tolerance in patients with immune disorders. Fate Therapeutics is headquartered in San Diego, CA. For more information, please visit www.fatetherapeutics.com.

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