PRESS RELEASE
REGULATED INFORMATION

Takeda and TiGenix Enter into Licensing Agreement for Ex-U.S. rights to Cx601 for the Treatment of Complex Perianal Fistulas in Patients with Crohn's Disease

Osaka, Japan, July 5, 2016, and Leuven, Belgium, July 5, 2016, 8:00am CEST – Takeda Pharmaceutical Company Limited (TSE: 4502) ("Takeda") and TiGenix NV (Euronext Brussels: TIG) ("TiGenix") today announced that the companies have entered into an exclusive ex-U.S. license, development and commercialization agreement for Cx601, a suspension of allogeneic adipose-derived stem cells (eASC) injected intra-lesionally for the treatment of complex perianal fistulas in patients with Crohn's disease. TiGenix will receive an upfront cash payment of €25 million. TiGenix will be eligible to receive additional regulatory and sales milestone payments for up to a potential total of €355 million and double digit royalties on net sales by Takeda. The first anticipated milestone payment is €15 million upon obtaining the Marketing Authorization of Cx601 in the European Economic Area (EEA). In addition, Takeda will make an equity investment of €10 million in the share capital of TiGenix within the next 12 months.

Crohn's disease is a chronic inflammatory disease of the gastrointestinal tract. People living with Crohn's disease often experience complex perianal fistulas for which there are limited treatment options. Recognizing the debilitating nature of the disorder and the lack of treatment options, in 2009 the European Commission granted Cx601 orphan designation for the treatment of complex perianal fistulas. In March 2016, TiGenix announced that it submitted the Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) for Cx601. The filing was based on the 24 week results of the ADMIRE-CD Phase 3 clinical trial. The company also recently announced top-line 52 week data confirming the efficacy and safety of a single injection of Cx601.

Following Marketing Authorization in the European Union, Takeda will become the marketing authorization holder and will be responsible for all commercialization and regulatory activities. Takeda will also be responsible for additional development activities of Cx601 for the indication of complex perianal fistulas in Crohn's disease. TiGenix will retain the rights to develop Cx601 in new indications.

"In Europe approximately one million people suffer from Crohn's disease, with rising incidence. As a leader in gastroenterology, Takeda aspires to bring innovative treatments to patients where unmet medical needs exist," said Marc Princen, President of Europe and Canada, Takeda. "This collaboration and the addition of Cx601 to our portfolio highlights Takeda's commitment to the development of treatments to improve the health of people living with gastroenterological disorders, leveraging our expertise in Inflammatory Bowel Disease and Crohn's specifically."

"TiGenix is pleased to partner with Takeda, a global pharmaceutical company with a strong track record and strong leadership position in gastroenterology. This agreement reduces the investment risks associated with building a pan-European marketing and selling infrastructure, and helps get this much-needed treatment option to patients and gives to Cx601 the best partner with the needed capabilities and resources to secure its commercial success" said Eduardo Bravo, CEO, TiGenix. "This agreement further provides TiGenix with the financial strength to move forward with the clinical development of Cx601 in the U.S., which represents approximately 50 percent of the world's Crohn's market."

Audio Conference
TiGenix will hold an audio conference on July 5, 2016 at 14.30 CEST/8.30 EDT. To participate in the conference, please call one of the following numbers ten minutes prior to commencement:

- Confirmation Code: 1500754
- United Kingdom: +44(0)20 3427 1901 or 0800 279 4977
- United States of America: +1212 444 0481 or 1877 280 2296
- Netherlands: +31(0)20 716 8256 or 0800 020 2576
- Belgium: +32(0)2 400 3463 or 0800 58032
- France: +33(0)1 70 99 42 76 or 0805 631 579
- Spain: +3491 791 7146 or 800 600 526

About Takeda
Takeda Pharmaceutical Company Limited (TSE: 4502) is a global, R&D-driven pharmaceutical company committed to bringing better health and a brighter future to patients by translating science into life-changing medicines. Takeda focuses its research efforts on oncology, gastroenterology and central nervous system therapeutic areas. It also has specific development programs in specialty cardiovascular diseases as well as late-stage candidates for vaccines. Takeda conducts R&D both internally and with partners to stay at the leading edge of innovation. New innovative products, especially in oncology, central nervous system and gastroenterology, as well as its presence in emerging markets, fuel the growth of Takeda. More than 30,000 Takeda employees are committed to improving quality of life for patients, working with our partners in health care in more than 70 countries. For more information, visit http://www.takeda.com/news.

Takeda's Commitment to Gastroenterology
Takeda is a global leader in gastroenterology. With expertise spanning more than 25 years, the company's dedication to innovation continues to evolve and have a lasting impact. ENTYVIO® (vedolizumab) demonstrates Takeda's global capabilities and expansion into the specialty care market in gastroenterology and biologics. Designed and developed specifically to target the gastrointestinal (GI) tract, ENTYVIO was launched in 2014 for the treatment of adults with moderate to severe ulcerative colitis and Crohn's disease. TAKECAB® (vonoprazan fumarate) is Takeda's potassium-competitive acid blocker and was launched in Japan in 2015. Takeda also markets motility agent AMITIZA® (lubiprostone), which originally launched in 2006 for the treatment of chronic idiopathic constipation, and received subsequent approval to treat irritable bowel syndrome with constipation and opioid-induced constipation. Preceding these notable launches, Takeda pioneered gastroenterological breakthroughs in proton pump inhibitors beginning in the 1990's with lansoprazole. Through specialized and strategic in-house development, external partnerships, in-licensing and acquisitions, Takeda currently has a number of promising early stage GI assets in development, and remains committed to delivering innovative, therapeutic options for patients with gastrointestinal and liver diseases.

About TiGenix
TiGenix NV (Euronext Brussels: TIG) is an advanced biopharmaceutical company focused on developing and commercialising novel therapeutics from its proprietary platforms of allogeneic, or donor-derived, expanded stem cells. Two products from the adipose-derived stem cell technology platform are currently in clinical development. Cx601 is in Phase III for the treatment of complex perianal fistulas in Crohn's disease patients. Cx611 has completed a Phase I sepsis challenge trial and a Phase I/II trial in rheumatoid arthritis. Effective July 31, 2015, TiGenix acquired Coretherapix, whose lead cellular product, AlloCSC-01, is currently in a Phase II clinical trial in acute myocardial infarction (AMI). In addition, the second product candidate from the cardiac stem cell-based platform acquired from Coretherapix, AlloCSC-02, is being developed in a chronic indication. TiGenix also developed ChondroCelect, an autologous cell therapy product for cartilage repair of the knee, which was the first Advanced Therapy Medicinal Product (ATMP) to be approved by the European Medicines Agency (EMA). From June 2014, the marketing and distribution rights of ChondroCelect were exclusively licensed to Sobi for the European Union (except for Finland, where it is distributed by the Finnish Red Cross Blood Service), Norway, Russia, Switzerland and Turkey, and the countries of the Middle East and North Africa. TiGenix is headquartered in Leuven (Belgium) and has operations in Madrid (Spain). For more information, please visit www.tigenix.com.

About Cx601

Cx601 is a suspension of allogeneic expanded adipose-derived stem cells (eASC) injected intra-lesionally. Cx601 is being developed for the treatment of complex perianal fistulas in Crohn's disease patients. Crohn's disease is a chronic inflammatory disease of the intestine and patients can suffer from complex perianal fistulas for which there is currently no effective treatment. In 2009, the European Commission granted Cx601 orphan designation for the treatment of fistulas, recognizing the debilitating nature of the disease and the lack of treatment options. Based on positive Phase II results, TiGenix sought scientific advice from the European Medicines Agency (EMA) on the future development path of Cx601. TiGenix then initiated a randomized, double-blind, placebo-controlled Phase III trial in Europe and Israel designed to comply with the requirements laid down by the EMA (the ADMIRE-CD trial). 'Madrid Network', an organization within the Autonomous Region of Madrid which helps companies to grow through high-technology innovation, issued a soft loan to help finance this Phase III study. The program is funded by The Secretary of State for Research, Development and Innovation (Ministry of Economy and Competitiveness) within the framework of the INNTEGRA plan. The study's primary endpoint was combined remission, defined as clinical assessment at week 24 of closure of all treated external openings draining at baseline despite gentle finger compression, and absence of collections >2cm confirmed by MRI. In the ADMIRE-CD trial, the results of which were reported in August 2015, Cx601 achieved statistically significant superiority ($p<0.025$) on the primary endpoint with 49.5% combined remission at week 24 compared to 34.3% in the placebo arm in the ITT population. These results translate into a relative risk of 1.44, meaning that patients receiving Cx601 had a 44% greater probability of achieving combined remission than placebo patients. Efficacy results were robust and consistent across all statistical populations. Treatment-emergent adverse events (non-serious and serious) and discontinuations due to adverse events were comparable between Cx601 and placebo arms. The ADMIRE-CD trial has completed a follow-up analysis at 52 weeks post-treatment. Based on the positive 24 week Phase III results, TiGenix has submitted a Marketing Authorization Application to the EMA in early 2016. TiGenix is preparing to develop Cx601 for the US market after having reached an agreement with the FDA through a special protocol assessment, or SPA, procedure on its proposed protocol on August 7, 2015.

Takeda's Forward-Looking Statements

This press release contains "forward-looking statements." Forward-looking statements include all statements other than statements of historical fact, including plans, strategies and expectations for the future, statements regarding the expected timing of filings and approvals relating to the transaction, the expected timing of the completion of the transaction, the ability to complete the transaction or to satisfy the various closing conditions, future revenues and profitability from or growth or any assumptions underlying any of the foregoing. Statements made in the future tense, and words such as "anticipate," "expect," "project," "continue," "believe," "plan," "estimate," "pro forma," "intend," "potential," "target," "forecast," "guidance," "outlook," "seek," "assume," "will," "may," "should," and similar expressions are intended to qualify as forward-looking statements. Forward-looking statements are based on estimates and assumptions made by management that are believed to be reasonable, though they are inherently uncertain and difficult to predict. Investors and security holders are cautioned not to place undue reliance on these forward-looking statements.

Forward-looking statements involve risks and uncertainties that could cause actual results or experience to differ materially from that expressed or implied by the forward-looking statements. Some of these risks and uncertainties include, but are not limited to: required regulatory approvals for the transaction may not be obtained in a timely manner, if at all; the conditions to closing of the transaction may not be satisfied; competitive pressures and developments; applicable laws and regulations; the success or failure of product development programs; actions of regulatory authorities and the timing thereof; changes in exchange rates; and claims or concerns regarding the safety or efficacy of marketed products or product candidates in development.

The forward-looking statements contained in this press release speak only as of the date of this press release, and neither Tigenix nor Takeda undertakes any obligation to revise or update any forward-looking statements to reflect new information, future events or circumstances after the date of the forward-looking statement. If one or more of these statements is updated or corrected, investors and others should not conclude that additional updates or corrections will be made.

TiGenix's Forward-Looking Statements

This press release may contain forward-looking statements and estimates with respect to the anticipated future performance of TiGenix and the market in which it operates. Certain of these statements, forecasts and estimates can be recognised by the use of words such as, without limitation, "believes," "anticipates," "expects," "intends," "plans," "seeks," "estimates," "may," "will" and "continue" and similar expressions. They include all matters that are not historical facts. Such statements, forecasts and estimates are based on various assumptions and assessments of known and unknown risks, uncertainties and other factors, which were deemed reasonable when made but may or may not prove to be correct. Actual events are difficult to predict and may depend upon factors that are beyond the Company's control. Therefore, actual results, the financial condition, performance or achievements of TiGenix, or industry results, may turn out to be materially different from any future results, performance or achievements expressed or implied by such statements, forecasts and estimates. Given these uncertainties, no representations are made as to the accuracy or fairness of such forward-looking statements, forecasts and estimates. Furthermore, forward-looking statements, forecasts and estimates only speak as of the date of the publication of this press release. TiGenix disclaims any obligation to update any such forward-looking statement, forecast or estimates to reflect any change in the Company's expectations with regard thereto, or any change in events, conditions or circumstances on which any such statement, forecast or estimate is based, except to the extent required by Belgian law.

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