

May 30, 2018

Company Name: HEALIOS K.K.
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Chairman & CEO
(TSE Mothers Code: 4593)
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Announcement of Acquisition of MultiStem[®] License from Athersys and Bank Financing

As announced in the press release on March 13, 2018, “Healios and Athersys Announce Binding Letter of Intent to Expand MultiStem[®] Collaboration”, HEALIOS K.K. (“Healios”) entered discussions to expand exclusive license and option rights regarding MultiStem, the proprietary product of Athersys, Inc. (“Athersys”).

As a result, Healios today announces that it has resolved to acquire the license to develop and commercialize MultiStem for various indications as follows:

Exclusive license

In Japan: Development and commercialization for Acute Respiratory Distress Syndrome (“ARDS”)

In Japan: Development and commercialization of MultiStem products for ophthalmological indications

Global: Development and commercialization of organ bud therapies using MultiStem

<Overview>

\$10 million, which was deposited into escrow on March 13, 2018, will be applied as the payment for the license and will be released to Athersys.

We continue negotiations with Athersys concerning the possibility of expanding our license and option rights other than the above.

Further, Healios has resolved to borrow funds (2.0 billion yen) from two banks (Sumitomo Mitsui Trust Bank, Ltd., and Sumitomo Mitsui Banking Corporation) primarily for the purpose of ensuring cash availability at our company. Development funds for this expansion are expected to be covered via this debt and cash on hand. At the same time, Healios will repay the loan of 1 billion yen which was borrowed in January 2016 from Sumitomo Mitsui Trust Bank, Ltd., and Sumitomo Mitsui Banking Corporation, utilizing the funds raised by the issuance of share options in 2017 as planned.

Loan outline

- (1) Lender (plan): Two banks (Sumitomo Mitsui Trust Bank, Ltd., Sumitomo Mitsui Banking Corporation)
- (2) Loan amount (plan): 2.0 billion yen
- (3) Loan interest rate (plan): 1.1% - 1.3%
- (4) Date of contract (plan): May, 2018
- (5) Date of borrowing (plan): May, 2018
- (6) Date of repayment (plan): May, 2021
- (7) Mortgage (plan): Deposit (250 million yen)

If matters to be disclosed arise in the future, Healios will make an announcement without delay.