



## **Rigel and Daiichi Sign Agreement in New Field of Cancer Drug Discovery**

*Deal is Rigel's First Collaboration with a Japanese Partner and Marks Rigel's Move to More Advanced Drug Development Agreements*

SOUTH SAN FRANCISCO, CA, and TOKYO, JAPAN, August 12, 2002. Rigel Pharmaceuticals, Inc., (Nasdaq: RIGL) and Daiichi Pharmaceuticals Co., Ltd, today announced an agreement to pursue research related to protein degradation, a new strategy for treating cancer that is emerging as a major avenue of oncology drug development. This deal is one of the first industry collaborations focused on protein degradation, reinforcing Rigel's leadership in this promising area of cancer study.

Protein degradation affects many important cellular functions, including cell division. Because unchecked division is the hallmark of cancer cells, researchers believe that this part of the cell machinery represents a compelling target for cancer therapies. In fact, the potential for treatments aimed at controlling protein degradation has been compared to that envisioned 10 years ago for kinases, a class of compounds that has now assumed major importance in pharmaceutical research.

"Protein degradation is the subject of intense industry-wide interest in oncology research as perhaps one of the next big breakthroughs in cancer treatment," said James M. Gower, Rigel's chairman and chief executive officer. "Rigel has made a major commitment to this field of research and it is paying off with a discovery program that we believe is ahead of most others in the industry."

Rigel's research has already uncovered a number of compounds that appear to inhibit replication of several types of tumor cells. Rigel is now working to identify the most promising of these drug candidates to move into clinical evaluation.

### **More Advanced Deals**

The agreement with Daiichi is Rigel's first pharmaceutical partnership that focuses on discovery of drug compounds. Rigel's previous collaborations have involved early-stage research to identify potential drug targets in a disease process, but not therapeutic molecules themselves. Now, Rigel and Daiichi will be working to discover and develop cancer pharmaceuticals, an important step in Rigel's move to establish itself as a drug development company. Ultimately, Rigel intends to develop its drugs through mid-stage clinical research, at which point the compounds can become significantly more valuable as licensing opportunities.

Under the terms of the current agreement, Daiichi will give Rigel an upfront payment as well as research support and milestone payments over the life of the partnership. In addition, Rigel will receive royalties on any commercialized products to emerge from the collaboration. Equally important, Rigel retains North American rights to co-develop and co-promote with Daiichi such products.

The agreement is also Rigel's first collaboration with a Japanese partner. Daiichi is one of Japan's largest pharmaceutical companies, with global development and marketing capabilities in all major drug markets. Cancer therapeutics is one of Daiichi's principal areas of focus.

"We're very pleased to have secured a partner of Daiichi's caliber for our first protein degradation agreement," Mr. Gower noted. "We believe the alliance both validates our developing leadership role in this field and allows us to accelerate our efforts in this new area of oncology."

"We're pleased to be gaining access to Rigel's expertise in a field where they are a research leader," said Dr. Tadao Suzuki, Daiichi's Managing Director. "We're confident that our work together will reinforce Daiichi's position as a provider of innovative cancer therapies and a worldwide leading pharmaceutical company in this area of medicine."

### **About Rigel**

Rigel Pharmaceuticals, Inc., ([www.rigel.com](http://www.rigel.com)) is a drug discovery and development company that uses advanced functional genomics tools to discover novel drug targets that can be used to develop orally administered small molecule drugs. Rigel's technology is designed to identify molecules that play an important role in regulating a human cell's response to disease by testing a very large number of proteins in a very large number of cells to determine which proteins will change a cell's response to the disease. Rigel currently has 11 product development programs underway, with five programs being proprietary programs in the areas of asthma/allergy, rheumatoid arthritis and inflammatory bowel disease, cancerous tumor growth and hepatitis C. Rigel expects to begin clinical trials during 2002 with a drug candidate from the asthma/allergy program. In addition to the Rigel-owned programs, the company has five joint programs with its corporate partners in the product development areas of asthma/allergy, autoimmunity, transplant rejection and three programs in cancerous tumor growth. With Rigel's support, one of the company's partners is conducting an additional program in chronic bronchitis at its premises. Rigel has multi-year collaborations with Pfizer Inc., Cell Genesys, Inc., Johnson & Johnson Pharmaceutical Research & Development, L.L.C. and Novartis Pharma A.G. Rigel is based in South San Francisco, California.

### **About Daiichi**

Daiichi Pharmaceuticals Co., Ltd, ([www.daiichipharm.co.jp](http://www.daiichipharm.co.jp)) has been a leader in the Japanese pharmaceutical industry for nearly a century. The Company's main therapeutic areas of research include infectious diseases, cancer and cardiovascular disorders. Daiichi will continue to leverage its rich history of antibacterial discovery to develop innovative new quinolone antibiotics such as "ofloxacin" and "levofloxacin". As for anticancer agents, Daiichi's lineup includes "irinotecan" that was initially co-developed by Daiichi and Yakult Honsha Co., Ltd. and became a component of first-line therapy for metastatic colorectal cancer patients in the United States, and products in clinical development including innovative DDS technology-based compound and derivatives of camptothecin, dolastatin, and taxane.

This press release contains "forward-looking" statements, including statements related to Rigel's drug development programs, collaborations and clinical trial plans. Any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "believes," "anticipates," "plans," "intends," "expects," "will" and similar expressions are intended to identify forward-looking statements. There are a number of important factors that could cause our results to differ materially from those indicated by these forward-looking statements, including the risks detailed from time to time in Rigel's SEC reports, including its Annual Report on Form 10-K for the year ended December 31, 2001. Rigel does not undertake any obligation to update forward-looking statements.