

EISAI TO ACQUIRE MORPHOTEK

Eisai's Dramatic Leap towards Biologic Therapeutics Evidenced by the Acquisition

Tokyo, Japan, Woodcliff Lake, NJ and Exton, PA, March 22, 2007 – Eisai Co., Ltd. (Tokyo, “Eisai,” President and CEO: Haruo Naito), Eisai Corporation of North America (Woodcliff Lake, NJ, “ECA,” President: Hajime Shimizu) and Morphotek[®] Inc. (Exton, PA, “Morphotek,” CEO: Nicholas Nicolaides) today announce that ECA has signed a definitive agreement to acquire Morphotek for US\$325 million after excess net cash.

Morphotek develops therapeutic monoclonal antibodies through the use of proprietary human antibody technologies, including Human MORPHODOMA[®] and Libradoma[™]. The company is leveraging these technologies to enrich its pipeline that already includes therapeutic antibody leads for the treatment of cancer, rheumatoid arthritis, and infectious disease. Two of its programs are currently in early stage clinical trials for the treatment of ovarian cancer and pancreatic cancer, respectively, with several others in preclinical development.

Eisai currently has an extensive global oncology research program for discovering small molecule anti-cancer agents, and upon completion of the acquisition, will expand its capabilities into the biologic therapeutics field. With this unique and strategic antibody technology acquisition, Eisai can meet a variety of medical needs of cancer patients, through the development of therapeutic antibodies, small-molecule anti-cancer drugs, and potential combinations of both.

Mr. Naito said, “I sincerely respect Dr. Nicolaides’ innovative and courageous

Dr. Ivor Royston, Chairman of Morphotek and Managing Partner of Forward Ventures added, “This is an excellent opportunity for Morphotek to join the Eisai organization and to further its founding mission of becoming a global leader in the development of innovative immunotherapies to treat serious diseases and to establish solutions for the health and well-being of people worldwide.”

Upon completion of the transaction, Morphotek will become part of Eisai’s growing global discovery and development research network, which is comprised of research laboratories in Japan, Europe and the U.S. The addition of Morphotek further extends Eisai’s research presence in the U.S., which includes the Eisai Research Institute of Boston, Inc., a discovery operation based in Andover, Massachusetts, Eisai Medical Research Inc., for clinical development, located in Ridgefield Park, New Jersey, and RTP laboratory for formulation research, North Carolina.

“Morphotek will enjoy its autonomy in Eisai’s discovery network but I will encourage close collaboration among all Eisai R&D member companies. We very much look forward to welcoming Morphotek to the Eisai family of companies,” Mr. Naito concluded.

This planned expansion of Eisai’s discovery, research and clinical capabilities complements Eisai’s establishment of its oncology sales and marketing operations in the U.S. under ECA. Aided in part through its recent acquisition of four oncology-related products from Ligand Pharmaceuticals in October 2006, which included the retention of key oncology personnel and expertise including a sales force, Eisai has developed its commercial oncology infrastructure and is well positioned to market new oncology products that originate from Eisai’s research and discovery efforts or through future acquisition, co-promotion or in-licensing opportunities.

The Morphotek acquisition, which has been approved by the boards of directors of ECA and Morphotek, is subject to clearance under the Hart-Scott-Rodino Antitrust Improvements Act and other customary closing conditions. It is expected to close sometime during Eisai’s first fiscal quarter of 2007.

Mitsubishi UFJ Securities Co., Ltd. and Montgomery & Co. LLC are acting as financial advisors and Sullivan & Cromwell LLP is acting as legal counsel to Eisai in this transaction.

Lehman Brothers Inc. is acting as financial advisor and Cozen O’Conner LLP is acting as legal counsel to Morphotek in this transaction.

About Eisai Co., Ltd.

Eisai Co., Ltd. is a research-based human health care (*hhc*) company that discovers, develops and

Notes to Editors

Morphotek's Pipeline:

Phase I	MORAb-009	IgG1 antibody	Pancreatic/ Lung cancer
Preclinical (IND preparation)	MORAb-004	Humanized IgG1 antibody	Melanoma/ Neovascular disease
Preclinical (IND preparation)	MORAb-022	Fully human IgG1 monoclonal antibody	Autoimmune diseases
Preclinical	MORAb-028	Fully human IgM monoclonal antibody	Metastatic melanoma