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Pieris to Receive Seventh Milestone Payment From Daiichi Sankyo Collaboration to Develop Anticalin(R) Therapeutics

FREISING, GERMANY -- (Marketwired) -- 07/08/15 -- **Pieris Pharmaceuticals, Inc.** (NASDAQ: PIRS), a biotechnology company advancing its proprietary

Anticalin[®] biotherapeutic technologies, announced today it will receive its third milestone payment for the second program in its discovery and development collaboration with Daiichi Sankyo Company, Limited ("Daiichi Sankyo"), and seventh milestone payment overall under the multi program collaboration. The amount of payment was not disclosed. The payment was triggered by the achievement of positive *in vivo* proof of concept data and progression of the Anticalin drug candidate through a non-GLP toxicity study in non-human primates.

Under the terms of the collaboration with Daiichi Sankyo, Pieris receives committed research funding and payments for the achievement of research, preclinical, regulatory and commercial milestones. The partnership could encompass for Pieris approximately EUR 100 million per program in license fees, funding and milestones, not including royalties on sales from marketed Anticalin proteins that may result from the collaboration. Daiichi Sankyo will have exclusive marketing rights worldwide for all products under the agreement used for therapeutic purposes.

"We are both excited and proud to see our Anticalin technologies continue to achieve important milestones in our drug development collaborations with Daiichi Sankyo," commented Stephen Yoder, President and CEO of Pieris. "With multiple shots on goal within this collaboration and continued advancement of these drug candidates, this collaboration remains a key value driver for Pieris."

Chau Khuong, a Partner at OrbiMed Advisors and Chairman of the Board of Directors of Pieris, stated, "To date, Pieris has received approximately \$40 million in milestone and licensing payments as a result of its several collaborations. These payments speak to the ongoing success our Anticalin compounds are achieving in these partnerships."

About Daiichi Sankyo:

Daiichi Sankyo Group is dedicated to the creation and supply of innovative pharmaceutical products to address diversified, unmet medical needs of patients in both mature and

emerging markets. With over 100 years of scientific expertise and a presence in more than 20 countries, Daiichi Sankyo and its 17,000 employees around the world draw upon a rich legacy of innovation and a robust pipeline of promising new medicines to help people. In addition to its strong portfolio of medicines for hypertension, dyslipidemia, bacterial infections, and thrombotic disorders, the Group's research and development is focused on bringing forth novel therapies in cardiovascular-metabolic diseases, pain management, and oncology, including biologics. For more information, please visit:

www.daiichisankyo.com.

About Pieris Pharmaceuticals:

Pieris is a clinical-stage biotechnology company advancing its proprietary Anticalin® technology to create differentiated drugs that have the potential to be safer and more effective than conventional approaches. Anticalins show promise in addressing high-unmet medical needs and expanding the potential of targeted therapeutics. The company currently has a diverse proprietary pipeline and has ongoing R&D collaborations with Daiichi Sankyo, the Sanofi Group, Zydus Cadila, Stelis Biopharma and Allergan. Anticalin®, Anticalins® are registered trademarks of Pieris. For more information visit www.pieris.com.

Forward Looking Statements:

This press release contains forward-looking statements as that term is defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Statements in this press release that are not purely historical are forward-looking statements. Such forward-looking statements include, among other things, the timing of our clinical trials or other development efforts, references to novel technologies and methods; our business and product development plans; or market information. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, our ability to raise the additional funding we will need to continue to pursue our business and product development plans; the inherent uncertainties associated with developing new products or technologies and operating as a development stage company; our ability to develop, complete clinical trials for, obtain approvals for and commercialize any of our product candidates; competition in the industry in which we operate and market conditions. These forward-looking statements are made as of the date of this press release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by law. Investors should consult all of the information set forth herein and should also refer to the risk factor disclosure set forth in the reports and other documents we file with the SEC available at www.sec.gov, including without limitation the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, and the Company's Quarterly Reports on Form 10-Q.

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