Press Release

July 4 , 2007 Kaken Pharmaceutical Co., Ltd. Gene Techno Science Co., Ltd

<u>Licensing Agreement for the Development, Manufacturing and Marketing</u> <u>of Anti-Alpha-9 Integrin Antibodies</u>

Japan, June 29, 2007 – Kaken Pharmaceutical Co., Ltd. ("Kaken"; headquarters: Tokyo; President: Shiro Inui) and Gene Techno Science Co., Ltd ("GTS"; headquarters : Sapporo, Hokkaido; president; Masanari Kawaminami) have concluded a licensing agreement which GTS grants the exclusive worldwide rights to Kaken for development, manufacturing and marketing of anti alpha-9 integrin antibodies for therapeutic use.

Alpha-9 belongs to an integrin family and is known to be involved in autoimmune diseases, bone diseases, and cancer metastasis. GTS and Professor Toshimitsu Uede from the Institute for Genetic Medicine of Hokkaido University have jointly studied this protein in animal models and found out antibody of this protein as a promising target for therapeutic purposes. Kaken and GTS will jointly work for research and development of the antibody toward entering clinical studies.

Kaken will make upfront payment, research fee and milestone payments to GTS upon the clinical studies, submission of application for marketing approval, and acquisition of approval. Kaken will also pay royalties on sales to GTS.

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