



August 11, 2015

Gene Techno Science Co., Ltd.
Code: 4584 (TSE Mothers)
President
Masanari Kawaminami

Announcement of signing of Memorandum of Understanding with Mochida Pharmaceutical Co., Ltd. regarding Collaboration for a Biosimilar product in the anti-cancer field

Gene Techno Science Co., Ltd. (“GTS”) announced the execution of the above-mentioned Memorandum of Understanding with Mochida Pharmaceutical Co., Ltd. (Code: 4534 TSE 1st Section, “Mochida”), under which GTS grants to Mochida an exclusive negotiation right for the right to develop jointly with GTS a certain biosimilar product in anti-cancer field which is currently developed by GTS (“Product”) in view of obtaining the Japanese manufacturing and marketing approval of the Product, and for the right to market the Product (“MOU”).

1. Background of Collaboration

GTS had developed and, at present, manufactures the active pharmaceutical ingredient (“API”) of a biosimilar product of Filgrastim which obtained, for the first time under the Japanese Biosimilar Guideline, the manufacturing and marketing approval. As GTS intends to be the pioneer in the field of biosimilar business, GTS is actively developing several biosimilar products.

Recently, GTS has made enough progress in the development for a manufacturing method of the Product for further development, and Mochida appreciates GTS’s proven activities and also possibilities of the Product. For that reason, Mochida and GTS agreed to enter into the MOU. Detailed conditions of the collaboration, including without limitation, sharing of costs and responsibility for tasks in the collaboration will be diligently discussed between the companies, and the execution of an agreement is expected to be done within 2016 (“Agreement”).

2. Content of MOU

Under the MOU, GTS will finalize the manufacturing process of the API of the Product, and also will prepare for the collaboration. GTS will receive 50 million Japanese Yen upon execution of the MOU.

3. Others

When the Agreement is entered into between the companies, the fact will be announced promptly. Although 50 million Japanese Yen will be paid to GTS, GTS will allocate it to R&D expense in order to expedite the project. The influence of such R&D expenses on the operating performance of the fiscal year 2015 ending March 2016 is under scrutiny and, if there happens any matter to be disclosed, it will be informed as soon as possible.

Media Contact:

E-mail: info@g-gts.com

Masaki Okusawa

Tel: 81-3-3517 1353