August 20, 2008

Whom It May Concern

KYORIN Co., Ltd.
5 Kanda Surugadai, 2-Chome,
Chiyoda-ku, Tokyo
(Stock Code#4569 TSE 1st section)

Results of Overseas Clinical Studies for KRP-104, anti-diabetes agent

Kyorin Pharmaceutical Co., Ltd (Tokyo, President: Mr. Itaru Kojo), a subsidiary of Kyorin Co., Ltd. announced that the target goals of major endpoints of overseas Ph1b (in US) and Ph2a (in US and India) clinical studies for KRP-104 were achieved. KRP-104 is a DPP-4 inhibitor originated by Kyorin Pharmaceutical and jointly filed IND[*1] to US FDA by Kyorin and ActivX Bioscience, Inc. (California, USA, Chairman, President: Dr. John W. Kozarich), a wholly owned subsidiary of Kyorin Pharmaceutical.

The open labeled, cross-over, Phase 1b trial of KRP-104 in the US enrolled 28 patients with type 2 diabetes and showed equivalent efficacy on glucose-lowering to a competitive drug.

The randomized, double-blind, placebo-controlled, Phase 2a trial enrolled 220 patients (baseline of mean hemoglobin A1c (HbA1c) of 7.9%) with type 2 diabetes inadequately controlled on metformin alone and compared the efficacy, safety and tolerability in placebo, a total daily dose of 120 mg of KRP-104, administered either as a once daily (QD) dose or as a split dose of 60 mg (BID) [*2].

Both KRP-104 dose groups demonstrated comparable, highly significant, reductions in HbA1c of - 0.64 % ($p<0.0001$) and - 0.54 %($p=0.0003$) in the 60 mg BID and 120 mg QD groups, respectively, compared with placebo over 12 weeks. In addition, approximately 40% of patients in both groups achieved the American Diabetes Association (ADA) recommended guideline of HbA1c < 7%.

Similarly, the secondary efficacy endpoint of fasting plasma glucose (FPG) was significantly reduced in the 60 mg BID and 120mg QD dose group compared with placebo, and no significant difference was observed between BID and QD dosages. Kyorin recognizes that these data supports the possibility of the dosing flexibility of KRP-104.

Concerning the safety and tolerability, both KRP-104 administrated groups were not substantially different from placebo group and we confirmed highly safety and tolerability of KRP-104. Furthermore, since the safety of KRP-104 has observed in long term toxicological study in non-human primates, the results of this preclinical toxicological study supports highly safety and tolerability of KRP-104 in Phase 2a.

Based on the Phase 2a, Kyorin recognizes POC[*3] was achieved and will shift up its licensing activity with further detailed analytical results.

(*1) Abbreviation of Investigational New Drug Application; Submitting FDA to initiates an investigation drug for clinical trials.
(*2) The regimens of 120mg BID provides greater than 95% inhibition of DPP-4 during 24 hours and QD provides greater than 95% inhibition of DPP-4 during daytime hours.
(*3) Abbreviation of Proof of Concept; Confirmation of efficacy and safety in clinical.

Summary of this trial: Ph1b Study
Subject: Type 2 diabetes patient
Study period: Feb 2008 – June 2008
Design: Crossover Open Study

Primary Endpoint: Continuous Glucose Monitoring, etc

Summary of this trial:Ph2a Study
Subject: Type 2 diabetes patient
Study period: Sept. 2007 – July 2008
Design: Randomized, Double-Blind, multi-center (Placebo-Control)
Primary Endpoint: HbA1C, etc

Reference About DPP4 inhibitor

New class of oral agents for the treatment of type 2 diabetes which block the degradation of GLP-1, Glucagon Like Peptide-1, one of the digestive hormones which involves insulin release, so called incretin hormones. GLP-1 mediates glucose-dependent insulin secretion and is inactivated by DPP-4, an enzyme by which GLP-1 decomposed. DPP4 inhibitor block its hydrolytic degradation of GLP-1 and maintain the activity for insulin secretion. Unlike other anti-diabetic medication, DPP-4 inhibitor is expected with low incidence of hypoglycemic event though its glucose dependent insulin secretion.

Contact
Management Planning Dept
KYORIN Co., Ltd.
TEL: 03 3293 3424
FAX: 03 3293 3454