

To Whom It May Concern

October 25, 2004

KYORIN Pharmaceutical Co., Ltd.
5, Kanda Surugadai 2-chome,
Chiyoda-ku, Tokyo
(Securities code: 4560; TSE 1st section)

CONCLUSION OF LICENSE AGREEMENT FOR IBUDILAST WITH MEDICINOVA

KYORIN Pharmaceutical Co., Ltd. (President: Ikuo Ogihara) announces that it has concluded the License Agreement with MediciNova, Inc., a U.S. corporation (President & CEO: Takashi Kiyozumi, M.D., Ph.D.) for Ibudilast (Brand Name: Ketas[®] Capsule) which KOYRIN originated for bronchial asthma and cerebrovascular disorders under the following principal terms:

1. KYORIN grants to MediciNova an exclusive license in all countries worldwide, except for Japan, China, South Korea and Taiwan to develop, manufacture and sell Ibudilast compound and products for the multiple sclerosis indication. In the event that KYORIN seeks the commercialization of Ibudilast for other indications overseas, KYORIN grants to MediciNova the right of first negotiation.
2. KYORIN will receive from MediciNova an up-front payment and milestone payments, and after launch of an Ibudilast product a certain percentage of royalties.

It is suggested that Ibudilast, which has been marketed by KYORIN in Japan for bronchial asthma and cerebrovascular disorders since 1989, may show anti-inflammation action in the brain and may have an efficacy in multiple sclerosis ("MS") because it has, among other things, an inhibitory action in PDE (Phosphodiesterase).

MS is a disease of the nervous system whose cause is unknown and is designated in Japan as the "intractable disease" since the number of patients is small and it is considered as a disease for which treatment is extremely difficult. On the other hand, it is said that incidence of MS in the U.S. and Europe is 10 times or more greater than that in Japan. Since the current primary medication for MS is injectable solution, needs for oral solution such as Ibudilast are high for improvement of patients' quality of life. Under such a background, MediciNova has expressed its interest in developing the Ibudilast products for MS in the U.S. etc.

<Reference>

- About MediciNova, Inc.

Location: 4350 La Jolla Village Drive, Suite 950, San Diego, CA 92122 U.S.A.

Founding: September of 2000

President and CEO: Takashi Kiyozumi, M.D., Ph.D.

Amounts of Financing: \$84 Million (about ¥9.2 Billion)

Employees: 15