

March 29, 2018

Whom It May Concern

Company: KYORIN Holdings, Inc.
Representative: Minoru Hogawa
Representative Director, President
(Security Code: 4569, TSE 1st Sec.)
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Kyorin Pharmaceutical Sign a License Agreement for “SK-1404,” a Therapeutic Agent for Nocturia Due to Nocturnal Polyuria

TOKYO, Japan – March 29, 2018 KYORIN Pharmaceutical Co., Ltd. (Head office: Chiyoda-ku, Tokyo; President and CEO: Minoru Hogawa; “Kyorin Pharmaceutical”), a wholly owned subsidiary of KYORIN Holdings, Inc., and Sanwa Kagaku Kenkyusho Co., Ltd. (Head office: Nagoya, Aichi; President and CEO: Katsumi Hata; “Sanwa Kagaku”), a wholly-owned subsidiary of Suzuken Co., Ltd. (Head office: Nagoya, Aichi; President and CEO: Hiromi Miyata), have signed a License Agreement for “SK-1404,” a novel therapeutic agent for the treatment of nocturia.

Under the terms of this agreement, Kyorin Pharmaceutical acquires the exclusive license in Japan and Asia (Hong Kong, Taiwan, and 10 member states of ASEAN) to develop and commercialize SK-1404, and in return will make an upfront payment to Sanwa Kagaku along with milestone payments.

SK-1404, a therapeutic agent for the treatment of nocturia, is a vasopressin V2 receptor agonist, which promotes the reabsorption of water in the renal collecting ducts to reduce urinary output (antidiuresis) in the same manner as arginine vasopressin, an endogenous antidiuretic hormone. The drug has excellent absorbability, quickly exerts an antidiuretic effect after administration, and will be promptly eliminated from the body. SK-1404 is expected to be a novel drug for treatment of nocturia due to nocturnal polyuria with excellent efficacy and safety.

Currently, the drug is under phase II clinical study by Sanwa Kagaku in Japan. Going forward, both companies will promote development, early commercialization and market penetration in order to contribute to QOL improvement of patients suffering from nocturia by providing novel options.

Kyorin Pharmaceutical is promoting a franchised customer strategy to concentrate business resources in specific fields (areas of focus: respiratory, otolaryngology and urology diseases). Through this agreement, Kyorin Pharmaceutical will extend its product lineup in urology to enhance its presence.

We will record the upfront payment to Sanwa Kagaku under the agreement as selling and general and administrative expenses (research and development expenses) in this fiscal year (ending March 2018), the impact of which on its consolidated financial results will be announced as appropriate.

[Reference]

[About Nocturia Due to Nocturnal Polyuria]

Nocturia refers to a symptom in individuals who have to wake after bedtime for urination, the most frequent symptom associated with urination. Approximately 45 million men and women aged 40 years and over have symptoms of nocturia, which is known to be a symptom with the highest daily difficulty as the frequency of urination increases with age. While nocturnal polyuria (increase in urine production at night), reduced bladder capacity and sleep disorders are cited as causes of nocturia, there is no drug recommended for nocturia due to nocturnal polyuria. Also, the symptoms may not improve with an overactive bladder therapeutic agent.

[Overview of the Contracting Companies]

Company name	Sanwa Kagaku Kenkyusho Co., Ltd.	Kyorin Pharmaceutical Co., Ltd.
Representative	President & CEO: Katsumi Hata	President & CEO: Minoru Hogawa
Capital	JPY 2,101.08 million	JPY 4,317.00 million
Business activities	R&D, manufacturing and marketing of pharmaceuticals, diagnostics products, contract manufacturing of pharmaceuticals	Manufacturing and marketing of pharmaceuticals.
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