



Innovation all for the patients



CHUGAI PHARMACEUTICAL CO., LTD.



Roche Group

Translation

Kowa Company, Ltd.

Chugai Pharmaceutical Co., Ltd.

Licensing Agreement for Agent Targeting Prevention of Recurrence of Hepatocellular Carcinoma “Peretinoin”

July 14, 2015 (Tokyo) - Kowa Company, Ltd. [Head Office: Nagoya, Aichi; President & CEO: Yoshihiro Miwa (hereafter, “Kowa”)] and Chugai Pharmaceutical Co., Ltd. [Head office: Chuo-ku, Tokyo; Chairman & CEO: Osamu Nagayama (hereafter, “Chugai”)] announced today that they have entered into license agreement of “peretinoin (development code: NIK-333)” for which Kowa is currently conducting clinical development for prevention of recurrence of hepatocellular carcinoma.

Under this agreement, Kowa will acquire the marketing authorization, and Chugai will have the exclusive marketing rights of the product supplied by Kowa in Japan. Under the terms of the agreements, Kowa will receive an upfront fee and milestone payments from Chugai.

Approximately 40,000 people are newly diagnosed with primary liver cancer in Japan each year, with approximately 30,000 deaths, and it is the fifth leading cause of death due to cancer. Hepatocellular carcinoma accounts for approximately 94% of primary liver cancer. The rate of recurrence of hepatocellular carcinoma after radical surgery is reported to be 30.1% in the first year, 62.3% in the third year, and 79.0% in the fifth year respectively.

Peretinoin is an oral acyclic retinoid with a vitamin A-like structure mainly targeting the retinoid nuclear receptor. It is the first drug in the world aiming at preventing the recurrence of hepatocellular carcinoma.

Through the introduction of peretinoin to the market, Kowa and Chugai expect to contribute to patients, their families, and medical professionals by fulfilling unmet medical needs and providing new treatment options.

Contacts	
Kowa Company, Ltd. Public Relations Department Tel : +81-(0)3-3279-7392	Chugai Pharmaceutical Co., Ltd. Corporate Communications Dept., Media Relations Group Tel : +81-(0)3-3273-0881

About Kowa

Kowa Company, Ltd. (Kowa) is a privately held multinational company headquartered in Nagoya, Japan. Established in 1894, Kowa is actively engaged in various manufacturing and trading activities in the fields of pharmaceuticals, life science, information technology, textiles, machinery and various consumer products. Kowa's pharmaceutical division is focused on research and development for cardiovascular therapeutics (dyslipidemia, type 2 diabetes and atherosclerosis), ophthalmology and anti-inflammatory agents. Through Kowa Pharmaceutical Co. Ltd., Kowa promotes and sells various pharmaceutical products primarily for the treatment of cardiovascular diseases, such as "Livalo" (pitavastatin) for hypercholesterolemia and "Suiny" (anagliptin), "Deberza" (tofogliflozin) for type 2 diabetes. The company's flagship product, Livalo, is approved in 45 countries around the world. Additional information is available on the Internet at <http://www.kowa.co.jp/eng/>

About Chugai

Chugai Pharmaceutical is one of Japan's leading research-based pharmaceutical companies with strengths in biotechnology products. Chugai, based in Tokyo, specializes in prescription pharmaceuticals and is listed on the 1st section of the Tokyo Stock Exchange. As an important member of the Roche Group, Chugai is actively involved in R&D activities in Japan and abroad. Specifically, Chugai is working to develop innovative products which may satisfy the unmet medical needs, mainly focusing on the oncology area.

In Japan, Chugai's research facilities in Gotemba and Kamakura are collaborating to develop new pharmaceuticals and laboratories in Ukima are conducting research for technology development for industrial production. Overseas, Chugai Pharmabody Research based in Singapore is engaged in research focusing on the generation of novel antibody drugs by utilizing Chugai's proprietary innovative antibody engineering technologies. Chugai Pharma USA and Chugai Pharma Marketing are engaged in clinical development activities in the United States and Europe.

The consolidated revenue in 2014 of Chugai totaled 461.1 billion yen and the operating income was 77.3 billion yen (IFRS Core basis).

Additional information is available on the internet at <http://www.chugai-pharm.co.jp/english>.