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Suzuken Co., Ltd.

Hiroshi Ota, President and CEO

Stock Code: 9987

Securities Traded: First sections of Tokyo and Nagoya stock exchanges, and Sapporo
Stock Exchange

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Suzuken Co., Ltd. Announces the Conclusion of a Licensing Agreement for the Joint Development and Marketing of Diabetes Treatment SK-0403

Suzuken Co., Ltd. (hereinafter referred to as “Suzuken”) hereby announces that its subsidiary Sanwa Kagaku Kenkyusho Co., Ltd. (Head Office: Nagoya; President: Kazuo Yamamoto; 90.1%-owned by Suzuken; hereinafter referred to as “Sanwa”) has concluded a licensing agreement with Kowa Co., Ltd. (Head Office: Nagoya; President: Yoshihiro Miwa; hereinafter referred to as “Kowa”) for the joint development and marketing in Japan of the new diabetes treatment SK-0403 discovered by Sanwa.

The diabetes treatment SK-0403 is a dipeptidyl peptidase IV (DPP-IV) inhibitor that inhibits the breakdown of the incretin hormone GLP-1. It improves hyperglycemia through the GLP-1 induced acceleration of insulin secretion. Since, unlike existing diabetes treatments, DPP-IV inhibitors lower blood glucose in a glucose-dependent manner, the risk of hypoglycemia is low.

Sanwa is currently conducting a phase II clinical study in Japan and plans to continue developing the drug in collaboration with Kowa. In addition to a lump sum license fee and milestone payments, Kowa will pay Sanwa royalties on future product sales.

[Overview of the companies party to the agreement]

Name	Sanwa Kagaku Kenkyusho Co., Ltd.	Kowa Co., Ltd.
Representative	President and CEO Kazuo Yamamoto	President and CEO Yoshihiro Miwa
Capital	¥101 million	¥3,840 million
Business activities	R&D, manufacture and sale of ethical pharmaceuticals, diagnostic products, medical foods, health food products Pharmaceutical contract manufacturing	Manufacture and sale of ethical pharmaceuticals, manufacture and sale of electrical and optical products, and general wholesale business
Address	35, Higashisotobori-cho, Higashi-ku, Nagoya	3-6-29, Nishiki Naka-ku, Nagoya
URL	http://www.skk-net.com	http://www.kowa.co.jp

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