

April 20, 2015 J-Pharma Co., Ltd.

J-pharma's licensing strategy regarding our research tool patent

We possess a wealth of intellectual property related to various transporter proteins (*). Our anticancer drug targeting LAT1 (**) which is also covered by our intellectual property rights, is currently in Phase I clinical trial.

Because of the possible wide applicability of our technology to numerous disease targets, we decided to make our research tool patents (***) available on non-exclusive license basis, to any pharmaceutical companies with research interests in this area. It is our belief that patents covering basic research technology needs to be shared widely to exploit its full potential in drug discovery research. Also, we hope this to be done under a fair agreement serving interests of both parties.

As the first step in this effort, we recently concluded a patent license agreement of "URAT1-based uric acid transport regulating substance screening technology "(****) with a domestic pharmaceutical company. This technology can be used to screen substances that regulate transport of uric acid through URAT1, which can lead to discovery of innovative new drugs targeting diseases caused by abnormal uric acid level.

Starting with the signing of this URAT1 license agreement, we look forward to further broadening the list of companies that will take advantage of what we believe is an extremely versatile research technology.

transporter proteins (*):

A type of membrane protein that exists on the cell membrane that partitions the inside and outside of the cell and is involved in the transport of substances inside and outside the cell.

LAT1 (**):

A transporter expressed on the cell membrane of cancer cells.

Twelve transmembrane membrane proteins consisting of 507 amino acid residues cloned in Japan in 1998 and function in a heterodimer with chaperones. It is highly expressed specifically in cancer cells, incorporates various essential amino acids into cancer cells, and is involved in cancer proliferation and metastasis. Cancer cells can be lead to cell death by selectively inhibiting LAT1.

Research tool patent (***):

Patents related to tools (screening method, monoclonal antibody, cell line, laboratory animals etc.) used at the research and development stage.

"URAT1-based uric acid transport regulating substance screening technology "(****):

URAT1 is a transporter that controls uric acid ingress and egress.

An excessively high uric acid level in the blood causes arteriosclerosis and ventilation, and when it is too low, it causes renal failure. This technology is for screening substances that regulate the transport of uric acid. J-Pharma owns patents of the relevant technology and it is our policy to accept non-exclusive license of the technology.