September 28, 2007 Kissei Pharmaceutical Co., Ltd. Eisai Co., Ltd.

Kissei and Eisai sign a license agreement to develop and commercialize *Glufast*[®], a rapid-acting insulin secretagogue in China

Kissei Pharmaceutical Co., Ltd. (Headquarters: Matsumoto City, Nagano, President & CEO: Mutsuo Kanzawa; hereinafter referred to as "Kissei") and Eisai Co., Ltd. (Headquarters: Bunkyo Ward, Tokyo, President & CEO: Haruo Naito; hereinafter referred to as "Eisai") announced the conclusion of a license agreement for *Glufast*® (tablets, generic name: mitiglinide calcium hydrate), a rapid-acting insulin secretagogue originally created by Kissei. In this agreement, Eisai gained the exclusive development and commercialization rights of *Glufast*® in China from Kissei.

Kissei is now conducting Phase III clinical trial for *Glufast*[®] in China. Eisai will market *Glufast*[®] in China after Kissei has been granted importing approval by the Chinese authorities. In June 2007, Kissei and Eisai entered into a license agreement for *Glufast*[®] in 10 ASEAN countries.

Glufast® is a rapid-acting insulin secretagogue originally created and developed by Kissei and has been marketed in Japan since 2004 with an indication for "improvement of postprandial blood glucose transition in type II diabetic patients." The drug lowers increased post-meal blood glucose levels by improving insulin secretion close to a natural pattern with a faster onset of action than sulfonylurea insulin secretion stimulants (SU drugs). Furthermore, compared with SU drugs, Glufast® rarely induces hypoglycaemia because of its short duration of action.

Kissei is developing in-house products including *Glufast*[®] and *Urief*[®], a drug for improvement of dysuria, globally through out-licensing. *Glufast*[®] has been marketed in South Korea, and its development and commercialization rights were licensed out to other companies in North, Central and South America, India, the Middle East, Taiwan and Hong Kong.

Eisai has established solid marketing infrastructure in China, and based on it, Eisai actively conducts sales activities for its global products including $Aricept^{\otimes}$, the treatment of Alzheimer's disease, a proton pump inhibitor $Pariet^{\otimes}$ and a peripheral neuropathy treatment $Methycobal^{\otimes}$, as well as for in-licensing products from its business partners.

This strategic alliance between Kissei and Eisai in China following ASEAN countries is expected to contribute to the improvement of health and healthcare for people worldwide.

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