

NEWS RELEASE

Teijin Pharma and Pulmagen Therapeutics Sign Exclusive Agreement Teijin to develop, manufacture and market Pulmagen-developed novel drug for bronchial asthma in Japan

Tokyo, Japan / Slough, U.K., September xx, 2012 --- Tokyo-based Teijin Pharma Limited, the core company of the Teijin Group's healthcare business, and Pulmagen Therapeutics (Asthma) Limited, a UK-based drug development company, announce today an exclusive licensing agreement granting Teijin Pharma the rights to develop, manufacture and market ADC3680, a bronchial asthma therapeutic discovered by Pulmagen Therapeutics, in Japan.

Teijin Pharma, which hopes to strengthen its commitment to improving the quality of life for patients by adding the new drug to its portfolio, aims to begin Phase I clinical trials for ADC3680 in Japan in its next fiscal year starting in April 2013. Pulmagen Therapeutics has already commenced Phase II clinical trials for the drug in the UK and will soon embark on a global Phase II efficacy study.

ADC3680 acts by a novel anti-inflammatory mechanism that inhibits the binding of a key inflammatory mediator, PGD₂, to its receptor, CRTh2. When bound to CRTh2, PGD₂ activates inflammatory cells in the airway and exacerbates pulmonary inflammation. By antagonizing binding, ADC3680 helps to reduce pulmonary inflammation and thus improve overall asthma control.

ADC3680 is an oral agent with the potential for easy use as a medication in a wide range of patients, both as a monotherapy and in combination with other established drugs including inhaled corticosteroids. It is also expected to be used in an expanded range of indications for respiratory diseases besides bronchial asthma, including chronic obstructive pulmonary disease (COPD) and allergic rhinitis as well as in certain non-respiratory inflammatory diseases.

Bronchial asthma is characterized by chronic airway inflammation. In conventional treatment, the first recommendation is the inhalation of steroids with powerful anti-inflammatory action, possibly in combination with other drugs depending on the effectiveness of the treatment. However, some patients do not experience adequate improvement, so agents offering novel mechanisms are being sought.

According to a report released in 2011 by Japan's Health Sciences Council Committee on Measures Against Rheumatism and Allergic Disease, the number of people in Japan suffering from bronchial asthma has nearly doubled to more than 8 million adults and children over the past 10 years. Although mortality is declining, more than 2,000 people, mainly elderly, still die from this condition every year, according to Vital Statistics of Japan 2010 published by the Ministry of Health, Labour and Welfare.

Teijin Pharma's Business in the Respiratory Field

Teijin Pharma's business is focused on therapies for three key classes of disease: bone/joint, respiratory, and metabolic/cardiovascular. In the field of respiratory diseases, the company markets various treatments in Japan, including Alvesco®, a once-daily steroid

inhalant for asthma, Mucosolvan®, a long-selling expectorant that has been on the market for almost 30 years, Spiropent®, a β 2-agonist with long-acting bronchodilatory action, Atrovent®, an anticholinergic that suppresses bronchoconstriction, and Rhinocort®, a treatment for allergic rhinitis.

Teijin Pharma also offers home healthcare services for respiratory conditions, including an asthma telemedicine system enabling remote care for patients with severe asthma, home oxygen therapy (HOT), and continuous positive airway pressure (CPAP) therapy for sleep apnea treatment. As a leader in HOT and CPAP therapies in Japan, Teijin Pharma is expanding business in these markets both in Japan and overseas.

About the Teijin Group

Teijin (TSE 3401) is a technology-driven global group offering advanced solutions in the areas of sustainable transportation, information and electronics, safety and protection, environment and energy, and healthcare. Its main fields of operation are high-performance fibers such as aramid, carbon fibers & composites, healthcare, films, resin & plastic processing, polyester fibers, products converting and IT. The group has some 150 companies and around 17,000 employees spread out over 20 countries worldwide. It posted consolidated sales of JPY 854.4 billion (USD 10.7 billion) and total assets of JPY 762.1 billion (USD 9.5 billion) in the fiscal year ending March 31, 2012. Please visit www.teijin.co.jp/english.

About Pulmagen Therapeutics (Asthma) Limited

Pulmagen Therapeutics is a UK-based drug development company that focuses on the development of novel treatments for respiratory diseases. The company aims to position ADC3680, a low dose, once daily oral asthma therapy, currently in Phase II clinical development, as the best-in-class CRTh2 antagonist.
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