

August 26, 2009

To Whom It May Concern

Taisho Pharmaceutical Co., Ltd.
Nissan Chemical Industries, Ltd.

Discontinuation of Development of NT-702 for a Part of Indications

Taisho Pharmaceutical Co., Ltd. [Headquarters: Toshima-ku, Tokyo, President: Akira Uehara] (Taisho) and Nissan Chemical Industries, Ltd. [Headquarters: Chiyoda-ku, Tokyo, President: Kojiro Kinoshita] (Nissan Chemical), that have been jointly developing the drug NT-702, today announced their decision to discontinue the development of NT-702 for the indication of intermittent claudication caused by spinal canal stenosis in Japan.

NT-702 is a drug of which principal action is phosphodiesterase III inhibition. Taisho and Nissan Chemical conducted Phase 2 clinical study of NT-702 in Japan for the indication of intermittent claudication caused by spinal canal stenosis, and as a result of comprehensive evaluation of the result of the clinical study and the relevant knowledge obtained to date, Taisho and Nissan Chemical have decided to discontinue the development of NT-702 in Japan for this indication.

As Phase 2 clinical studies of NT-702 for the indications of intermittent claudication caused by arteriosclerosis obliterans and of asthma are being conducted, Taisho and Nissan Chemical will focus on the development of NT-702 for these indications from now on.

(For reference)

Spinal canal stenosis:

The spinal canal is the space in the center of spine which nerves pass through. With aging, this spinal canal space becomes narrower due to the deformation of bones and vertebral disks or to slippage of lumbar vertebrae (spondylolisthesis). Compression of the nerves and blood flow obstruction inside the spinal canal due to narrowing (stenosis) of spinal canal space cause disease symptoms such as backache, leg pain, leg numbness, intermittent claudication and urinary disturbance, which interfere with the daily life of the patient.