PRESS RELEASE

*Kowa Company, Ltd.*

Peretinoin (NIK-333) Study Subanalysis Gives Clue To Mechanism of Reduced Recurrence of Hepatocellular Carcinoma (HCC), To Be Presented at American Society of Clinical Oncology Gastrointestinal Cancers Symposium 2011

**TOKYO, Japan, January 19, 2010 ---** Kowa Company, Ltd. (Headquarters: Nagoya, Japan, President & CEO: Yoshihiro Miwa, “Kowa”) is pleased to announce the results of a subgroup analysis in the phase II/III clinical trial of the HCC recurrence suppression agent peretinoin (generic name: code, NIK-333) developed in Japan, will be presented at the General Poster Session of American Society of Clinical Oncology Gastrointestinal Cancers Symposium 2011 (ASCO-GI 2011) to be held on 20-22 January 2011 in San Francisco, USA. These results reinforce the efficacy of peretinoin in the Phase II/III trial, and give some insight into its mechanism of action.

**Presentation Accepted by ASCO-GI 2011 Is As Follows:**

<table>
<thead>
<tr>
<th>Session and Abstract No.</th>
<th>Title</th>
<th>Date and Venue</th>
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<tr>
<td>General Poster Session B</td>
<td>Clinical Benefit of Peretinoin for the Suppression of Hepatocellular Carcinoma (HCC) Recurrence in Patients with Child-pugh Grade A and Small Tumor: A Subgroup Analysis in a Phase II/III Randomized Placebo-controlled trial</td>
<td>Jan. 21, 2011 11:45-18:00* The Moscone West Building Level 1, West Hall</td>
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</tbody>
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*Local time*
About American Society of Clinical Oncology Gastrointestinal Cancers Symposium 2011 (ASCO-GI 2011)

<table>
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<tr>
<th>Conference</th>
<th>American Society of Clinical Oncology Gastrointestinal Cancers Symposium 2011</th>
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<td>Date</td>
<td>Jan. 20-22, 2011 (local time)</td>
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<td>Venue</td>
<td>The Moscone West Building 800 Howard Street San Francisco, California 94103</td>
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About the Phase II/III Trial
This trial evaluated the ability of peretinoin to suppress the recurrence of HCC in patients who had undergone curative therapy for hepatitis C virus (HCV) positive HCC. These results were also presented at ASCO 2010 held in Chicago, USA, in June 2010 and ILCA 2010 held in Montreal, Canada, in September 2010.
The results of a Phase II/III trial showed that peretinoin 600 mg/day given daily for up to 96 weeks reduced the recurrence of HCC after curative therapy in HCV positive patients when compared to placebo.

About Peretinoin
Peretinoin is an oral acyclic retinoid with a vitamin A-like structure, and its main targeting molecule is the retinoid nuclear receptor.

About Liver Cancer and HCC
Liver cancer is the sixth most common cancer in the world, and more than seven hundred and forty thousand patients are newly diagnosed every year. In Japan, liver cancer is the third leading cause of death from cancer. About 40,000 patients are newly diagnosed, and about 30,000 patients die, every year. Primary liver cancer is classified into HCC and cholangiocellular carcinoma, and about 94% is HCC. HCC is mainly caused by infections of hepatitis B virus or HCV, and in Japan about 68% of HCC are caused by HCV. HCV positive HCC is known to have a high recurrence rate after curative resection, and the recurrence rates are 24%, 76%, 92% within 1, 3, 5 years, respectively.
About Kowa
Kowa recognizes lifestyle diseases as a R&D priority area and is endeavoring to develop and explore innovative medicines. In addition, Kowa focuses on three major activities: drug discovery, innovative formulation discovery, and development of neo generics and will actively engage in R&D activities to satisfy unmet medical needs.

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