PRESS RELEASE

Kowa Company, Ltd.

Peretinoin (NIK-333) Data, the Results of the Phase II/III Trial for the Suppression of Recurrence of Hepatocellular Carcinoma (HCC), To Be Presented at the International Liver Cancer Association Annual Conference

TOKYO, Japan, August 30, 2010 --- Kowa Company, Ltd. (Headquaters: Nagoya, Japan, President & CEO: Yoshihiro Miwa, “Kowa”) is pleased to announce the results of the phase II/III clinical trial, which evaluated the effect of HCC recurrence suppression agent peretinoin (generic name: code, NIK-333) developed in Japan, will be presented at the Plenary General Session of International Liver Cancer Association Fourth Annual Conference (ILCA 2010) to be held on 10-12 September 2010 in Montreal, Canada.

Dr. Kiwamu Okita (superintendent at Shimonoseki Kohsei Hospital, and professor emeritus at Yamaguchi University), chairman of the coordinating committee, as well as the presenter of the trial, has said as follows: “It’s a great opportunity to present the results of the phase II/III clinical trial of peretinoin, which was conducted in Japan where there are so many HCC patients, to the liver cancer specialists around the world at ILCA 2010. On behalf of the investigators, I would like to thank all of the patients who participated in the trial.”

Kowa recognizes the 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.
Presentation Accepted by ILCA 2010 Is As Follows:

<table>
<thead>
<tr>
<th>Session and Abstract No.</th>
<th>Title</th>
<th>Date and Venue</th>
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<tbody>
<tr>
<td>ILCA Plenary General Session Abstract: O-014</td>
<td>Peretinoin Reduces Recurrence of Hepatocellular Carcinoma: Results of a Phase II/III Randomized Placebo-Controlled Trial.</td>
<td>Sept. 11, 2010 10:30-12:00* Le Grand Salon Convention Floor</td>
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*Local time

About the Fourth International Liver Cancer Association (ILCA 2010)

<table>
<thead>
<tr>
<th>Conference</th>
<th>International Liver Cancer Association Fourth Annual Conference</th>
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<tbody>
<tr>
<td>Date</td>
<td>Sept. 10-12, 2010 (local time)</td>
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<tr>
<td>Venue</td>
<td>The Fairmont Queen Elizabeth 900 Rene Levesque Blvd. W Montreal, Quebec Canada H3B4A5</td>
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About the Phase II/III Trial
This is the multicenter, double-blind, parallel, randomized controlled trial, which has evaluated the effect of peretinoin to suppress the recurrence of HCC in patients underwent curative surgical resection or percutaneous radiofrequency ablation for hepatitis C virus-positive HCC. Four hundred and one patients in total were randomized to the peretinoin 600 mg/day group, peretinoin 300 mg/day group, or placebo group. The primary endpoint was recurrence-free survival, and the dose-dependent response were evaluated. These results were also presented at the 46th Annual Meeting of American Society of Clinical Oncology (ASCO 2010) held in Chicago, USA, in June 2010.

About Peretinoin
Peretinoin is the oral acyclic retinoid with 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 six hundred thousand patients are newly diagnosed every year. In Japan, liver cancer is the third leading cause of death from cancer. The newly diagnosed patients are about 40,000, and
about 35,000 patients die every year. Primary liver cancer is classified into HCC and cholangiocellular carcinoma, and about 94% is HCC. HCC are mainly caused by the infections of hepatitis B virus or HCV, and in Japan about 67% of HCC are caused by the 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.

Contacts:
Kowa Company, Ltd.
Public Relations Department.2, +81-3-3279-7392 (Japanese inquiries only)
info-peretinoin@kowa.co.jp (Japanese and English inquiries)
Fax: +81-3-3279-7250