

September 1, 2017

**Ono and Seikagaku Reach a Definitive Agreement Related to
Co-development and Marketing Collaboration on SI-613
for the Treatment of Osteoarthritis in Japan**

Ono Pharmaceutical Co., Ltd. (Osaka, Japan; “Ono”) and Seikagaku Corporation (Tokyo, Japan; “Seikagaku”) announced that they have reached a definitive agreement (“the agreement”) related to co-development and marketing collaboration on SI-613 in Japan under development by Seikagaku for the treatment of osteoarthritis. The agreement is based on the basic agreement reached on May 12, 2017.

Under the agreement, Ono acquires co-development and exclusive marketing rights related to SI-613 in Japan. Seikagaku will receive from Ono an upfront payment of 2.0 billion yen and milestone payments up to a maximum total amount of 10.0 billion yen over multiple years upon future progress in development and marketing.

SI-613 is currently under Phase III clinical development in Japan for the treatment of osteoarthritis. In addition to the pivotal study targeting knee joint, the clinical studies for other joints (hip, ankle, elbow and shoulder) and a long-term study with a primary objective for safety evaluation will be further conducted. The companies are committed to facilitating these clinical studies as quickly as possible to obtain an early approval for manufacturing and marketing for the product.

There is no change in the forecast of consolidated financial results for the fiscal year ending March 31, 2018 for Ono or Seikagaku in connection with this matter.

About SI-613 for the treatment of osteoarthritis

SI-613 is a formulation in which hyaluronic acid and a non-steroidal anti-inflammatory drug (NSAID) are chemically bound using a Seikagaku’s own proprietary technology. SI-613 was designed to provide pain relief and anti-inflammatory effect by sustained release* of NSAID, and the joint function improving effect by hyaluronic acid. It is expected to provide prompt and sustained relief of the severe pain and inflammation associated with osteoarthritis. SI-613 is administered directly into the joint cavity, thus the transfer of the NSAID into the systemic blood is extremely low, and it is expected to mitigate a risk of side effects reported in oral or topical administration of NSAID.

*: Sustained release is the gradual release of the active pharmaceutical ingredients of a drug to achieve a sustained therapeutic effect.

Contact

Ono Pharmaceutical Co., Ltd. Corporate Communications public_relations@ono.co.jp	Seikagaku Corporation Investor Relations and Public Relations General Affairs Dept. ir@seikagaku.co.jp
--	---