

March 28, 2006

**Entered Into New Collaborative Research Agreement
with Medarex for Antibody Product**

Ono Pharmaceutical Co., Ltd. (Headquarters: Osaka, Japan; President and CEO: Takashi Iwai) announced today that, in addition to current collaborative research and development project of fully human anti-PD-1 antibody toward potential commercialization, the company signed a new collaborative research agreement with Medarex, Inc. (Headquarters: Princeton, New Jersey, the US; President & CEO: Donald L. Drakeman) to research and develop a fully human anti-SDF-1 antibody product candidate under Ono's intellectual property regarding SDF-1.

Under this arrangement, Ono and Medarex will jointly work toward potential commercialization of an anti-SDF-1 antibody. The two companies plan to share the costs and responsibilities of research and product development up to the completion of a Phase II clinical study. After establishing POC (Proof of Concept: demonstration of efficacy and safety in human) by the Phase II study, each company will be fully responsible for any continued development and commercialization in its exclusive territory; Medarex' exclusive territory is North America, and Ono's exclusive territory is all areas outside North America.

The parties have already started generating fully human anti-SDF-1 antibody product candidates of SDF-1 using Medarex' proprietary UltiMab Human Antibody Development System®.

SDF-1: stromal cell-derived factor 1

SDF-1 is a ligand of CXCR4 receptor expressed on the surface of T lymphocytes, cancer cells and stem cells. SDF-1 is reported to be involved in an inflammation, proliferation and metastasis of cancer, hematopoiesis, angiogenesis and cell differentiation.

References:

- * Butler JM., et al: J Clin Invest. 2005 115(1):86-93 SDF-1 is both necessary and sufficient to promote proliferative retinopathy.
- * Muller A., et al: Nature, 2001 410(6824):50-56 Involvement of chemokine receptors in breast cancer metastasis.
- * Ruiz de Almodovar C., et al: Cell. 2006 124(1):18-21 An SDF-1 trap for myeloid cells stimulates angiogenesis.

Ono Pharmaceutical Co., Ltd.
Public Relations
Tel ☐06-6263-5670
Fax ☐06-6263-2950