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**Ono Enters into License Agreement with Sapphire Therapeutics, Inc. in Japan,
Korea and Taiwan - New Drug for the Treatment of Cancer Anorexia/Cachexia -**

Ono Pharmaceutical Co., Ltd. (Osaka, Japan) announced today that Ono has signed a licensing agreement with Sapphire Therapeutics, Inc. (New Jersey, USA) for a novel drug candidate, RC-1291, for the treatment of cancer anorexia/cachexia.

Ono has obtained the exclusive rights to develop and commercialize RC-1291 in Japan, Korea and Taiwan under this agreement, and in consideration of such rights Ono will pay to Sapphire upfront and milestone payments as well as royalties on sales of RC-1291.

"We identified and licensed Sapphire's RC-1291 which is expected to become a first drug for cancer anorexia/cachexia," said Shozo Matsuoka, PhD, executive director, development headquarters and member of the board at Ono. "RC-1291, acting directly on the appetite and anabolic pathways, could bring cancer anorexia/cachexia patients the benefits of appetite stimulation and lean muscle-building activity to improve their independence and quality of life."

RC-1291, designated as a fast-track drug candidate by the FDA for cancer anorexia/cachexia, is an orally active synthetic small molecule ghrelin mimetic. A Phase II study is currently being conducted by Sapphire with cancer anorexia/cachexia patients in the USA. In addition, Ono plans to start Phase I study in Japan in the second quarter of 2007.

"We are delighted to be partnering with Ono, which has an exceptional record for discovering and developing innovative medicines to fight human disease and pain," said William Polvino, MD, executive vice president at Sapphire. "Sapphire looks forward to working with Ono to bring the benefits of RC-1291 to patients with cancer anorexia/cachexia."

Ghrelin is a circulating peptide hormone principally produced in stomach cells that has multiple physiological actions, including appetite stimulation and muscle-building (anabolic) effects. RC-1291 is a synthetic small molecule with similar physiological actions, like appetite stimulation and muscle-building effects, to those of ghrelin. Unlike ghrelin though, RC-1291 can be administered as an oral treatment. It is expected that RC-1291 would be an innovative drug to improve impaired quality of life in cancer anorexia/cachexia patients.

About Cancer Anorexia/Cachexia

It is reported that as cancer stage advances, many cancer patients suffer from a systemic wasting condition characterized by anorexia, lipolysis and muscle loss^[1]. This condition is called cancer anorexia/cachexia: patient's quality of life becomes extremely impaired as the condition becomes worse.

[1]: Recent Development in Research and Management of Cancer Anorexia – Cachexia Syndrome: Akio Inui, Jpn J Cancer Chemother 32(6): 743-749, June, 2005

About Peptide Hormone Ghrelin

Hormones are physiologically active agents that are produced in the body, circulate in the blood and finally exert their effects on the selective organs. Peptide molecules are composed of two or more amino acids. Ghrelin is a peptide hormone that is composed of twenty-eight amino acids.

About Sapphire Therapeutics, Inc.

Sapphire is a private biopharmaceutical company that develops promising small-molecule ghrelin mimetics to treat metabolic and oncologic diseases for which existing therapies are limited or marginally effective. Sapphire's pipeline consists of first-in-class, composition-of-matter protected compounds acting within the ghrelin pathway. The furthest advanced program is RC-1291.

For more information, please visit Sapphire's web site at www.sapphirethera.com.