

April 14, 2008

**ONO PHARMACEUTICAL CO., LTD.**

President and Representative Director: Toshiharu Korekane  
Code No: 4528 at the 1<sup>st</sup> section of the Tokyo / Osaka Stock Exchange  
INQUIRIES: Kinya Morimoto, Executive Director, Public Relations  
(Phone: +81 6 6263 5670)

**Functionality Expansion of Ono Pharma USA, Inc., which is Ono's US Development Base  
-- Newly Establishment of Global Development Headquarters and Strategic Research Alliance --**

In keeping with its philosophy of "Dedicated to Man's Fight against Disease and Pain," Ono Pharmaceutical Co., Ltd. ("Ono") has always striven to achieve its goal of serving as an R&D-oriented global speciality pharmaceuticals. Ono's discovery efforts are dedicated to identifying innovative new drugs focusing on the priority areas of prostaglandins, enzyme inhibitors, neuroscience, and intracellular signaling where Ono can fully benefit from the technologies Ono has accumulated in the past, as well as employing genomic drug discovery very actively based on Ono's gene assets.

For the purpose of further strengthening global competitive position in new drug development and forcefully advancing discovery alliances with bio-pharmaceutical companies and research institutions, Ono decided to newly establish, as of May 1<sup>st</sup>, 2008, Global Development Headquarters and Strategic Research Alliance at Ono Pharma USA, Inc. (New Jersey, USA), wholly owned subsidiary of Ono.

**< Global Development Headquarters >**

High speed and quality of data are desired in development to succeed in global competition of new drug development. Ono has proactively managed performance of clinical studies faster and more efficiently in compliance with global standard for early proof of efficacy and safety of innovative and original new drug candidates generated from our compound-oriented research activities. This has been possible only by close coordination between Japan, US and Europe using wholly owned subsidiaries in the U.S.A. and U.K. (Ono Pharma USA, Inc, ["OPUS"] and Ono Pharma UK Ltd ["OPUK"]) both established in 1998 as overseas development bases. Further we strive to improve certainty of development by recognizing properties of a new drug candidate, including performance of studies in patients who are more likely to show efficacy based on its mechanism of actions. We have also given emphasis on clinical studies performed in the U.S.A. as obtaining US approval is our first priority.

In the current development pipeline of Ono, domestic development programs are more than the overseas one in number, but it is expected that the overseas will be well over the domestics two years later in 2010 as we will continue to promote the US / Europe leading development further. Reviewing the situation, and considering functionality expansion of OPUS, we have decided to form the Global Development Headquarters at OPUS.

Current organizations in charge of clinical development at OPUS and OPUK as well as domestic development are all under umbrella of the Global Development Headquarter as it will take overall management of clinical development in Japan, US and Europe and promote performance of clinical studies more proactively than ever.

We expect that continuous presence of Shozo Matsuoka, Ph.D. (Senior Managing Director and Director of Development Headquarters) as Chairman and CEO of OPUS and Director of Global Development Headquarter at OPUS will strengthen clinical development further with central focus of the US operation.

**< Strategic Research Alliance >**

Strategic Alliance Headquarters was established in March 2007 at Ono's head office in order to further strengthen discovery research capability and expand the development pipeline, and has in fact pursued strategic alliances proactively. The section has made steady achievements of such efforts including discovery collaborations with bio-pharmaceutical companies such as the one with Locus Pharmaceuticals Inc. in US for new kinase inhibitors and the recent collaboration agreement with Evotec in Germany for new protease inhibitors, as well as in-licensing of new drug candidates such as a new short-acting general anesthetic from CeNeS Limited in UK and a new therapeutic agent for thrombocytopenia from Nissan Chemical Industries, Ltd.

However because we are particularly focusing on collaborations with bio-pharmaceutical companies in US and Europe as having cutting-edge technologies and high standard discovery capability, the base for searching discovery seeds and pursuing discovery alliances with bio-pharmaceutical companies will be shifted from Japan to OPUS and the new section, Strategic Research Alliance, will be formed there to strengthen its activities of pursuing strategic alliances.