

May 12, 2017

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

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

SI-613 is now under Phase III clinical development in Japan for the treatment of osteoarthritis. In addition to the verification study targeting at knee joint, the clinical studies for other joints (hip, ankle, elbow and shoulder) and a long-term study with a main purpose 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 authorization for the product.

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. Combining the pain relief and anti-inflammatory effect of an NSAID designed for sustained release* with the joint function improving effect of hyaluronic acid is expected to provide prompt and long-lasting relief of the intense pain and inflammation associated with osteoarthritis. Further, since SI-613 is an injectable treatment administered directly into the joint cavity, transfer of the NSAID into the systemic blood circulation is low, it can be considered to mitigate NSAID drug adverse reactions compared with oral or transdermal administration.

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

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