September 30, 2014

DNAVEC Corporation
Sumitomo Dainippon Pharma Co., Ltd.

Sumitomo Dainippon Pharma Acquires Patent License from DNAVEC On Clinical-grade iPS Cell Production Technology

DNAVEC Corporation (Head Office: Tsukuba, Ibaraki; President Toyotaka Mori), which is a wholly-owned subsidiary of I'ROM Holdings Co., Ltd. (Head Office: Tokyo; President Toyotaka Mori), and Sumitomo Dainippon Pharma Co., Ltd. (Head Office: Osaka; President: Masayo Tada) jointly announced that today the two companies entered into a patent license agreement ("License Agreement") relating to DNAVEC's technology to produce clinical iPS cells for use in human regenerative medicine through nucleus reprogramming by Sendai virus vector ("Technology").

Under the terms of the License Agreement, DNAVEC has granted to Sumitomo Dainippon Pharma a license to generate, perform research and development on, produce, sell and otherwise use clinical-grade iPS cells and differentiated cells derived therefrom by the use of the Technology in the fields of eye diseases and nerve system diseases. DNAVEC will in addition prepare and provide Sumitomo Dainippon Pharma with recombinant Sendai virus vectors of GMP grade.
In return, DNAVEC will receive from Sumitomo Dainippon Pharma an initial payment and milestone payments that may amount to a total sum of approx. 2.5 billion yen; milestone payments include milestones associated with the progress of product development using the Technology and sales milestones in accordance with the specific targets of product sales. DNAVEC will also receive a running royalty based on product sales.

DNAVEC will continue to offer seamless support to clinical iPS cell-based regenerative medicine from basic research through clinical development, so as to contribute to an early realization of the practical use of regenerative medicine.

Sumitomo Dainippon Pharma defines regenerative medicine and cell therapy as a major new field for the Company's exploration and discovery of innovative pharmaceutical products, while focusing on therapeutic research in the areas of psychiatry/neurology and oncology. It is convinced that the License Agreement will enhance the range of promising technologies for practical application in regenerative medicine and cell therapy.

(Reference information)

About Sendai virus vector originally developed by DNAVEC

A vector is a device that transports a therapeutic gene(s) to target tissues or organs and introduces the gene(s) into the target cells effectively. The Sendai virus vector originally developed by DNAVEC is based on RNA virus technology, in stark contrast to conventional vectors that function as DNA. It has been shown to have high safety by various clinical studies and animal tests; it has been in wide use in genetic pharmaceuticals and biotechnology products with high credibility and records.

DNAVEC in 2011 launched worldwide an iPS cell generating kit, CytoTune®-iPS, which consists of Sendai virus vector with nucleus reprogramming factors*. The research purpose kit is garnering immense praise from research scientists around the world because it can very efficiently generate iPS cells from a very small number of cells, even cells from a drop of peripheral blood, without causing any damage whatsoever to the chromosome of the target cell and hence poses low risk of causing tumorigenicity. Last year, DNAVEC launched an improved kit, CytoTune®-iPS 2.0, that has a higher efficiency of iPS cell generation and allows an easy removal of vectors to make it more easily accessible to researchers and other users. DNAVEC hopes to contribute to expedite the practical use of regenerative medicine through increased use of the kit in clinical trials.

* Nucleus reprogramming factor: Genes that, when introduced into a somatic cell, induces the cell to an iPS cell.

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