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NanoCarrier's position on the announcement from Nippon Kayaku about NK105

Nippon Kayaku has announced yesterday that the results of Phase III study for NK105 (paclitaxel-encapsulated micelle) in patients with metastatic or recurrent breast cancer could not be achieved the primary endpoints. NanoCarrier here articulates that this announcement will not make any impacts on our business performance in this fiscal year because the technologies licensed to Nippon Kayaku for NK105 at early stage of development is the first generation of our technologies which are fundamentally different technologies utilized in NanoCarrier's current internal pipeline as described below.

The basic technology used in NK105 is physically entrapping drugs into the nanomicelles. It was known that retention of paclitaxel itself in human plasma half-life was approx. 30 minutes. By contrast, the human plasma half-life could be prolonged more than 10 hrs by slower release effect of the miceller technologies licensed to Nippon Kayaku. Therefore, it was placed an expectation on NK105 for clinical contribution.

On the other hand, our current pipeline such as NC-6004, NC-4016 and NC-6300 has been developed by using the second generation of NanoCarrier's technology, in which drug was chemically conjugated in polymer inside micelles. This technology is extremely innovative for the performance of control release and shows superiorly prolonged the human plasma half-life more than 100 hrs in the case of NC-6004 and NC-4016. We strongly believe that the controlled drug release exerts a significant degree of impact on the drug efficacy and the reduction of side effects in cancer patients.

As announced on June 16th of 2016, the results of phase I study for NC-6004 in Japan showed the significant reduction of side effects as originally expected. In addition, the results of US phase I study for NC-6004 was presented at KOL meeting during ASCO annual meeting in the last month, and launching Phase II study of NC-6004 in US and EU received widespread support from KOL.

NanoCarrier will steadily continue our own R&D and collaboration with our partnered companies to make effort to bring miceller nanoparticle medicines into medical front to support patients as soon as possible.