

NEWS RELEASE

NIPPON CHEMIPHAR CO., LTD. (4539)
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Termination of Licensing Agreement for NC-2300

Nippon Chemiphar Co., Ltd. (president and CEO, Kazuhiro Yamaguchi) announced today that the company has ceased the development of the compound NC-2300.

Development of the NC-2300, the Cathepsin K inhibitor, had been licensed out to the U.S. venture company Velcura Therapeutics, Inc. in August 2005.

Chemiphar and Velcura have reached an understanding on the license agreement's termination, whereby Chemiphar will end its development of the inhibitor—now in Phase I of development by Velcura. Chemiphar reached its decision after having conducted a comprehensive evaluation of factors surrounding the compound.

About Velcura Therapeutics, Inc.

Velcura Therapeutics is a U.S. biotech company that was established in 2001 by Dr. Michael W. Long in Ann Arbor, Michigan. Velcura focuses on the development of drugs that modulate bone turnover.

Velcura's website: <http://www.velcura.com/>

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