

Pipeline of prescription pharmaceuticals (Clinical study)

| Generic name | Brand name/dev. code | Indication | Original/licensor | Region | Ph I | Ph II | Ph III | NDA Filed | Approved | Launched |
|-------------------------------|-------------------------------|--|------------------------|--------|------|-------|--------|-----------|----------|----------|
| Levofloxacin (0.5%) | Cravit Quixin Oftraquix | Bacterial conjunctivitis Bacterial conjunctivitis Bacterial conjunctivitis | Daiichi Pharmaceutical | Japan | | | | | | Apr-00 |
| | | | | USA | | | | | | Nov-00 |
| | | | | Europe | | | | | | May-02 |
| Levofloxacin (1.5%) | Iquix | Bacterial corneal ulcer | Daiichi Pharmaceutical | USA | | | | | Mar-04 | |
| Levofloxacin + prednisolone A | DE-094 | Infectious keratitis | Daiichi Pharmaceutical | USA | | | | | | |

Characteristics: Fluoroquinolone antibacterial agent. In Europe, Ofaquix has obtained marketing authorization in 12 countries and was launched in five countries including Germany. Iquix is a higher-concentrated fluoroquinolone with potent antibacterial action. Levofloxacin + prednisolone A is a combination treatment with steroids.

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| Pemirolast potassium | Alegysal Alamast Alamast | Allergic conjunctivitis | Mitsubishi Pharma | Japan | | | | | | Apr-95 |
| | | | | USA | | | | | | Jul-00 |
| | | | | Europe | | | | | Dec-99 | |

Characteristics: A mast cell stabilizer with superior efficacy on allergic conjunctivitis and vernal keratoconjunctivitis.

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|--------------------|----------------------|---|-------------------|--------|------|-------|--------|-----------|----------|----------------|
| Sodium hyaluronate | Hyalein Hyalein | Corneal and conjunctival epithelial disorder Dry eye | Original | Japan | | | | | | Jun-95 |
| | | | | USA | | | | | | In Preparation |

Characteristics: Ophthalmic solution containing sodium hyaluronate. Treats corneal and conjunctival epithelial disorder associated by dry eye and wearing contact lenses.

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| Ciclosporin | DE-076 | Vernal keratoconjunctivitis | Novartis Pharma | Japan | | | | | | Aug-03 |

Characteristics: An orphan drug. Ophthalmic application of immuno-suppressant ciclosporin. Expected to treat advanced vernal keratoconjunctivitis for which existing anti-allergic agents are not effective. Because it is an ophthalmic solution, virtually no generalized side effects are noted.

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| Tafluprost | DE-085 | Glaucoma/ ocular hypertension | Co-development with Asahi Glass | Japan USA/Europe | | | | | | |

Characteristics: Prostaglandin-based glaucoma treatment that reduces ocular pressure. Clinical trials are being conducted in parallel in Japan, the U.S. and Europe. Expected to have greater efficacy in reducing ocular pressure than other prostaglandin-based glaucoma treatments. Can be stored at room temperature.

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| Olmesartan | DE-092 | Glaucoma/ ocular hypertension | Sankyo | Japan USA/Europe | | | | | | In Preparation |

Characteristics: The only angiotensin II receptor antagonist in full-fledged development as a glaucoma treatment. Comparable to prostaglandin-based treatments in reducing intraocular pressure. Very few side effects, including conjunctival hyperemia, are expected. Potentially big market in the U.S. and Europe where patients with ocular-hypertension consist majority of the glaucoma population.

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| Lomerizine HCL | DE-090 | Glaucoma | Nippon Organon | Japan | | | | | | |

Characteristics: A new type of oral glaucoma treatment studied for inhibiting the progression of visual field defects. The only calcium antagonist in full-fledged development as a glaucoma treatment. Compared with NMDA receptor antagonists, fewer generalized side effects are expected, thus having excellent safety. Marketed by Nippon Organon as a migraine drug

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| Diquafosol tetrasodium | DE-089 | Dry eye | Inspire Pharm. | Japan | | | | | | |

Characteristics: A treatment for dry eye that stimulates the eye surface to secrete tear fluid and moisture. Expected to be used in combination with existing dry eye treatments, and be effective for patients for whom existing treatments are insufficient.

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|----------------|----------------------|----------------------|-------------------|--------|------|-------|--------|-----------|----------|----------|
| (Undetermined) | DE-096 | Rheumatoid arthritis | Original | Japan | | | | | | |

Characteristics: An oral TNF inhibitor. Anti-rheumatic effect comparable to injectable biological agents has been observed in basic research.

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| Gefarnate | DE-099 | Corneal and conjunctival epithelial disorder associated with dry eye, etc | Original | Japan | | | | | | |

Characteristics: Treats corneal and conjunctival epithelial disorder mostly associated with dry eye by stimulating the secretion of mucin and promoting the corneal epithelial migration. Preservative-free eye ointment that can be used in combination with existing drugs.

Pipeline of prescription pharmaceuticals (In preparation for clinical trials)

| Generic name | Brand name/dev. code | Indication | Original/licensor |
|---|------------------------------|----------------------|-------------------|
| (Undetermined) | DE-098 (Anti-APO-1 antibody) | Rheumatoid arthritis | Centocor |
| Characteristics: Joint injection that induces apoptosis in diseased joints of rheumatoid arthritis patients. Bulk pharmaceutical manufacturing process for actual production scale has been established, and drug development is being studied. | | | |

| Generic name | Brand name/dev. code | Indication | Original/in-licensor |
|--|----------------------|--|----------------------|
| Bucillamine | Rimatil | Osteoarthritis (additional indication) | Original |
| Characteristics: Shown to be effective on joint inflammation caused by osteoarthritis. | | | |

Pipeline of medical devices

| Product under development | Product name | Region |
|--|--------------|---------------|
| Intraocular lens | MD-14 | Japan and USA |
| Characteristics: Foldable intraocular lens using new material with high refractive index. Developed by U.S. subsidiary Advanced Vision Science, Inc. | | |

Changes from May 7, 2004

| Brand name/dev. code | Indication | Region | Status change |
|----------------------|---|--------|---|
| Gefarnate/ DE-099 | Corneal and conjunctival epithelial disorder associated with dry eye, etc | Japan | In preparation for clinical trials to phase I |

| Product under development | Product name | Region | Status change |
|---------------------------|--------------|--------|---|
| Intraocular lens | MD-13 | Japan | Discontinued launch plan in consideration of marketability. |