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### Execution of Joint Research Agreement with RIKEN

Shin Nippon Biomedical Laboratories, Ltd. (“SNBL”) today announces the execution of about three-year Joint Research Agreement (until end of March, 2016) with RIKEN, the largest comprehensive research institution in Japan (“RIKEN”).

This joint research will develop efficacy assessment methodology for cell therapy, such as using induced pluripotent stem cell (“iPS cell”), for the treatment of ophthalmic diseases and will be part of a business, which RIKEN has been selected to conduct for the regenerative medicine network program led by Japan Science and Technology Agency (“JST”).

This joint research will be led by Masayo Takahashi, M.D., Ph.D. of RIKEN’s retina regenerative medicine development project, under their regenerative medicine development program. The research aims to achieve early clinical application of regenerative cell therapy by using iPS cells for ophthalmic diseases such as macular degeneration and photoreceptor cell diseases.

In order to achieve practical application of cell therapy for ophthalmic diseases, such as using iPS cells for macular degeneration and photoreceptor cell diseases, it is first necessary to establish the efficacy and safety assessment in the non-clinical stage.

SNBL will develop animal models for this joint research, and support early development of this therapy by utilizing the wealth of experience accumulated in the field of non-clinical research. And also SNBL will continue to acquire technical know-how and develop experts in this field, in order to continuously improve the safety evaluation method to meet the evolving needs of advancing medicine.

At the present time, the effect of this matter on the earnings of SNBL’s current term is minimal.