

OncoTherapy Science, Inc.

AUGUST 6, 2013

Announcement of the commencement of patient enrollment in Phase I clinical study of OTS167,  
a novel small molecule compound targeting cancer stem cells

OncoTherapy Science, Inc. (President & CEO: Takuya Tsunoda; hereinafter, "OncoTherapy") announces that the patient enrollment in the Phase I clinical trial of OTS167 at the University of Chicago Medicine has commenced following the approval by the medical center's Institutional Review Board.

This clinical trial of OTS167 is a first-in-human Phase I clinical study, designed to assess the safety and pharmacokinetic profiles in patients with advanced solid tumors that did not respond to standard therapies. Information about the trial is available at the National Institutes of Health's clinical trials website.

OTS167 is a targeted compound that has a potent inhibitory activity on MELK (maternal embryonic leucine zipper kinase), a novel protein kinase identified as a cancer-specific molecule by genome-wide expression profile analysis.

MELK is not expressed in the important vital organs of adults but is highly up-regulated in various types of cancers. Recently, MELK was reported to play the important roles in formation and maintenance of cancer stem cells in addition to its involvement in tumor growth. Experiments using xenograft mice models have demonstrated that OTS167 shows potent anti-tumor activities against lung, prostate, breast and pancreatic cancers.

OncoTherapy will proceed with the enrollment of the patients with careful safety monitoring.

OncoTherapy has decided to leave fiscal 2013 full-year forecasts announced on 15<sup>th</sup> May,2013 unchanged.