



April 10, 2008

For Immediate Release

UMN Pharma, Inc.

UMN Pharma Announces Initiation of Phase I/II trials for Pandemic Influenza Vaccine

UMN Pharma Inc. (headquartered in Akita, President & CEO: Shuichi Kanazashi) today announced initiation of phase I/II clinical trials for UMN-0501, UMN's pandemic influenza vaccine. Trials will begin in mid-June followed by the completion of necessary investigations for an IND filing as required by the PMDA (Pharmaceutical and Medical Devices Agency) based on Pharmaceutical Affairs Law. The purpose of this clinical study is to assess the safety, efficacy and appropriate dose for the IND product in healthy adults aged 20-40.

Pandemic flu is a viral disease that occurs when the avian (bird) influenza virus emerges in people and mutates allowing sustained person-to-person transmission. Because people have little or no immunity to the unknown virus, it may cause serious illness and easily sweep across the country or world in a very short amount of time thereby *potentially* causing a pandemic outbreak.

In August, 2006, we acquired an exclusive license to manufacture, use and sell recombinant protein*¹-based influenza vaccines in Japan from Protein Sciences Corporation (PSC)*² in the USA using their proprietary manufacturing technologies. UMN-0501 is manufactured using PSC's techniques and is derived from recombinant protein in a cell line enabling the production of large quantities of vaccine in a short period of time as compared to other current influenza vaccines registered in Japan which are derived from embryonated chicken eggs.

We are planning to begin construction of production facilities for the vaccine in line with the commencement of clinical trials, and will obtain the building sites for the facilities in the near future.

Shuichi Kanazashi, the President and Chief Executive Officer of UMN Pharma Inc., comments that "in response to the concerns about an increasing threat of pandemic influenza virus, we are developing UMN-0501 which will enable production of larger quantities of vaccine in a shorter period of time, and we will do our best to continue with the smooth implementation of clinical trials in order to provide a steady supply of UMN-0501 as soon as possible."

*1: A protein produced by gene recombination technology. The proteins can be artificially produced by inserting desired genes into the cells of Escherichia coli, yeast, insects and animals. The recombination proteins of insulin, interferon and antibody medicine have already been approved as medicines.

*2: Protein Sciences Corporation (PSC) is based in Connecticut, USA, and owns manufacturing techniques for recombinant proteins, which produces high yield. PSC is developing FluBIΦKTM, which is a vaccine against seasonal influenza virus, using the same manufacturing techniques of the UMN-0501 and is due to receive an approval and be released to the US market within this year if it progresses according to the schedules.



About UMN Pharma Inc.

UMN Pharma Inc. was incorporated in 2004 as a company dedicated to developing innovative pharmaceutical drugs that will satisfy unmet medical needs. We select substances with high potential to become medical products from drug seeds in universities and companies, and promote efficient development of the products. Our main current products include vaccines against influenza virus and therapeutic agent for pancreatitis.

Incorporated: April 20, 2004

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