

Sojitz Corporation

Sojitz Forms Alliance with Israeli Company SoluBest

Signing Exclusive Japanese Agency Agreement for the state-of-the-art Nanotechnology applied for Drug Delivery Systems

(Japan, August 19, 2004)--Sojitz Corporation has formed an alliance with the Israeli nanotechnology venture company SoluBest Ltd. (Head office: Israel), and has signed an exclusive Japanese agency agreement for nanotechnology to be applied for drug delivery systems, which have recently been the focus of attention in the pharmaceutical industry. Sojitz will not only introduce SoluBest technology to pharmaceutical companies, but will also provide cooperation in areas of product design, development, manufacturing and marketing. Commercialization of the technology in the field of drug delivery systems will be pursued in the domestic pharmaceutical market, which has an annual market of around 7 trillion yen.

Drug delivery system is technology designed to maximize drug efficacy and stability, alleviate side effects and reduce dosage. The 'Solumer™' technology developed by SoluBest produces Solu-Nanoparticles, nanometer-sized (one billionth of a meter) stable particles, by wrapping active compounds with polymers. Solu-Nanoparticle is particularly characterized by requiring less energy for dissolution and absorption compared with conventional technology using chemical bonding. Thus, the technology enables the control of the absorption rate and absorption capacity of pharmaceutical ingredients through improvements in solubility, and the adjustment of the volume of compounds contained in products. The stabilized molecules of 'Solu-Nanoparticles' inhibit the original compounds from naturally reverting back to their crystalline structure, and therefore enable the maintenance of compound activity for long periods of time in the body. Use of the 'Solumer™' technology will enable the production of pharmaceuticals that have been difficult to produce by means of existing technologies, such as encapsulation and by altering the size and physical conditions of compounds as a result of chemical changes, and will expand the possibilities for new product development.

‘Solumer™’ technology uses existing polymers that have been approved as pharmaceuticals. The combination of compounds and polymers can be changed in various ways in accordance with purpose and application, and such polymers thus have a broad range of application. Utilization is even considered for cosmetics such as emulsions and foundations, pigment preparation such as for inks, paints and dyes, in addition to pharmaceutical products such as antibiotics, anti-cancer drugs and antibacterial agents.

Sojitz has been working on the introduction of excellent technologies to Japan through strategic alliances and the implementation of joint endeavors with overseas bio-venture companies. The company will take full advantage of the network it has built and the know-how it has accumulated over a long period of time, and will pursue new business development utilizing new technology.

[About Solumer™]

Solumer™ is a technology that combines, without inducing chemical changes, the active compounds in pharmaceuticals with existing polymers by physical force such as hydrogen bonding, electrostatic force and Van-der-Waals force, so as to create optimal structures. This technology was applied to stabilize the structure of compounds, and has resulted in the creation of Solu-Nanoparticles. The know-how developed by SoluBest allows the combination of compounds and polymers to control their various properties. The company customizes polymers that are to be combined, in accordance with the characteristics of the subject compound, for specific applications and purposes.

SoluBest has already undertaken feasibility studies, in collaboration with its partners in Israel and abroad, and is pursuing commercialization of the technology in the areas of pharmaceuticals and cosmetics to start with. The company has tied up with Ahava Dead Sea Cosmetics Inc. (Head office: Israel) to develop products such as anti-acne gels and exfoliants for elbows and soles. Such products are scheduled for launch in 2005.

[Outline of SoluBest Ltd.]



Establishment: 2001

Address: Tamar Science Park, 4 Pekeris Street, Rehovot 76702,
Israel

Representative: Mr. Erwin Stern, Chairman & Chief Executive Officer

Business activity: Development of nanotechnology to improve the
properties of compounds, such as pharmaceuticals and
cosmetics, with the use of polymers. Development
of products to which the said technology is applied.

Website: <http://www.solubest.com>

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