

Kowa Company Acquires ProEthic Pharmaceuticals, Inc. New Company to be Called Kowa Pharmaceuticals America

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NAGOYA, Japan and MONTGOMERY, Ala., Aug. 4 /PRNewswire/ -- Kowa Company, Ltd., a privately-held company headquartered in Nagoya, Japan, today announced the acquisition of ProEthic Pharmaceuticals, Inc., a privately-held specialty pharmaceutical company based in Montgomery, Alabama.

Effective September 1, 2008, ProEthic will change name to Kowa Pharmaceuticals America and will assume responsibility for all sales and marketing functions currently operating in Montgomery, Alabama. ProEthic's clinical development group will transfer to Kowa Research Institute, which is located in Morrisville, North Carolina.

"The opportunity to enter the U.S. pharmaceutical market represents a significant step towards Kowa's vision of creating a global pharmaceutical organization. Pharmaceuticals represent one of Kowa's fastest growing businesses, and we are happy that Kowa Pharmaceuticals America will now be part of that plan," said Yoshihiro Miwa, President and Chief Executive Officer of Kowa. "We are optimistic about the prospects that this acquisition will bring, and we will work closely with the company to ensure its future success."

The first pharmaceutical product to be launched by the new company will be pitavastatin, a novel HMG CoA reductase inhibitor for the treatment of hyperlipidemia. Pitavastatin is sold in Japan, Korea and Thailand under the brand Livalo(R). Pitavastatin has recently completed Phase 3 clinical development in Europe and the United States.

"We are excited about the partnership with Kowa and the confidence they have shown in our management team and its ability to grow the company into becoming a leading provider of unique and effective pharmaceutical products," said Carl Whatley, Chief Executive Officer of ProEthic. "We also look forward to the future launch of products from Kowa's rich pipeline, currently in clinical development at Kowa Research Institute."

About Kowa

Since its establishment in 1894, Kowa has grown into a multinational Japanese company actively engaged in various manufacturing and trading activities in the fields of pharmaceutical, life science and information technology, textiles, machinery and various consumer products. During its long history, Kowa has consistently strived to meet the changing needs, and with its continuing entrepreneurial initiative, is determined to meet the needs of future generations. It is this commitment to consistency and initiative in an ever-changing world that Kowa vows to carry forward through each generation.

About ProEthic

ProEthic is a specialty pharmaceutical company focused primarily in the areas of cardiology, pain and migraine. Founded in 2001, the privately held company focuses its efforts on the acquisition, development, licensing, and marketing of pharmaceutical products. Its lead product, Lipofen(R), is indicated as adjunctive therapy to diet to reduce elevated triglycerides and to increase HDL-C in adult patients with primary hypercholesterolemia or mixed dyslipidemia.

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