News Release

July 2, 2018
JCR Pharmaceuticals Co., Ltd.

Translation

**JCR Initiates Phase 3 Clinical Trial for An Expanded Indication of GROWJECT®
for Short Stature Homeobox-containing Gene (SHOX) Deficiency**

JCR Pharmaceuticals Co., Ltd. (TSE 4552; Chairman and President: Shin Ashida; "JCR") announced today the initiation of Phase 3 clinical trial for SHOX deficiency (developed code: JR-401X) as an expanded indication of its core product, GROWJECT®, a recombinant human growth hormone.

SHOX deficiency is a congenital disorder caused by deletions or mutations of a *SHOX* gene (short stature homeobox containing gene) located on the sex chromosomes essential for skeletal growth. In this clinical trial, the growth promoting effect and safety of GROWJECT® 0.35 mg/kg/week administered for 12 months are compared with the control group without treatment in short stature patients with SHOX deficiency. The efficacy and safety of the administration for 24 months are also investigated.

Currently, development of a long-acting growth hormone product (development code: JR-142) is ongoing as well. JCR will continue striving for provisions of various treatment options to meet the needs of the patients suffering from growth disorders.

This clinical trial is expected to have a minor impact on consolidated financial results for the year ending on March 31, 2019.

[About JCR Pharmaceuticals]
JCR is a specialty pharma engaged in the research, development, manufacture and marketing of biopharmaceuticals and regenerative medicine with a focus on rare diseases. Its philosophy, "Contributing towards people's healthcare through pharmaceutical products" drives JCR to create innovative pharmaceutical products as value-added treatment options for the under-served patient community.

[Cautionary Statement Regarding Forward-Looking Statements]
This document contains forward-looking statements that are subject to known and unknown risks and uncertainties, many of which are outside our control. Forward-looking statements often contain words such as "believe," "estimate," "anticipate," "intend," "plan," "will," "would," "target" and similar references to future periods. All forward-looking statements regarding our plans, outlook, strategy and future business, financial performance and financial condition are based on judgments derived from the information available to us at this time. Factors or events that could cause our actual results to be materially different from those expressed in our forward-looking statements include, but not limited to, a deterioration of economic conditions, a change in the legal or governmental system, a delay in launching a new product, impact on competitors' pricing and product strategies, a decline in marketing capabilities relating to our products, manufacturing difficulties or delays, an infringement of our intellectual property rights , an adverse court decision in a significant lawsuit and regulatory actions.
This document involves information on pharmaceutical products (including those under development). However, it is not intended for advertising or providing medical advice. Furthermore, it is intended to provide information on our company and businesses and not to solicit investment in securities we issue.

Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the factors that could cause actual results to differ materially, even if new information becomes available in the future.

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