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To Whom It May Concern

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**Notice Concerning Discontinuation of Development of TS-033,  
A Compound for Treatment of Diabetes**

Taisho Pharmaceutical Co., Ltd. has announced the discontinuation of its development of TS-033, an investigational compound for treatment of diabetes.

Taisho had been conducting phase II clinical trials of TS-033 in Japan and the U.S. as an SGLT\* inhibitor for the treatment of diabetes. However, a comprehensive assessment of the findings obtained about TS-033 to date, including the clinical trial results, led Taisho to take the decision to discontinue development of TS-033 in Japan and the U.S.

Taisho is now focusing on development of a backup compound of TS-033, which is currently at phase I clinical trial stage.

\*SGLT: Sodium-glucose cotransporter.