



NEWS RELEASE

For Immediate Release

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BIOWA ANNOUNCES LICENSE OF BIOWA'S POTELLIGENT[®] TECHNOLOGY TO KALOBIOUS PHARMACEUTICALS

Princeton, NJ, USA, October 28, 2008 – BioWa, Inc. announced today that it has entered into an agreement with KaloBios Pharmaceuticals, Inc., under which BioWa licenses to KaloBios its POTELLIGENT[®] Technology for enhancing the antibody-dependent cellular cytotoxicity (ADCC) of select KaloBios therapeutic antibodies.

“We are excited about this strategic partnership with KaloBios,” commented Dr. Masamichi Koike, President and CEO of BioWa. “With KaloBios’ specialized expertise in the antibody field, this collaboration will further reinforce our effort to bring the benefit of the technology to patients in need as quickly as possible.”

Under the terms of the license agreement, BioWa grants KaloBios non-exclusive rights to research, develop and commercialize therapeutic antibodies generated through POTELLIGENT[®] Technology for an undisclosed number of targets. In return, BioWa will receive upfront payment, and may receive development milestone payments and royalties on products. Other details of the agreement are not disclosed.

About POTELLIGENT[®] Technology

POTELLIGENT[®] Technology improves potency and efficacy of antibody therapeutics, by enhancing ADCC, one of the major mechanisms of action for antibody therapeutics. POTELLIGENT[®] Technology involves the reduction of the amount of fucose in the carbohydrate structure of an antibody using a proprietary fucosyltransferase-knockout CHO cell line as a production cell. Research shows that POTELLIGENT[®] Technology dramatically enhances ADCC activity of an antibody *in vitro*, and significantly increases potency and efficacy of the antibody *in vivo*. A number of POTELLIGENT[®] antibodies are being investigated in human clinical trials.

About BioWa, Inc.

BioWa is a wholly owned subsidiary of Kyowa Hakko Kirin Co., Ltd., Japan's leading pharmaceutical and largest biotech company, and is the exclusive worldwide licensor of AccretaMab™ platform. AccretaMab™ platform consists of POTELLIGENT® and COMPLEGENT™ Technologies, creating a superior antibody molecule with enhanced ADCC and CDC activities. BioWa is offering POTELLIGENT® and COMPLEGENT™ Technologies to partners under a license to maximize the value of these technologies. Together with Kyowa Hakko Kirin, BioWa is focused on development of ADCC/CDC enhanced monoclonal antibody-based therapeutics to fight cancer and other life-threatening and debilitating diseases. For more information about BioWa, visit its web site at www.biowa.com.

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