



January 24, 2006

The Joint Development Agreement of the Automated Pretreatment System of Serum Samples for MS Analysis

Name of Listed Company: Precision System Science Co., Ltd.

(Code Number 7707)

Head Office: 88 Kamihongo, Matsudo-shi, Chiba

Contact: Jun Akimoto, Director and Executive Officer,
General Manager,

TEL: 047-303-4800

URL: <http://www.pss.co.jp>

We are pleased to announce that Precision System Science Co., Ltd. (President: Hideji Tajima, thereafter “PSS”) and Medical ProteoScope Co., Ltd.* (Chief Executive Officer: Tetsuhito Matsuyama, thereafter “MPS”) have concluded a Joint Development Agreement concerning the *Automated Pretreatment System of Serum Samples for MS Analysis*.

The *MS* stands for “Mass Spectrometry” and means the analytical technique of mass spectrometry. (Note 1)

To date, MS analysis using human clinical samples have been utilized in, among others, detecting new biomarkers unique to specific diseases, identifying therapeutic markers for the efficacy and side effects of drugs, and searching for drug-target molecules. MS analysis is ultimately believed to lead to the development of drugs and to the realization of tailor-made medicine.

By integrating PSS’ accumulated technology for automated systems with MPS’ clinical proteome analysis technology and preparative technology, this joint development project aims to develop the *Automated Pretreatment System of Serum Samples for MS Analysis*, a new automated system previously unseen, which will drastically improve the efficiency of tasks such as the search for biomarkers.

Currently research involving the search for the afore-mentioned biomarkers utilizing MS analysis requires a complicated and time-consuming pretreatment phase, which must be conducted manually. Once our new automated system is completed, it will enable high throughput processing, while maintaining the high quality of processing by hand, and this will, in turn, promote streamlined research and the practical application of such research.

As far as the actual division of the development tasks is concerned, PSS will be responsible for the development of the system and the motion control program, while MPS will take on the task of establishing and verifying the optimization conditions of the system. Since the basic review of the technology with which the automated system will be equipped has already been completed in a joint research conducted previously, we have already commenced the development and manufacture of the system, aiming for a completion date sometime in June of this year.

After the completion of this system, PSS and MPS will jointly engage in sales promotion activities of the said system to research institutions involved in MS analysis of proteins. Furthermore, MPS will pursue in-house development using this automated system to accelerate and improve the efficiency of its search for biomarkers, which will be useful for drug development and clinical diagnostics. PSS and MPS have also agreed that should MPS be successful in its search for useful biomarkers, both PSS and MPS, upon deliberation, will cooperate in the product development and marketing of the research support system or the clinical diagnostic system using the said biomarkers.

The effects of this joint development agreement on the settlement of accounts for the current fiscal year will be minimal.

End.

[Reference]

Medical ProteoScope Co., Ltd.

Medical ProteoScope Co., Ltd. is a bio-venture business, which is based on the basic technologies required for the discovery of new drugs. MPS, which integrates state-of-the-art proteome analysis technology with bioinformatics, was founded for the purpose of identifying specific proteins related to diseases and identifying the mechanism of diseases through quantitative analysis of human clinical samples. (Excerpted from an article which appeared in the Nihon Keizai Shimbun, dated October 19, 2005)

Company Name	Medical ProteoScope Co., Ltd.
Head Office	Shinjuku Sumitomo Bldg. 17F, 2-6-1 Nishishinjuku, Shinjuku-ku, Tokyo
Established	November 2002
Paid-in Capital	1,368 million yen
Representative	Tetsuhito Matsuyama, Chief Executive Officer
Business Field	Development of drugs through clinical proteomics

(Note 1)

Mass spectrometry (method)

Mass spectrometry is the analytic technology, by which a sample, when inserted into a mass spectrometer, is ionized, sorted according to its mass-to-charge ratio, and its ions detected and recorded; it is used in the structural analysis of molecules such as proteins which exist in synthetic compounds, in nature, and in organisms.

For example, in the occurrence of certain diseases, including cancer and life style-related diseases, or in the progression of certain diseases, if the proteins which manifest themselves and alter according to the specific diseases could be identified in human tissue and blood through highly sensitive analysis based on mass spectrometry, then it would not only enable their use as biomarkers for the presence of diseases, but also for factors such as the progression of diseases, the degree of malignancy and metastatic risks of cancers, and ultimately would lead to the early detection and early cure of diseases.