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**Notice of Conclusion of Exclusive Distribution Agreement with  
Saladax Biomedical for the 5-FU MYCARE Assay in Japan**

**-Test May Prevent Reduced Efficacy or Excess Side Effects Through Accurate Dosing of  
5-Fluorouracil-**

FALCO SD HOLDINGS has concluded an exclusive distribution agreement today with Saladax Biomedical, Inc. (Bethlehem, PA, U.S.A). The My-5-FU blood test enables oncologists to determine the precise amount of 5-fluorouracil (5-FU) chemotherapy in a patient's blood, enabling them to administer an accurate dose to each patient.

Currently, 5-FU dosing is based on an assessment of Body Surface Area and multiple studies have demonstrated that this method results in high inter-patient variability in the blood level of 5-FU, leading to sub-optimal treatment efficacy or undue toxicity. When dosing of 5-FU is optimized to achieve the target blood concentration, the efficacy of treatment can be enhanced and serious toxicities can be reduced. 5-FU is the mainstay of colorectal cancer treatment both in the US and in Japan. Approximately 170,000 Japanese patients are treated with 5-FU annually, 60% of whom suffer from colorectal cancer and another 10% who are treated for breast cancer.

“We look forward to a successful relationship with FALCO SD and are pleased to have such a high quality distribution partner for the very important Japanese market,” said Dr. Salvatore Salamone, CEO of Saladax. “We believe strongly that our MYCARE™ tests can impact patient outcomes and quality of life and we are happy that patients in Japan will have access to the My-5-FU test.”

“We are pleased to bring My-5-FU to patients undergoing chemotherapy in Japan because it can greatly improve treatment outcomes while also reducing the side effects that reduce their quality of life during and after cancer treatment,” said Dr. Nobuhisa Gondo, Scientific Director and General Manager of the FALCO biosystems Ltd. “Our goal is to ensure that all

patients in Japan treated with 5-FU will have access to accurate dosing through the My-5-FU test by making it widely available to cancer centers and oncologists.”

Under the terms of the agreement, FALCO SD will pursue Japanese regulatory approval for the distribution and reimbursement of the My-5-FU test, both for sale of test kits and provision of testing services through their reference laboratory. Saladax will supply their My-5-FU kits to FALCO SD for their internal use and distribution to other laboratories.

About FALCO SD HOLDINGS Co., Ltd. (FALCO SD)

FALCO SD (<http://www.falco.co.jp/english>) is a holding company of clinical testing, dispensing pharmacy and drugstore business. FALCO biosystems Ltd. is a clinical testing business corporation of FALCO SD as the fourth largest reference laboratory in Japan, employs 1,800 and offers healthcare service. Aside from traditional clinical testing, FALCO biosystems offers specialty services in genetic testing, food sanitation and environmental testing, clinical trials and research testing services.

About Saladax Biomedical, Inc.

Saladax Biomedical (<http://www.saladax.com>) develops novel diagnostic tests for the practical delivery of personalized medicine. The Company's products span all stages of development and address a variety of therapeutic areas, with an initial focus in oncology with its [MYCARE™ platform](#). Saladax applies its validated technology platform to generate tests that increase efficacy and reduce toxicity of existing and emerging therapeutics, on a patient by patient basis. *Because no two patients are alike.*