



GNI Receives F351 Patent Allowance in Japan

Tokyo, October 20, 2010 – GNI Ltd, a leading biopharmaceutical company in Japan and China, is pleased to announce that Shanghai Genomics, the wholly owned subsidiary in China, has received the Decision to Grant from the Japan Patent Office, on a patent application covering the composition and usage of F351 for fibrosis therapy. In addition to China (2007), Australia (2009), Canada (2010), and USA (2010), Japan is the fifth country giving GNI comprehensive intellectual property protection on F351. This is also GNI's first patent granted in Japan. Patent application in Europe is still under review by corresponding agency.

F351 is the Company's lead product against liver fibrosis. A human Phase I trial has been completed with satisfactory safety and PK profiles. Preparation for Phase II human trial is still in progress. On July 30, 2010, GNI and EPS also announced a plan to co-develop F351 for liver fibrosis patients in China. EPS and GNI are also actively working together to design a strategy for the development of F351 against pulmonary, liver, and/or kidney fibrosis diseases in Japan.

"As a company listed on the Tokyo Stock Exchange Mothers Board, we are certainly very happy to hear this decision from Japan Patent Office. After F647, F351 will become one of the key products shaping up the future of this company," said Dr. Luo, CEO of GNI and Shanghai Genomics.

About GNI

Founded in 2001, GNI, Ltd. is a clinical-stage international drug development company with its headquarters in Tokyo, Japan, and research operations in Shanghai, China. In June 2005, GNI acquired Shanghai Genomics, which was also founded in 2001, and currently operates an integrated drug discovery and development platform in Shanghai. The combined strengths of GNI and Shanghai Genomics have resulted in research collaborations with major international pharmaceutical companies. For further information, please visit www.gnipharma.com and www.shanghaigenomics.com.

For further inquiries

Shinobu Tanaka	Tel: +81 (03) -5326-3097
	Email: ir@gene-networks.com
Ying Luo	Tel: +86 1381-769-8961
	Email: bd@shanghaigenomics.com

This press release contains "forward-looking" statements, including statements related to GNI's plans to pursue development of product candidates and the timing thereof. Any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "will," and similar expressions are intended to identify these forward-looking statements. There are a number of important factors that could cause GNI's results to differ materially from those indicated by these forward-looking statements, including risks associated with the timing and success of clinical trials and the commercialization of product candidates. GNI does not undertake any obligation to update forward-looking statements.