

Item 1.01. Entry Into a Material Definitive Agreement.

On September 26, 2007, Keryx Biopharmaceuticals, Inc. ("Keryx") entered into a sub-license agreement (the "Agreement") with Japan Tobacco Inc. ("JT") and Torii Pharmaceuticals Co., Ltd. ("Torii"), JT's pharmaceutical business subsidiary, under which JT and Torii will hold the exclusive rights for the development and commercialization of their hyperphosphatemia drug in Japan. The drug, currently in phase II clinical development in the United States under the name "Zenerex™", is an iron-based phosphate binder for the treatment of hyperphosphatemia (elevated phosphate levels) in patients with end stage renal disease. Keryx holds a worldwide license (except for the Asian Pacific Region, but including Japan) to Zerenex™ from Panion & BF Biotech, Inc.

The licensing arrangement obligates JT and Torii to pay Keryx up to \$100 million in up-front licensing fees and payments upon the achievement of pre-specified milestones, including up to \$20 million in up-front payments and near-term milestones. JT and Torii have sole responsibility for the clinical development of and commercialization of its drug in Japan, and will be responsible for all associated costs. Upon commercialization, JT and Torii will be obligated to make royalty payments to Keryx on net sales of the drug in Japan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Keryx Biopharmaceuticals, Inc.
(Registrant)

Date: October 1, 2007

By: /s/ Mark Stier

Mark Stier
Chief Accounting Officer