using the transduction of three functional genes (SOX17, HEX, and HNF4α).

The three factors-transduced cells have characteristics of functional hepatocytes

The hepatic functions of the hepatocyte-like cells, such as the uptake of low-density lipoprotein (LDL) and CYP enzymes activity, of the hepatocyte-like cells were examined on day 20 of differentiation. Approximately 87% of the three factors-transduced cells uptook LDL in the medium, whereas only 44% of the two factors-transduced cells did so (Figure 4a). The activities of CYP enzymes of the hepatocyte-like cells were measured according to the metabolism of the CYP3A4, CYP2C9, or CYP1A2 substrates (Figure 4b). The metabolites were detected in the three factors-transduced cells and their activities were higher than those of the two factors-transduced cells (dimethyl sulfoxide (DMSO) column). We further tested the induction of CYP3A4, CYP2C9, and CYP1A2 by chemical stimulation, since CYP3A4, CYP2C9, and CYP1A2 are the important prevalent CYP isozymes in the liver and are involved in the metabolism of a significant proportion of the currently available commercial drugs (rifampicin or omeprazole column). It is well known that CYP3A4 and CYP2C9 can be induced by rifampicin, whereas CYP1A2 can be induced by omeprazole. The hepatocyte-like cells were treated with either of these. Although undifferentiated human ESCs responsed to neither rifampicin nor omeprazole (data not shown), the hepatocyte-like cells produced more metabolites in response to chemical stimulation as well as primary hepatocytes (Figure 4b). The activity levels of the hepatocyte-like cells as compared with those of primary human hepatocytes depended on the types of CYP; the CYP3A4 activity of the hepatocyte-like cells was similar to that of primary human hepatocytes, whereas the CYP2C9 and CYP1A2 activities of the hepatocyte-like cells were slightly lower than those of primary human hepatocytes (Figure 3a). These results indicated that high levels of functional CYP enzymes were detectable in the hepatocyte-like cells.

The metabolism of diverse compounds involving uptake, conjugation, and the subsequent release of the compounds is an important function of hepatocytes. Uptake and release of Indocyanine green (ICG) can often be used to identify hepatocytes in ESC differentiation models.[27] To investigate this function in our hepatocyte-like cells, we compared this ability of the three factors-transduced cells with that of the two factors-transduced cells on day 20 of differentiation (Figure 4c). The three factors-transduced cells had more ability to uptake ICG and to excrete ICG by culturing without ICG for 6 hours. We also examined whether the hepatocyte-like cells could store glycogen, a characteristic of functional hepatocytes (Figure 4d). On day 20 of differentiation, the three factors-transduced cells and the two factors-transduced cells were stained for cytoplasmic glycogen using the Periodic Acid-Schiff staining procedure. The three factors-transduced cells exhibited more abundant storage of glycogen than the two-factors-transduced cells. These results showed that abundant hepatic functions, such as uptake and excretion of ICG and storage of glycogen, were obtained by the transduction of three factors.

Many adverse drug reactions are caused by the CYP-dependent activation of drugs into reactive metabolites.[28] In order to examine metabolism-mediated toxicity and to improve the safety of drug candidates, primary human hepatocytes are widely used.[28] Because primary human hepatocytes have quite different characteristics among distinct lots and because it is difficult to purchase large amounts of primary human hepatocytes that have the same characteristics, hepatocyte-like cells are expected to be used for this purpose. To examine whether our hepatocyte-like cells could be used to predict metabolism-mediated toxicity, the hepatocyte-like cells were incubated with four substrates (troglitazone, acetaminophen, cyclophosphamide, and carbamazepine), which are known to generate toxic metabolites by CYP enzymes, and then the cell viability was measured (Figure 4e). The cell viability of the two factors plus Ad-LacZ-tansduced cells were higher than that of the three factors-transduced cells at each different concentration of four test compounds. These results indicated that the three factors-transduced cells could more efficiently metabolize the test compounds and thereby induce higher toxicity than either the two factors-transduced cells or undifferentiated human ESCs. The cell viability of the three factors-transduced cells was slightly higher than that of primary human hepatocytes.

HNF4α promotes hepatic maturation by activating mesenchymal-to-epithelial transition

HNF4α is known as a dominant regulator of the epithelial phenotype because its ectopic expression in fibroblasts (such as NIH 3T3 cells) induces mesenchymal-to-epithelial transition (MET)[11], although it is not known whether HNF4α can promote MET in hepatic differentiation. Therefore, we examined whether HNF4α transduction promotes hepatic maturation from hepatoblasts by activating MET. To clarify whether MET is activated by HNF4α transduction, the human ESC-derived hepatoblasts (day 9) were transduced with Ad-LacZ or Ad-HNF4α, and the resulting phenotype was analyzed on day 12 of differentiation (Figure 5). This time, we confirmed that HNF4α transduction decreased the population of N-cadherin (hepatoblast marker)-positive cells,[29] whereas it increased that of ALB (hepatocyte marker)-positive cells (Figure 5a). The number of CK7 (cholangiocyte marker)-positive population did not change (Figure 5a). To investigate whether these results were attributable to MET, the alteration of the expression of several mesenchymal and epithelial markers was examined (Figure 5b). The human ESC-derived hepatoblasts (day 9) were almost homogeneously N-cadherin[30] (mesenchymal marker)-positive and E-cadherin[11] (epithelial marker)-negative, demonstrating that human ESC-derived hepatoblasts have mesenchymal characteristics (Figure 5a,b). After HNF4α transduction, the number of E-cadherin-positive cells was increased and reached ~90% on day 20, whereas that of N-cadherin-positive cells was decreased and was less than 5% on day 20 (**Supplementary Figure S10**). These results indicated that MET was promoted by HNF4α transduction in hepatic differentiation from hepatoblasts. Interestingly, the number of growing cells was decreased by HNF4α transduction (Figure 5c), and the cell growth was delayed by HNF4α transduction (**Supplementary Figure S11**). This decrease in the number of growing cells might have been because the differentiation was promoted by HNF4α transduction. We also confirmed that MET was promoted by HNF4α transduction in the gene expression levels (Figure 5d).

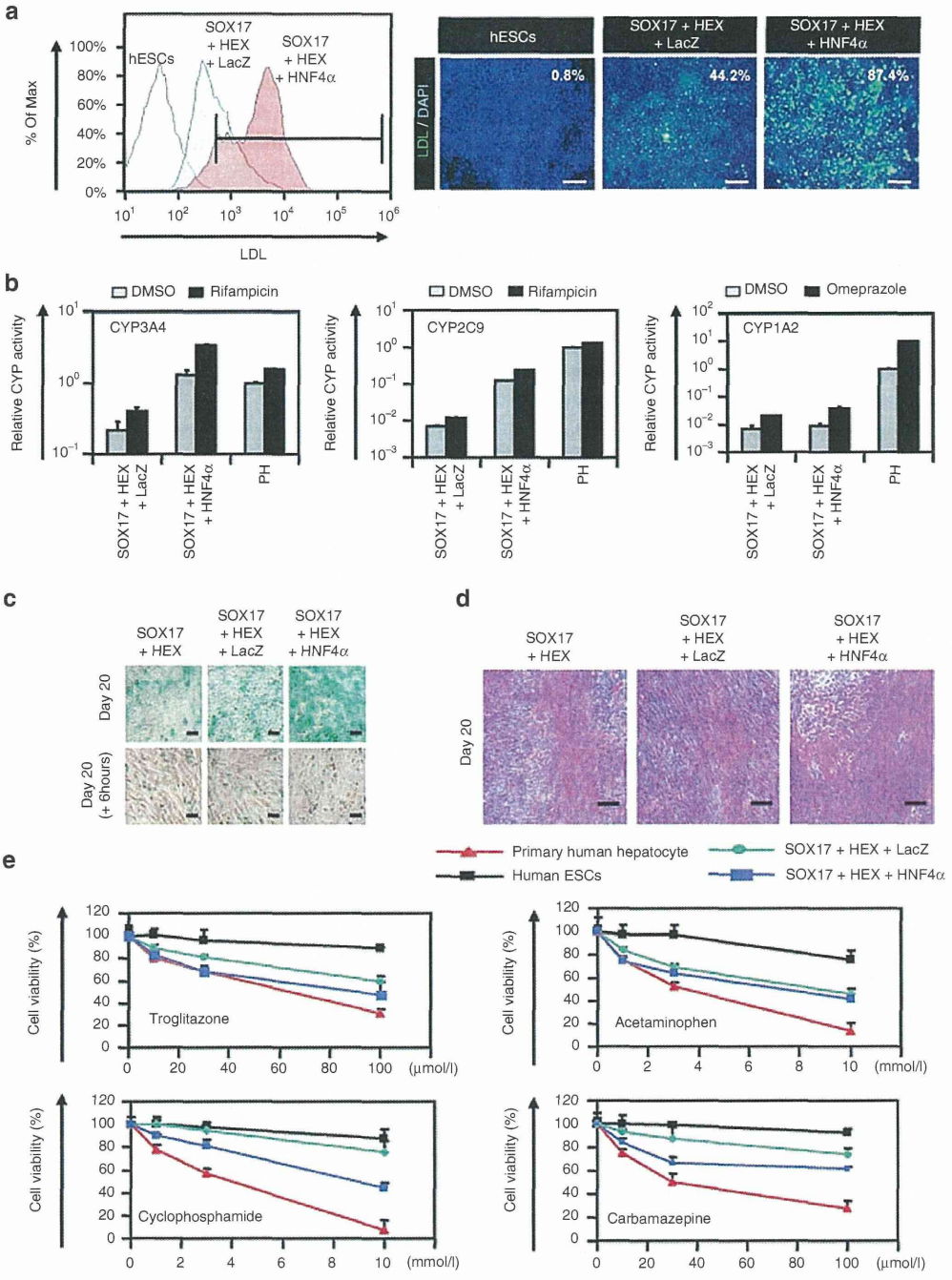

Figure 4 Transduction of the three factors enhances hepatic functions. The human ESCs were differentiated into hepatoblasts and transduced with 3,000 VP/cell of Ad-LacZ or Ad-HNF4α for 1.5 hours and cultured until day 20 of differentiation according to the protocol described in **Figure 2a**. The hepatic functions of the two factors plus Ad-LacZ-transduced cells (SOX17+HEX+LacZ) and the three factors-transduced cells (SOX17+HEX+HNF4α) were compared. (**a**) Undifferentiated human ESCs (hESCs) and the hepatocyte-like cells (day 20) were cultured with medium containing Alexa-Flour 488-labeled LDL (green) for 1 hour, and immunohistochemistry and flow cytometry analysis were performed. The percentage of LDL-positive cells was measured by flow cytometry. Nuclei were counterstained with DAPI (blue). The bar represents 100 μm. (**b**) Induction of CYP3A4 (left), CYP2C9 (middle), or CYP1A2 (right) by DMSO (gray bar), rifampicin (black bar), or omeprazole (black bar) in the hepatocyte-like cells (day 20) and primary human hepatocytes (PH), which were cultured for 48 hours after the cells were plated. On the y-axis, the activity of primary human hepatocytes that have been cultured with medium containing DMSO was taken as 1.0. (**c**) The hepatocyte-like cells (day 20) (upper column) were examined for their ability to take up Indocyanin Green (ICG) and release it 6 hours thereafter (lower column). (**d**) Glycogen storage of the hepatocyte-like cells (day 20) was assessed by Periodic Acid-Schiff (PAS) staining. PAS staining was performed on day 20 of differentiation. Glycogen storage is indicated by pink or dark red-purple cytoplasms. The bar represents 100 μm. (**e**) The cell viability of undifferentiated human ESCs (black), two factors plus Ad-LacZ-tansduced cells (green), the three factors-transduced cells (blue), and primary human hepatocytes (red) was assessed by Alamar Blue assay after 48 hours exposure to different concentrations of four test compounds (troglitazone, acetaminophen, cyclophosphamide, and carbamazepine). The cell viability is expressed as a percentage of cells treated with solvent only treat: 0.1% DMSO except for carbamazepine: 0.5% DMSO. All data are represented as means ± SD (n = 3). ESC, embryonic stem cell; DMSO, dimethyl sulfoxide; LDL, low-density lipoprotein.

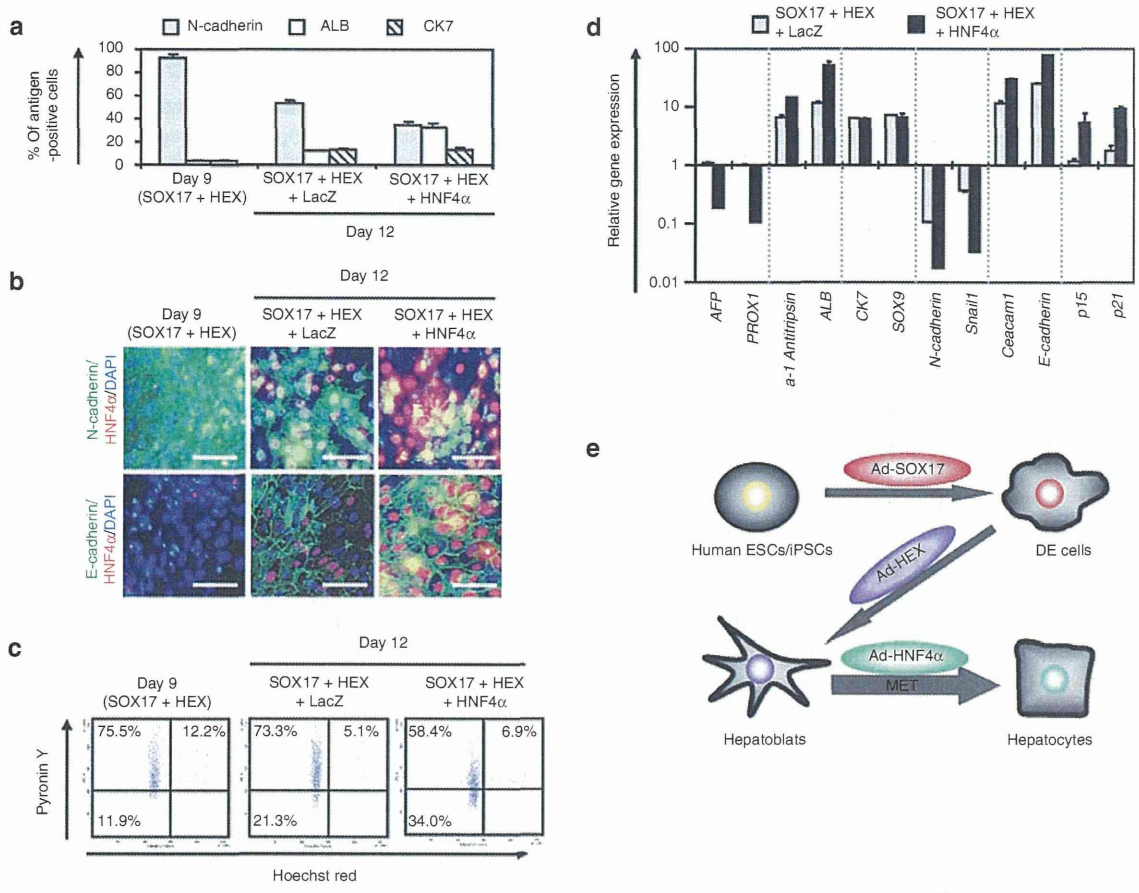

Figure 5 HNF4α promotes hepatic differentiation by activating MET. Human ESCs were differentiated into hepatoblasts according to the protocol described in **Figure 2a**, and then transduced with 3,000 VP/cell of Ad-LacZ or Ad-HNF4α for 1.5 hours, and finally cultured until day 12 of differentiation. (**a**) The hepatoblasts, two factors plus Ad-LacZ-transduced cells (SOX17+HEX+LacZ) (day 12), and the three factors-transduced cells (SOX17+HEX+HNF4α) (day 12) were subjected to immunostaining with anti-N-cadherin, ALB, or CK7 antibodies. The percentage of antigen-positive cells was measured by flow cytometry. (**b**) The cells were subjected to immunostaining with anti-N-cadherin (green), E-cadherin (green), or HNF4α (red) antibodies on day 9 or day 12 of differentiation. Nuclei were counterstained with DAPI (blue). The bar represents 50 μm. Similar results were obtained in two independent experiments. (**c**) The cell cycle was examined on day 9 or day 12 of differentiation. The cells were stained with Pyronin Y (y-axis) and Hoechst 33342 (x-axis) and then analyzed by flow cytometry. The growth fraction of cells is the population of actively dividing cells (G1/S/G2/M). (**d**) The expression levels of *AFP*, *PROX1*, *α-1-antitrypsin*, *ALB*, *CK7*, *SOX9*, *N-cadherin*, *Snail1*, *Ceacam1*, *E-cadherin*, *p15*, and *p21* were examined by real-time RT-PCR on day 9 or day 12 of differentiation. The expression level of hepatoblasts (day 9) was taken as 1.0. All data are represented as means ± SD ($n = 3$). (**e**) The model of efficient hepatic differentiation from human ESCs and iPSCs in this study is summarized. The human ESCs and iPSCs differentiate into hepatocytes via definitive endoderm and hepatoblasts. At each stage, the differentiation is promoted by stage-specific transduction of appropriate functional genes. In the last stage of hepatic differentiation, HNF4α transduction provokes hepatic maturation by activating MET. ESC, embryonic stem cell; HNF4α, hepatocyte nuclear factor 4α; iPSC, induced pluripotent stem cell; MET, mesenchymal-to-epithelial transition; RT-PCR, reverse transcription-PCR; VP, vector particle.

The gene expression levels of hepatocyte markers (*α-1-antitrypsin* and *ALB*)[20] and epithelial markers (*Ceacam1* and *E-cadherin*) were upregulated by HNF4α transduction. On the other hand, the gene expression levels of hepatoblast markers (*AFP* and *PROX1*)[31], mesenchymal markers (*N-cadherin* and *Snail*)[32], and cyclin dependent kinase inhibitor (*p15* and *p21*)[33] were downregulated by HNF4α transduction. HNF4α transduction did not change the expression levels of cholangiocyte markers (*CK7* and *SOX9*). We conclude that HNF4α promotes hepatic maturation by activating MET.

DISCUSSION

This study has two main purposes: the generation of functional hepatocytes from human ESCs and iPSCs for application to drug toxicity screening in the early phase of pharmaceutical development and; elucidation of the HNF4α function in hepatic maturation from human ESCs. We initially confirmed the importance of transcription factor HNF4α in hepatic differentiation from human ESCs by using a published data set of gene array analysis (**Supplementary Figure S1**).[34] We speculated that HNF4α transduction could enhance hepatic differentiation from human ESCs and iPSCs.

To generate functional hepatocytes from human ESCs and iPSCs and to elucidate the function of HNF4α in hepatic differentiation from human ESCs, we examined the stage-specific roles of HNF4α. We found that hepatoblast (day 9) stage-specific HNF4α transduction promoted hepatic differentiation (Figure 1). Because endogenous HNF4α is initially expressed in the hepatoblast,[9,10] our system might adequately reflect early embryogenesis. However, HNF4α transduction at an inappropriate stage (day 6 or day 12) promoted

bidirectional differentiation; heterogeneous populations, which contain the hepatocytes and pancreas cells or hepatocytes and cholangiocytes, were obtained, respectively (Figure 1), consistent with a previous report that HNF4α plays an important role not only in the liver but also in the pancreas.[12] Therefore, we concluded that HNF4α plays a significant stage-specific role in the differentiation of human ESC- and iPSC-derived hepatoblasts to hepatocytes (Figure 5e).

We found that the expression levels of the hepatic functional genes were upregulated by HNF4α transduction (Figure 3a,b, and **Supplementary Figures S7** and **S8**). Although the c/EBPα and GATA4 expression levels of the three factors-transduced cells were higher than those of primary human hepatocytes, the FOXA1, FOXA2, FOXA3, and HNF1α, which are known to be important for hepatic direct reprogramming and hepatic differentiation,[35,36] expression levels of three factors-transduced cells were slightly lower than those of primary human hepatocytes (**Supplementary Figure S8**). Therefore, additional transduction of FOXA1, FOXA2, FOXA3, and HNF1α might promote further hepatic maturation. Some previous hepatic differentiation protocols that utilized growth factors without gene transfer led to the appearance only of heterogeneous hepatocyte populations.[4–6] The HNF4α transduction led not only to the upregulation of expression levels of several hepatic markers but also to an almost homogeneous hepatocyte population; the differentiation efficacy based on CYPs, ASGR1, or ALB expression was ~80% (Figure 3c–e). The efficient hepatic maturation in this study might be attributable to the activation of many hepatocyte-associated genes by the transduction of HNF4α, which binds to the promoters of nearly half of the genes expressed in the liver.[12] In the later stage of hepatic maturation, hepatocyte-associated genes would be strongly upregulated by endogenous transcription factors but not exogenous HNF4α because transgene expression by Ad vectors was almost disappeared on day 18 (**Supplementary Figure S5**). Another reason for the efficient hepatic maturation would be that sequential transduction of SOX17, HEX, and HNF4α could mimic hepatic differentiation in early embryogenesis.

Next, we examined whether or not the hepatocyte-like cells had hepatic functions. The activity of many kinds of CYPs was upregulated by HNF4α transduction (Figure 4b). Ad-HNF4α-transduced cells exhibit many characteristics of hepatocytes: uptake of LDL, uptake and excretion of ICG, and storage of glycogen (Figure 4a,c,d). Many conventional tests of hepatic characteristics have shown that the hepatocyte-like cells have mature hepatocyte functions. Furthermore, the hepatocyte-like cells can catalyze the toxication of several compounds (Figure 4e). Although the activities to catalyze the toxication of test compounds in primary human hepatocytes are slightly higher than those in the hepatocyte-like cells, the handling of primary human hepatocytes is difficult for a number of reasons: since their source is limited, large-scale primary human hepatocytes are difficult to prepare as a homogeneous population. Therefore, the hepatocyte-like cells derived from human ESCs and iPSCs would be a valuable tool for predicting drug toxicity. To utilize the hepatocyte-like cells in a drug toxicity study, further investigation of the drug metabolism capacity and CYP induction potency will be needed.

We also investigated the mechanisms underlying efficient hepatic maturation by HNF4α transduction. Although the number of cholangiocyte populations did not change by HNF4α transduction, we found that the number of hepatoblast populations decreased and that of hepatocyte populations increased, indicating that HNF4α promotes selective hepatic differentiation from hepatoblasts (Figure 5a). As previously reported, HNF4α regulates the expression of a broad range of genes that code for cell adhesion molecules,[13] extracellular matrix components, and cytoskeletal proteins, which determine the main morphological characteristics of epithelial cells.[14,35,37] In this study, we elucidated that MET was promoted by HNF4α transduction (Figure 5b,d). Thus, we conclude that HNF4α overexpression in hepatoblasts promotes hepatic differentiation by activating MET (Figure 5e).

Using human iPSCs as well as human ESCs, we confirmed that the stage-specific overexpression of HNF4α could promote hepatic maturation (**Supplementary Figure S9**). Interestingly, the differentiation efficacies differed among human iPS cell lines: two of the human iPS cell lines (Dotcom and Tic) were more committed to the hepatic lineage than another human iPS cell line (201B7) (**Supplementary Figure S7**). Therefore, it would be necessary to select a human iPS cell line that is suitable for hepatic maturation in the case of medical applications, such as drug screening and liver transplantation. The difference of hepatic differentiation efficacy among the three iPSC lines might be due to the difference of epigenetic memory of original cells or the difference of the inserted position of the foreign genes for the reprogramming.

To control hepatic differentiation mimicking embryogenesis, we employed Ad vectors, which are one of the most efficient transient gene delivery vehicles and have been widely used in both experimental studies and clinical trials.[38] We used a fiber-modified Ad vector containing the EF-1α promoter and a stretch of lysine residue (KKKKKKK, K7) peptides in the C-terminal region of the fiber knob.[19] The K7 peptide targets heparan sulfates on the cellular surface, and the fiber-modified Ad vector containing the K7 peptides was shown to be efficient for transduction into many kinds of cells including human ESCs and human ESC-derived cells.[7–8,19] Thus, Ad vector-mediated transient gene transfer should be a powerful tool for regulating cellular differentiation.

In summary, the findings described here demonstrate that transcription factor HNF4α plays a crucial role in the hepatic differentiation from human ESC-derived hepatoblasts by activating MET (Figure 5e). In the present study, both human ESCs and iPSCs (three lines) were used and all cell lines showed efficient hepatic maturation, indicating that our protocol would be a universal tool for cell line-independent differentiation into functional hepatocytes. Moreover, the hepatocyte-like cells can catalyze the toxication of several compounds as primary human hepatocytes. Therefore, our technology, by sequential transduction of SOX17, HEX, and HNF4α, would be a valuable tool for the efficient generation of functional hepatocytes derived from human ESCs and iPSCs, and the hepatocyte-like cells could be used for the prediction of drug toxicity.

MATERIALS AND METHODS

Human ESC and iPSC culture. A human ES cell line, H9 (WiCell Research Institute, Madison, HI), was maintained on a feeder layer of mitomycin C-treated mouse embryonic fibroblasts (Millipore, Billerica, MA) with Repro Stem (Repro CELL, Tokyo, Japan) supplemented with 5 ng/ml fibroblast

growth factor 2 (FGF2) (Sigma, St Louis, MO). Human ESCs were dissociated with 0.1 mg/ml dispase (Roche Diagnostics, Indianapolis, IN) into small clumps and then were subcultured every 4 or 5 days. H9 was used following the Guidelines for Derivation and Utilization of Human Embryonic Stem Cells of the Ministry of Education, Culture, Sports, Science and Technology of Japan. Two human iPS cell lines generated from the human embryonic lung fibroblast cell line MCR5 were provided from the JCRB Cell Bank (Tic, JCRB Number: JCRB1331; and Dotcom, JCRB Number: JCRB1327).[39,40] These human iPS cell lines were maintained on a feeder layer of mitomycin C-treated mouse embryonic fibroblasts with iPSellon (Cardio, Kobe, Japan) supplemented with 10 ng/ml FGF2. Another human iPS cell line, 201B7, generated from human dermal fibroblasts was kindly provided by Dr S. Yamanaka (Kyoto University).[2] The human iPS cell line 201B7 was maintained on a feeder layer of mitomycin C-treated mouse embryonic fibroblasts with Repro Stem (Repro CELL) supplemented with 5 ng/ml FGF2 (Sigma). Human iPSCs were dissociated with 0.1 mg/ml dispase (Roche Diagnostics) into small clumps and were then subcultured every 5 or 6 days.

In vitro *differentiation.* Before the initiation of cellular differentiation, the medium of human ESCs and iPSCs was exchanged for a defined serum-free medium, hESF9, and cultured as we previously reported.[41] hESF9 consists of hESF-GRO medium (Cell Science & Technology Institute, Sendai, Japan) supplemented with 10 μg/ml human recombinant insulin, 5 μg/ml human apotransferrin, 10 μmol/l 2-mercaptoethanol, 10 μmol/l ethanolamine, 10 μmol/l sodium selenite, oleic acid conjugated with fatty-acid-free bovine albumin (BSA), 10 ng/ml FGF2, and 100 ng/ml heparin (all from Sigma).

The differentiation protocol for the induction of DE cells, hepatoblasts, and hepatocytes was based on our previous report with some modifications.[7] Briefly, in mesendoderm differentiation, human ESCs and iPSCs were dissociated into single cells and cultured for 3 days on Matrigel (Becton, Dickinson and Company, Tokyo, Japan) in hESF-DIF medium (Cell Science & Technology Institute) supplemented with 10 μg/ml human recombinant insulin, 5 μg/ml human apotransferrin, 10 μmol/l 2-mercaptoethanol, 10 μmol/l ethanolamine, 10 μmol/l sodium selenite, 0.5 mg/ml BSA, and 100 ng/ml Activin A (R&D Systems, Minneapolis, MN). To generate mesendoderm cells and DE cells, human ESC-derived cells were transduced with 3,000 vector particles (VP)/cell of Ad-SOX17 for 1.5 hours on day 3 and cultured until day 6 on Matrigel (BD) in hESF-DIF medium (Cell Science & Technology Institute) supplemented with 10 μg/ml human recombinant insulin, 5 μg/ml human apotransferrin, 10 μmol/l 2-mercaptoethanol, 10 μmol/l ethanolamine, 10 μmol/l sodium selenite, 0.5 mg/ml BSA, and 100 ng/ml Activin A (R&D Systems). For induction of hepatoblasts, the DE cells were transduced with 3,000 VP/cell of Ad-HEX for 1.5 hours on day 6 and cultured for 3 days on a Matrigel (BD) in hESF-DIF (Cell Science & Technology Institute) medium supplemented with the 10 μg/ml human recombinant insulin, 5 μg/ml human apotransferrin, 10 μmol/l 2-mercaptoethanol, 10 μmol/l ethanolamine, 10 μmol/l sodium selenite, 0.5 mg/ml BSA, 20 ng/ml bone morphogenetic protein 4 (R&D Systems), and 20 ng/ml FGF4 (R&D Systems). In hepatic differentiation, hepatoblasts were transduced with 3,000 VP/cell of Ad-LacZ or Ad-HNF4α for 1.5 hr on day 9 and were cultured for 11 days on Matrigel (BD) in L15 medium (Invitrogen, Carlsbad, CA) supplemented with 8.3% tryptose phosphate broth (BD), 8.3% fetal bovine serum (Vita, Chiba, Japan), 10 μmol/l hydrocortisone 21-hemisuccinate (Sigma), 1 μmol/l insulin, 25 mmol/l $NaHCO_3$ (Wako, Osaka, Japan), 20 ng/ml hepatocyte growth factor (R&D Systems), 20 ng/ml Oncostatin M (R&D Systems), and 10^{-6} mol/l Dexamethasone (Sigma).

Ad vectors. Ad vectors were constructed by an improved *in vitro* ligation method.[42,43] The human HNF4α gene (accession number NM_000457) was amplified by PCR using primers designed to incorporate the 5′ Not I and 3′ Xba I restriction enzyme sites: Fwd 5′-ggcctctagatggaggcagggagaatg-3′ and Rev 5′-ccccgcggccgcagcggcttgctagataac-3′. The human HNF4α gene was inserted into pBSKII (Invitrogen), resulting in pBSKII-HNF4α, and then the human HNF4α gene was inserted into pHMEF5,[44] which contains the human elongation factor-1α (EF-1α) promoter, resulting in pHMEF-HNF4α. The pHMEF-HNF4α was digested with I-CeuI/PI-SceI and ligated into I-Ceu I/PI-SceI-digested pAdHM41-K7,[19] resulting in pAd-HNF4α. The human EF-1α promoter-driven LacZ-, SOX17-, or HEX-expressing Ad vectors, Ad-LacZ, Ad-SOX17, or Ad-HEX, were constructed previously.[7,8,45] Ad-LacZ, Ad-SOX17, Ad-HEX, and Ad-HNF4α, each of which contains a stretch of lysine residue (K7) peptides in the C-terminal region of the fiber knob for more efficient transduction of human ESCs, iPSCs, and DE cells, were generated and purified as described previously.[7] The VP titer was determined by using a spectrophotometric method.[46]

LacZ assay. Human ESC- and iPSC-derived cells were transduced with Ad-LacZ at 3,000 VP/cell for 1.5 hours. After culturing for the indicated number of days, 5-bromo-4-chloro-3-indolyl β-D-galactopyranoside (X-Gal) staining was performed as described previously.[44]

Flow cytometry. Single-cell suspensions of human ESCs, iPSCs, and their derivatives were fixed with methanol at 4 °C for 20 minutes and then incubated with the primary antibody, followed by the secondary antibody. Flow cytometry analysis was performed using a FACS LSR Fortessa flow cytometer (BD).

RNA isolation and reverse transcription-PCR. Total RNA was isolated from human ESCs, iPSCs, and their derivatives using ISOGENE (Nippon Gene) according to the manufacturer's instructions. Primary human hepatocytes were purchased from CellzDirect, Durham, NC. complementary DNA was synthesized using 500 ng of total RNA with a Superscript VILO cDNA synthesis kit (Invitrogen). Real-time reverse transcription-PCR was performed with Taqman gene expression assays (Applied Biosystems, Foster City, CA) or SYBR Premix Ex Taq (TaKaRa) using an ABI PRISM 7000 Sequence Detector (Applied Biosystems). Relative quantification was performed against a standard curve and the values were normalized against the input determined for the housekeeping gene, glyceraldehyde 3-phosphate dehydrogenase. The primer sequences used in this study are described in **Supplementary Table S1**.

Immunohistochemistry. The cells were fixed with methanol or 4% paraformaldehyde (Wako). After blocking with phosphate-buffered saline containing 2% BSA (Sigma) and 0.2% Triton X-100 (Sigma), the cells were incubated with primary antibody at 4 °C for 16 hours, followed by incubation with a secondary antibody that was labeled with Alexa Fluor 488 (Invitrogen) or Alexa Fluor 594 (Invitrogen) at room temperature for 1 hour. All the antibodies are listed in **Supplementary Table S2**.

Assay for CYP activity. To measure cytochrome P450 3A4, 2C9, and 1A2 activity, we performed Lytic assays by using a P450-GloTM CYP3A4 Assay Kit (Promega, Madison, WI). For the CYP3A4 and 2C9 activity assay, undifferentiated human ESCs, the hepatocyte-like cells, and primary human hepatocytes were treated with rifampicin (Sigma), which is the substrate for CYP3A4 and CYP2C9, at a final concentration of 25 μmol/l or DMSO (0.1%) for 48 hours. For the CYP1A2 activity assay, undifferentiated human ESCs, the hepatocyte-like cells, and primary human hepatocytes were treated with omeprazole (Sigma), which is the substrate for CYP1A2, at a final concentration of 10 μM or DMSO (0.1%) for 48 hours. We measured the fluorescence activity with a luminometer (Lumat LB 9507; Berthold, Oak Ridge, TN) according to the manufacturer's instructions.

Pyronin Y/Hoechst Staining. Human ESC-derived cells were stained with Hoechst33342 (Sigma) and Pyronin Y (PY) (Sigma) in Dulbecco's modified Eagle medium (Wako) supplemented with 0.2 mmol/l HEPES and 5% FCS (Invitrogen). Samples were then placed on ice for 15 minutes, and 7-AAD was added to a final concentration of 0.5 mg/ml for exclusion of dead cells. Fluorescence-activated cell-sorting analysis of these cells was

performed on a FACS LSR Fortessa flow cytometer (Becton Dickinson) equipped with a UV-laser.

Cellular uptake and excretion of ICG. ICG (Sigma) was dissolved in DMSO at 100 mg/ml, then added to a culture medium of the hepatocyte-like cells to a final concentration of 1 mg/ml on day 20 of differentiation. After incubation at 37 °C for 60 minutes, the medium with ICG was discarded and the cells were washed with phosphate-buffered saline. The cellular uptake of ICG was then examined by microscopy. Phosphate-buffered saline was then replaced by the culture medium and the cells were incubated at 37 °C for 6 hours. The excretion of ICG was examined by microscopy.

Periodic Acid-Schiff assay for glycogen. The hepatocyte-like cells were fixed with 4% paraformaldehyde and stained using a Periodic Acid-Schiff staining system (Sigma) on day 20 of differentiation according to the manufacturer's instructions.

Cell viability tests. Cell viability was assessed by Alamar Blue assay kit (Invitrogen). After treatment with test compounds[47–50] (troglitazone, acetaminophen, cyclophosphamide, and carbamazepine) (all from Wako) for 2 days, the culture medium was replaced with 0.5 mg/ml solution of Alamar Blue in culturing medium and cells were incubated for 3 hours at 37 °C. The supernatants of the cells were measured at a wavelength of 570 nm with background subtraction at 600 nm in a plate reader. Control refers to incubations in the absence of test compounds and was considered as 100% viability value.

Uptake of LDL. The hepatocyte-like cells were cultured with medium containing Alexa-488-labeled LDL (Invitrogen) for 1 hour, and then the cells that could uptake LDL were assessed by immunohistochemistry and flow cytometry.

Primary human hepatocytes. Cryopreserved human hepatocytes were purchased from CellzDirect (lot Hu8072). The vials of hepatocytes were rapidly thawed in a shaking water bath at 37 °C; the contents of the vial were emptied into prewarmed Cryopreserved Hepatocyte Recovery Medium (CellzDirect) and the suspension was centrifuged at 100*g* for 10 minutes at room temperature. The hepatocytes were seeded at 1.25×10^5 cells/cm^2 in hepatocyte culture medium (Lonza, Walkersville, MD) containing 10% FCS (GIBCO-BRL) onto type I collagen-coated 12-well plates. The medium was replaced with hepatocyte culture medium containing 10% FCS (GIBCO-BRL) 6 hours after seeding. The hepatocytes, which were cultured 48 hours after plating the cells, were used in the experiments.

SUPPLEMENTARY MATERIAL

Figure S1. Genome-wide screening of transcription factors involved in hepatic differentiation emphasizes the importance of the transcription factor HNF4α.
Figure S2. Summary of specific markers for DE cells, hepatoblasts, hepatocytes, cholangiocytes, and pancreas cells.
Figure S3. The formation of DE cells, hepatoblasts, hepatocytes, and cholangiocytes from human ESCs.
Figure S4. Overexpression of HNF4α mRNA in hepatoblasts by Ad-HNF4α transduction.
Figure S5. Time course of LacZ expression in hepatoblasts transduced with Ad-LacZ.
Figure S6. The morphology of the hepatocyte-like cells.
Figure S7. Upregulation of the expression levels of conjugating enzymes and hepatic transporters by HNF4α transduction.
Figure S8. Upregulation of the expression levels of hepatic transcription factors by HNF4α transduction.
Figure S9. Generation of hepatocytes from various human ES or iPS cell lines.
Figure S10. Promotion of MET by HNF4α transduction.
Figure S11. Arrest of cell growth by HNF4α transduction.
Table S1. List of Taqman probes and primers used in this study.
Table S2. List of antibodies used in this study.

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