Apontic regulates cell proliferation and development by activating the expression of hedgehog and cyclin E Running title: Apt regulates hh and cyclin E Xian-Feng Wang¹, Qian Cheng¹, Chong-Lei Fu¹, Zi-Zhang Zhou¹, Susumu Hirose² and Qing-Xin Liu^{1*} ¹Laboratory of Developmental Genetics, Shandong Agricultural University, Tai'an, Shandong 271018, China ²Department of Developmental Genetics, National Institute of Genetics, Mishima, Shizuoka 411-8540, Japan *Author for correspondence (liugingxin@sdau.edu.cn) Key words: Apontic; Hedgehog; Cyclin E; cell proliferation; development

Summary statement We identified a novel role for Apontic as an important common regulator of the transcription of hedgehog and cyclin E. Our study provides important insights into the mechanism of organ development. **ABSTRACT** Hedgehog (Hh) signaling pathway and Cyclin E are key players in cell proliferation and development. Hyperactivation of hh and cyclin E has been linked to several types of cancer. However, transcriptional regulation of hh and cyclin E are not well understood. Here we show that an evolutionarily conserved transcription factor Apontic (Apt) is an activator of hh and cyclin E in Drosophila. Apt directly promotes the expression of hh and cyclin E through its binding site in the promoter regions of hh and cyclin E during wing development. This Apt-dependent proper expression of hh and cyclin E is required for cell proliferation and development of the wing. Apt-mediated expression of hh and cyclin E can direct proliferation of Hh-expressing cells and simultaneous growth, patterning and differentiation of Hh-recipient cells. The discovery of the coordinated expression of Hh and principal cell-cycle regulator Cyclin E by Apt implicates insight into the mechanism by which deregulated hh and cyclin E promotes tumor formation.

INTRODUCTION

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Animal development requires the organ patterning and growth. How these two processes are coordinated remains unclear. The Drosophila wing is an excellent model to study the regulation of gene expression during the organ patterning and cell growth. The wing disc is a sac-like structure composed of disc proper (DP) cells and peripodial epithelium (PE). During larval development, wing disc DP and PE cells proliferate extensively and are patterned, finally give rise to the adult wing (Milner et al., 1984). The Hh and Cyclin E can contribute to patterning and growth of the wing disc during development (Neufeld et al., 1998; Tabata and Kornberg, 1994). Hh pathway is one of the major signaling pathways that control animal development from Drosophila to humans, which has been implicated in stem cell maintenance, cell migration, axon guidance and tissue regeneration (Beachy et al., 2004; Charron et al., 2003; Clement et al., 2007; Hochman et al., 2006). In the *Drosophila* wing disc, Hh expresses in posterior (P) compartment cells and spreads into the anterior compartment where it activates target genes such as engrailed (en), patched (ptc), collier (col), decapentaplegic (dpp) and iroquois (iro) (Matusek et al., 2014; Nahmad and Stathopoulos, 2009; Tabata and Kornberg, 1994) to control wing patterning. Moreover, Hh is required for transient fusion between the PE and the DP sides during regeneration of wing discs (McClure and Schubiger, 2005). Therefore, the expression of hh is vital in the wing disc. In the anterior (A) compartment cells, the truncated transcription repressor Ci^R inhibits the transcription of hh. However, the underlying mechanism by which the posterior cells activate hh transcription is still to be determined. Cyclin E belongs to the cyclin family, which is required for cell division (Knoblich et al., 1994). Dysregulation of cyclin E correlates with various tumors, including breast cancer and lung cancer (Donnellan and Chetty, 1999; Keyomarsi et al., 1994; Moroy and Geisen, 2004). Besides, deregulated Cyclin E activity causes cell lineage-specific abnormalities, such as impaired maturation due to unregulated cell proliferation (Minella et al., 2008). In *Drosophila*, Cyclin E is essential for G1-to-S phase transition in the posterior cells of eye disc (Richardson et al., 1995). It has been reported that cyclin E is a potential target gene of Hh signaling in Drosophila. Hh pathway activates cyclin E transcription through its unique transcription

factor Ci in the posterior cells of eye disc (Duman-Scheel et al., 2002). It is known that Hh

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pathway is turned on exclusively in the A cells near A/P boundary (Strigini and Cohen, 1997; Tabata and Kornberg, 1994). However, cyclin E expresses throughout the wing disc (Neufeld et al., 1998). This contradiction suggests that other factors are involved in regulating the expression of cyclin E. Therefore, it is fruitful to investigate the regulation of Cyclin E in wing disc and the relationship between Cyclin E and Hh pathway. Apontic (Apt) has been identified as a transcription factor involved in development of tracheae, head, heart and nervous system (Eulenberg and Schuh, 1997; Gellon et al., 1997; Liu et al., 2003; Su et al., 1999). Apt can suppress metastasis (Woodhouse et al., 2003) and is required in the nervous system for normal sensitivity to ethanol sedation (McClure and Heberlein, 2013). Moreover, Apt participates in JAK/STAT signaling pathway to limit border cells migration (Starz-Gaiano et al., 2009; Starz-Gaiano et al., 2008; Yoon et al., 2011). However, the role of Apt in wing development is unknown. In this study, we found that both loss of and overexpression of apt resulted in defect wings. Further studies demonstrated that loss of apt attenuated the expression of hh and cyclin E, while apt overexpression upregulated hh and cyclin E. In addition, we found inherent Apt binding sites in the promoter region of hh and cyclin E. Mutating the sites inhibited the expression of hh and cyclin E. Collectively, Apt activates the expression of hh and cyclin E to allow proper wing development. RESULTS Apt is expressed in the wing disc and is required for wing development As the first attempt to investigate the function of apt during wing development, we analyzed apt expression pattern in the wing disc by immunostaining using anti-Apt antibody. In the wing disc, Apt was detected in PE cells as revealed by co-localization with a PE marker Ubx (Fig. 1A). Apt was also detected in DP cells (Fig. 1B). These data clearly demonstrate that Apt is expressed in both the PE and DP of the wing disc, suggesting its possible role in wing development. To analyze the role of Apt during wing development, we would examine the developing wing of homozygous apt null mutant. However, apt null homozygotes die as embryos

(Eulenberg and Schuh, 1997). Therefore, we induced apt loss of function mutant clones in the wing disc using the FLP/FRT system (Theodosiou and Xu, 1998). The formation of these clones resulted in a small wing with a blistered phenotype (Fig. 1D) compared with the control wing (Fig. 1C). Furthermore, RNAi-mediated knockdown of apt in DP cells of the wing disc resulted in a small wing, and also reduced the width between vein 3 and vein 4 (Fig. 1E,F). Given that the space between vein 3 and vein 4 is a characteristic monitor of Hh pathway activity in adult wings, knockdown of apt-mediated narrowing the space indicates that Apt possibly regulates Hh pathway. RT-PCR analyses showed effective knockdown of apt mRNA level upon apt-RNAi (Fig. S1). To investigate the effect when apt is overexpressed, we employed MS1096-Gal4 driver to express UAS-apt in both the PE and DP of the wing disc. Abnormal wings were induced by overexpression of apt (Fig. 1G). The wing was diminished and blistered, the pattern of veins was disrupted and extra abnormal bristles were induced in the wing margin. In addition, when UAS-apt was expressed by a stronger gal4 (sd-Gal4) in DP cells, both wings and halters were lost (Fig. 1H). Taken together, the loss-of-function and gain-of-function analyses indicate that Apt is indispensable for wing development.

Apt regulates the expression of *hh* in the wing disc

The observation that knockdown of *apt* narrowed the space between vein 3 and vein 4 implied that Apt might modulate Hh pathway in wings. As an important initiator of Hh pathway, hh gene expresses in the wing disc (Cho et al., 2000; Tabata and Kornberg, 1994). We first compared the expression of *apt* and hh in the wing disc, and found that Apt and hh-lacZ were co-expressed in PE cells (Fig. 2D-F) and posterior compartment cells of the DP (Fig. 2G-I) in the second instar larval disc. Furthermore, apt exhibited genetic interaction with hh. Transheterozygotes of two sets of hh alleles (hh^{bar3}/hh^2) and hh^{Mir}/hh^2 exhibited smaller wing with an extra crossvein (Fig. S2), demonstrating that it is a phenotype of hh mutant. While wings of animals heterozygous for hh^2 or apt-null allele were normal, transheterozygotes of apt-null allele and hh^2 showed the same wing phenotype (Fig. 2A-C). These results raised the possibility that Apt regulates transcription of hh. To test the possibility, we analyzed the expression of hh under loss-of-function and overexpression of Apt. The expression of hh-lacZ

and Hh was significantly reduced in the apt mutant clones in the PE (Fig. 2J-L; Fig. S3A-C)

and the DP (Fig. 2M-O; Fig S3D-F). Moreover, the expression of hh was significantly

reduced in the wing disc of larvae upon RNAi-knockdown of apt (Fig. S4). By contrast,

overexpression of Apt increased the expression of hh-lacZ (Fig. 2P-R) and hh (Fig. S4,

S5G-I). The expression of Hh also decreased in the apt mutant clones of the eye disc and the

salivary gland (Fig. S5A-F). These results indicate that Apt activates the expression of hh.

Apt directly controls *hh* in the wing disc

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To address how Apt activates the expression of hh, we focused on a 15-kb region of the hh

locus known to reproduce the normal hh expression pattern in the wing disc (Lee et al., 1992).

We identified one potential Apt binding sequence (Liu et al., 2003) within the region (Fig.

3A). We next assessed the function of the Apt-binding site in hh using a CRISPR-Cas9

system (Kondo and Ueda, 2013). Since the designed gRNA contained the Apt-binding site,

four Apt-binding site deletion mutants and two insertion mutants were generated (Fig. 3B-C;

Fig. S6A). Homozygotes of these mutations showed reduced expression of hh mRNA and Hh

protein (Fig. 3D-E; Fig. S6B) and exhibited the small wing and reduced vein 3-4 spacing

phenotypes (Fig. 3F; Fig. S6C-D). Effect of $hh^{AaptDBI}$ mutation on the hh function was also

examined under the hh^2 heterozygous background. While wings of animals heterozygous for

 hh^2 or $hh^{AaptDBI}$ were normal, transheterozygotes of $hh^{AaptDBI}$ and hh^2 showed the same extra

vein phenotype (Fig. 3G-I) as did transheterozygotes of apt-null allele and hh^2 . Taken

together, these data suggest that Apt directly regulates the expression of hh in the wing disc

for proper wing development.

Apt activates the cyclin E expression in the wing disc

174 We have reported that Apt induces the cyclin E expression in the eye disc (Liu et al.,

2014). Therefore, we examined whether Apt regulates cyclin E also in the wing disc. To do

this, we first performed a double-staining experiment. In the wild-type wing disc, Apt and

Cyclin E were co-expressed (Fig. 4A-C). Furthermore, the expression of Cyclin E was

significantly reduced in the apt mutant clones (Fig. 4D-F; Fig. S7A). The expression of cyclin

E mRNA was also reduced upon RNAi-knockdown of apt in the wing disc (Fig. S7B). By

contrast, the expression of Cyclin E and its mRNA was increased by overexpression of Apt in the wing disc using *MS1096-Gal4* and *UAS-apt* (Fig. 4G-I; Fig. S7B). These results indicate that Apt activates the expression of *cyclin E* in the wing disc.

We then asked whether the regulation of *cyclin E* by Apt is mediated through Hh. To test this idea, we compared the expression of *hh* and *cyclin E* upon overexpression of Apt in the wing disc. Both *hh* and Cyclin E were induced by overexpression of Apt (Fig. 2Q,4H). However, their expression patterns were different. Cyclin E was induced in all region of the wing disc, whereas the expression of *hh* was restricted in the posterior compartment. Moreover, the expression of Cyclin E was not changed by RNAi–knockdown of *hh* using *MS1096-Gal4* and *UAS-hh*^{RNAi} (Fig. 4J) and in an *hh* gain of function mutant *hh*^{Mrt} that exhibits ectopic expression of *hh* in the anterior compartment (Tabata and Kornberg, 1994) (Fig. 4K). These data suggest that the activation of *cyclin E* by Apt is independent of Hh in the wing disc (Fig. 4L).

Apt directly controls cyclin E in the wing disc

Since Apt directly activates the expression of *cyclin E* in the eye disc (Liu et al., 2014), we anticipated a direct role of Apt in the expression of *cyclin E* also in the wing disc. This expectation was verified by transgenic reporter assays. The reporter gene (Liu et al., 2014) carries the endogenous promoter and the *cyclin E* regulatory element containing a wild-type Apt-binding site (*cycEPlacZ*) (Fig. 5A) or a mutated site (*cycEMPlacZ*) (Fig. 5E). Although *cycEPlacZ* with the wild type binding site recapitulated the *cyclin E* expression in the wing disc (Fig. 5B-D), base substitutions in the Apt-binding site in *cycEMPlacZ* abolished the lacZ expression (Fig. 5F-H). These results indicate that Apt directly activates *cyclin E* through its binding site in the regulatory region of *cyclin E*.

Apt controls cell proliferation by inducing hh and cyclin E

Because both Hh and Cyclin E are involved in cell proliferation (Jiang and Hui, 2008; Knoblich et al., 1994), defects in *apt* would affect the cell number in the wing disc. As expected, we observed significant decrease in the cell number in an *apt* mutant clone using DAPI staining (Fig. 6B). Moreover, phalloidin labeling revealed disruption of the linear

arrangement of cells in the clone (Fig. 6C). When Apt was overexpressed in the wing disc, the number of DAPI-stained cells was not significantly changed from that in the control disc (compare Fig. 6F with 6D). However, the linear arrangement of cells was disrupted (compare Fig. 6G with 6E). Since Hh and Cyclin E are required for the regulation of apoptosis (Guerrero and Ruiz i Altaba, 2003; Hwang and Clurman, 2005; Ruiz i Altaba, 1999), we asked whether the overexpression phenotypes are caused by apoptosis. To test this, we investigated apoptosis in wing discs by staining with anti-Caspase-3 antibody. In the third instar wing disc from apt mutant clones and wild type, few apoptotic cells were observed (Fig. 6H-J). However, in the wing disc from an Apt-overexpressed larva, the number of apoptotic cells was significantly increased (Fig. 6K). This presumably explains why wing size was reduced upon overexpression of Apt (Fig. 1G). Homozygotes of hh mutations for the Apt-binding site exhibited the small wing but not the blistered phenotype. However, hh and cyclin E double mutant recapitulates the smaller and blistered wing. While $CycE^2/+$ flies showed normal wings, three percent of hh^{bar3}/hh^{bar3} and eighteen percent of $CycE^2/+$; hh^{bar3}/hh^{bar3} flies showed the smaller and blistered phenotypes (Fig. S8A-C). We also observed genetic interaction between hh and cyclin E in the extra crossvein phenotype. While $CycE^{JP}/+$ and $hh^2/+$ flies showed normal wings, fifty-four percent of $CycE^{JP}/+$; $hh^2/+$ flies exhibited wings with the extra crossvein (Fig. S8D-F). Collectively, these data suggest that Apt controls wing development by inducing appropriate amounts of Hh and Cyclin E.

DISCUSSION

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Here, we revealed that the transcription factor Apt regulates Drosophila wing development, at least in part, through directly activating the expression of hh and $cyclin\ E$ to control wing patterning and growth. Both loss-of-function and gain-of function assays clearly demonstrated that Apt is vital for wing development. Further studies showed that knockdown of apt attenuated, while overexpression of apt activated the expression of hh and $cyclin\ E$.

In the wing disc, Hh exclusively expresses in the P compartment. After many modifications, the mature Hh ligands are secreted from the P compartment and reach ~12cell rows near A/P boundary of the A compartment (Basler and Struhl, 1994; Tabata et al., 1992; Tabata and

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Kornberg, 1994). Ci expresses solely in the A compartment (Slusarski et al., 1995). Without the Hh, full-length Ci is ubiquitinated by SCFSlimb to partial degradation, culminating in formation a truncated transcriptional repressor termed Ci^R. Ci^R enters into the nucleus to repress the expression of hh in the A compartment (Aza-Blanc et al., 1997; Jiang and Struhl, 1998; Smelkinson and Kalderon, 2006). In this study, we found the ubiquitous expression of Apt in the wing disc (Fig. 1A,B). However, the expression of hh is restricted in the P compartment of DP cells. Overexpression of apt in the wing disc with the MS1096-GAL4 driver emerges the ectopic expression of hh in the A compartment, suggesting that Apt is sufficient to turn on hh expression. We speculate that during the normal development progress, Apt might cooperates with others factors (such as Ci^{R}) to restrict the expression region of hh. It is interesting to investigate the relationship between Ci^R and Apt. To assess the importance of the Apt-binding site in the promoter region of hh, we first tried a transgenic reporter assay. However, the regulatory region of hh encompassing the upstream region and the 1st intron (~15 kb) (Lee et al., 1992) is too large to make a reporter construct for conventional P-element mediated transgenesis. Therefore, we employed the CRISPR-Cas9 system (Kondo and Ueda, 2013) to mutagenize the endogenous Apt-binding site in the hh promoter. All 6 independent mutants exhibited the same phenotypes (reduced expression of hh, reduced wing size and the space between L3 and L4), suggesting that the observed phenotypes are not due to off-target effect of Cas9. Nevertheless, we inspected the possibility of off-target effect. Since our gRNA carries the binding sequence for Apt, a binding site of Apt in other than the hh promoter could be the most likely candidate for off-target. However, all the 6 mutants showed the wild type sequence around the Apt-binding site in the cyclin E promoter (Fig. S9). Furthermore, transheterozygotes between hh^2 and $hh^{AaptDBI}$ exhibited the hh mutant phenotype, smaller wing with extra crossvein. Taken together, these data strongly suggest that the observed phenotypes are not due to off-target effect. Although our data strongly support that Apt is a transcription factor of hh, mutating the Apt binding site on hh promoter does not induce severe phenotypes. Beside Apt, other factors might also regulate hh transcription. Therefore, both knockdown and overexpression of apt only moderately affect the expression of hh. Hh, an important morphogen, plays multifaceted roles in segmentation and wing patterning. Previous findings paid more attention on the

270 protein modification of Hh. The mechanism underlying hh transcription is not clear. Here our

studies unveil that Apt acts as a transcription factor of hh.

While Hh has been implicated in induction of Cyclin E through Ci (Duman-Scheel et al.,

2002), subsequent researches have shown that Cyclin E accumulates in the Mad¹⁻²Su(H)ci

mutant cells (Firth and Baker, 2005). So whether Hh activates cyclin E is controversial. In this

study we showed that RNAi-mediated knockdown of hh or ectopic expression of hh in the

anterior compartment did not change the expression of cyclin E. Taken together, these

observations argue against the notion that *hh* regulates *cyclin E* in the wing disc.

Hyperactivation of Hh pathway has been complicated in many tumors (Clement et al., 2007;

Jiang and Hui, 2008). It will be fruitful to investigate whether Apt is upregulated in

Hh-related tumors. The previous work indicates that Apt involves in tumorigenesis

281 (Woodhouse et al., 2003). It is also interesting to explore whether Apt regulates tumorigenesis

through activating Hh signaling. Our finding that Apt regulates wing development through

activating hh raises a possibility that Apt acts as a potential clinical target for Hh-related

tumors.

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MATERIALS AND METHODS

Drosophila Strains

- Strains used were as follows. $apt^{P\Delta 4}$ (Eulenberg and Schuh, 1997), apt^{p2} (Liu et al., 2003),
- 289 cycEPlacZ and cycEMPlacZ (Liu et al., 2014), UAS-apt (gift of D. Montell), UAS-GFP (gift
- of Y. Hiromi). hh^{Mir} was obtained from *Drosophila* Genetic Resource Center. hh^2 , hh^{Mrt} , hh^{bar3} ,
- 291 CycE², CycE^{JP}, hh-LacZ, MS1096-GAL4, sd-GAL4, dpp-Gal4, ptc-GAL4 and UAS-hh^{RNAi}
- were obtained from Bloomington *Drosophila* Stock Center. *UAS-apt^{RNAi}* was obtained from
- Tsinghua Fly Center. $v^2 cho^2 v^1$; attP40{nos-Cas9/CyO, $v^1 v^1 P$ {nos-phiC31\int.NLS}X; attP40,
- 294 $v^2 cho^2 v^1$, $v^2 cho^2 v^1/Y^{hs-hid}$; Sp/CvO, $v^2 cho^2 v^1$; PrDr/TM6C were obtained from NIG-Fly.

Clonal analysis

- 297 Homozygous apt loss-of-function clones were generated by hs-FLP/FRT recombination
- 298 (Theodosiou and Xu, 1998). FRT42D and $apt^{P\Delta 4}/CyO$ were recombined to generate FRT42D,
- 299 apt^{PA4} . Six pairs of FRT42D, apt^{PA4} cross to Gla/CyO were allowed to lay eggs in

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G418-containing medium, and then test each line with apt^{P2}/CyO. hs-FLP; FRT42D, Ubi-GFP/CyO crossed with FRT42D, apt^{PA4}/CyO were performed at 25°C. Heat shocks were performed 32-56 hours after egg-laying for 1.5 hours at 37.5°C. **Generation of CRISPR constructs** To induce mutations in the Apt-binding site in the hh promoter region, we used a Cas9–gRNA system. We designed gRNA in the hh promoter region carrying the binding sequence of Apt (Fig. 3A). The corresponding sequence was introduced into the pBFv-U6.2 vector and the gRNA transgenic flies were generated as described (Kondo and Ueda, 2013). gRNA females were crossed to Cas9 males to obtain the founder animals. Male founders were crossed to female balancer. Offspring male flies were balanced and stocked. Genomic DNA was extracted from each offspring male and used for molecular characterization. PCR primers were designed to construct gRNA expression vectors and to amplify the promoter region of cyclin E (Table S1). RT-qPCR analysis Wing discs were dissected from 40 third instar larvae. Total RNA was prepared from the dissected tissues using an RNAprep Pure Tissue kit TIANGEN #DP431). cDNAs were synthesized using a Prime Script TM || 11st strand cDNA synthesis kit (TaKaRa #6210A). qPCR was conducted with Bio-Rad CFX96 real-time system using a SuperReal PreMix Plus (SYBR Green) Kit (TIANGEN #FP205) in a 20 ul reaction containing 2 pmol of relevant primers. The amount of mRNA was normalized to that of control tubulin mRNA. PCR primers were designed to amplify the *hh* region (Table S1). **Antibodies and Immunohistochemistry** Staining of larval tissues was performed as described previously (Liu et al., 2014). Larvae were dissected in PBS, fixed in 25 mM PIPES-KOH (pH 7.0), 0.5 mM EDTA, 0.25 mM MgSO4 and 4% formaldehyde for 40 minutes on ice and then permeabilized for 15 minutes at room temperature in PBS containing 0.5% NP-40. The following primary antibodies were

329 used in overnight incubations at 4°C in blocking solution: rabbit anti-Apt (1:1000) (Liu et al., 330 2014), rabbit anti-Hh (1:800, gift of T. Tabata), rabbit anti-GFP (1:200, Molecular Probes), 331 mouse anti-GFP (1: 400, Molecular Probes), rabbit anti-β-galactosidase (1:2000, Cappel), 332 rabbit Caspase3 (1:50, Cell Signaling Technology), mouse anti-β-galactosidase (1:500, 333 Sigma), FITC-conjugated phalloidin (1:200, Sigma), mouse anti-Ubx (1:10, Developmental 334 Studies Hybridoma Bank (DSHB)), goat anti-Cyclin E (1:200, Santa Cruz). The secondary 335 antibodies used were as follows: Alexa 488 donkey anti-rabbit IgG conjugate (1:500, 336 Molecular Probes), Alexa 488 donkey anti-mouse IgG (1:500, Molecular Probes), 337 Cy3-conjugated donkey anti-mouse IgG (1:500, Sigma), Cy3-conjugated goat anti-rabbit IgG 338 (1:500, CWBIO), bovine anti-goat IgG-CFL 555 (1:500, Santa Cruz). Mounting used 339 VECTASHIELD Mounting Medium with DAPI (Vector Labs). The caspase-3 staining was 340 did as described previously (Rudrapatna et al., 2013). 341 342 **Microscopy and Image Treatment** 343 Images were acquired in Leica TCS SP5 confocal microscope and Olympus cellSens, treated 344 with Adobe Photoshop CS6 image programs. Wing size and space between vein 3 and vein 4 345 or that between vein 1 and vein 2 were measured on each picture using the ImageJ computer 346 program. 347 348 Statistical analysis 349 Results are given as means SEM; each experiment included at least three independent 350 samples and was repeated at least three times. Group comparisons were made by two-tailed unpaired Student's t-tests. *P < 0.05; **P < 0.01, and ***P < 0.001. 351 352 353 Acknowledgements 354 We thank Denise J. Montell, Tetsuya Tabata, Jiong Chen, Yasushi Hiromi, Shigeo Hayashi, 355 Ryu Ueda, Shu Kondo and Hua Tang, Tsinghua Fly Center, NIG-Fly, Kyoto stock and 356 Bloomington Stock Center for providing antibodies, fly strains and technical advice. 357

Competing interests

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The authors declare no competing financial interests. **Author Contributions** X.F.W., S.H., and Q.X.L. designed research, X.F.W., Q.C., and C.L.F. performed experiments and X.F.W., Z.Z.Z., S.H., and Q.X.L. analyzed data and wrote the manuscript. **Funding** This work was supported by the National Basic Research Program of China (2012CB114600) and National Natural Science Foundation of China (31571502). **Supplementary information** Supplementary information available online at http://dev.biologists.org/lookup/suppl References Aza-Blanc, P., Ramirez-Weber, F. A., Laget, M. P., Schwartz, C. and Kornberg, T. B. (1997). Proteolysis that is inhibited by hedgehog targets Cubitus interruptus protein to the nucleus and converts it to a repressor. Cell 89, 1043-1053. Basler, K. and Struhl, G. (1994). Compartment boundaries and the control of Drosophila limb pattern by hedgehog protein. *Nature* **368**, 208-214. Beachy, P. A., Karhadkar, S. S. and Berman, D. M. (2004). Tissue repair and stem cell renewal in carcinogenesis. Nature 432, 324-331. Charron, F., Stein, E., Jeong, J., McMahon, A. P. and Tessier-Lavigne, M. (2003). The morphogen sonic hedgehog is an axonal chemoattractant that collaborates with netrin-1 in midline axon guidance. Cell 113, 11-23. Cho, K. O., Chern, J., Izaddoost, S. and Choi, K. W. (2000). Novel signaling from the peripodial membrane is essential for eye disc patterning in Drosophila. Cell 103, 331-342. Clement, V., Sanchez, P., de Tribolet, N., Radovanovic, I. and Ruiz i Altaba, A. (2007). HEDGEHOG-GLI1 signaling regulates human glioma growth, cancer stem cell

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numbers of analyzed wings were A, 158; B, 157; C, 116. (D-F) The expression of Apt (D) and

hh-lacZ (E) in PE cells. (G-I) The expression of Apt (G) and hh-lacZ (H) in DP cells. (J-L)

The decreased expression of hh-lacZ (K) in the apt^{PA4} clones of the PE (J). Clones are marked

by white-dotted lines. (M-O) The decreased expression of hh-lacZ (N) in the $apt^{P\Delta 4}$ clones of

the DP (M). Clones are marked by white-dotted lines. (P-R) Overexpressed Apt (P) increased

the expression of hh (Q).

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Fig. 3. Apt directly regulates the expression of hh through its binding site in the hh

promoter region.

(A) Schematic representation of the Apt-binding site in the genomic sequence of hh. The arrow represents transcription start site and the numbers in base pairs are distance from the start site. (B) Sequences of a wild-type allele and a heterozygous mutant of $hh^{AaptDBI}$. The sequence of the mutant allele was inferred by subtracting a wild-type sequence from the mixed sequence. The deleted sequence is highlighted in yellow. (C) Cas9-induced mutagenesis at the hh locus. The hh locus in Cas9-induced mutants was PCR-amplified and sequenced. The wild-type sequence is shown at the top as a reference. The Cas9-gRNA target sequence is underlined with the protospacer-adjacent motifs (PAM) indicated in green. Deleted nucleotides in $hh^{\Delta aptDBI}$ are shown as dashes. The deletion size is shown next to the sequence. (D) RT-qPCR analyses of hh mRNA in the wing disc of third instar larvae from yw or $hh^{\Delta aptDBI}$. Error bars, SEM from three independent experiments. Student's t tests, *p < 0.05. (E) The wing disc of third instar larvae from yw or $hh^{AaptDB1}$ was stained with an anti-Hh antibody. The expression levels of Hh were determined by mean fluorescence. Error bars, SEM. ***p < 0.001. (F-I) Deletion of the Apt-binding site in the hh promoter affects wing development. The wing size and the intervein region between L3 and L4 relative to that between L1 and L2 (control value was set as 100%) were decreased in $hh^{AaptDBI}$. Error bars, SEM. Student's t tests, ***p < 0.001. $hh^2/+$ (G) or $hh^{\Delta aptDBI}/+$ (H) adult wing shows a normal phenotype. All adult wings of $hh^{\Delta aptDB1}/hh^2$ transheterozygotes exhibited abnormal morphologies in ACV (I). An arrowhead indicates the extra ACV. Total numbers of analyzed wings were G, 157; H, 132; I, 74. Scale bars, 200 um.

539 Fig. 4. Apt controls the expression of cyclin E. 540 (A-C) The expression of Apt (A) and Cyclin E (B) in the PE of control wing disc. (D-F) 541 Decreased Cyclin E (E) expression in the apt mutant clones (D). (G-I) Overexpressed Apt 542 with MS1096-GAL4 (G) increased the expression of Cyclin E (H). (J, K) The expression of Cyclin E in the wing disc from the hh^{RNAi} knockdown (J) and hh gain of function mutant 543 544 animals (K). (L) Regulation of hh and cyclin E by Apt in the wing disc. Wing discs from third instar larvae of wild-type (A-C), hs-FLP; FRT42D, Ubi-GFP/FRT42D, apt^{P,34} (D-F), 545 MS1096-GAL4; UAS-apt (G-I), MS1096-GAL4; UAS-hh^{RNAi} (J) and hh^{Mrt} (K) animals were 546 547 stained with the anti-Apt antibody (A, G), the anti-GFP antibody (D), the anti-Cyclin E 548 antibody (B, E, H, J and K). (C, F, I) Merged images of A and B, D and E, G and H, 549 respectively. 550 551 Fig. 5. Apt directly regulates the expression of cyclin E through its binding site in the 552 cyclin E promoter region. 553 (A) Schematic illustration of the lacZ reporter construct driven by the cyclin E promoter 554 carrying the wild type Apt binding site. (B-D) The reporter cycEPlacZ (C) was coexpressed 555 with the endogenous Apt (B) in the wing disc. (E) Schematic illustration of the lacZ reporter 556 construct driven by the cyclin E promoter carrying the mutant Apt binding site. (F-H) The 557 expression of reporter cycEMPlacZ (G). Wing discs of third instar larvae were stained with 558 anti-Apt antibody (B and F) and anti-β-galactosidase antibody (C and G). (D and H) Merged 559 images of B and C and of F and G, respectively. 560 561 Fig. 6. Apt is required for production of proper cell number and arrangement of wing 562 discs. 563 (A-C) Cell number (B, marked by DAPI) and array of cells (C, marked with phalloidin) were 564 affected in an apt mutant clone (A, lack of the GFP signals and marked with a broken line). 565 (D, E) Cell number (D) and array (E) from a wild-type wing disc were visualized with DAPI 566 (D) and phalloidin (E). (F, G) Overexpression of Apt in the wing pouch resulted in slight 567 decrease in the cell number (F) and irregular arrangement of cells (G). (H-J) Apoptosis was 568 barely detectable in the apt mutant clones (H, I) and wild-type wing disc (J). (K)

Overexpressed Apt in the wing disc increased the number of apoptotic cells. The wing discs of *hs-FLP*; *FRT42D*, *Ubi-GFP/FRT42D*, *apt*^{Pd4} (A-C, H, I), wild-type (D, E and J) and *MS1096-GAL4*; *UAS-apt* (F, G and K) animals were stained with the anti-GFP antibody (A and H), DAPI (B, D and F), phalloidin (C, E and G) and Caspase-3 antibody (H-K).

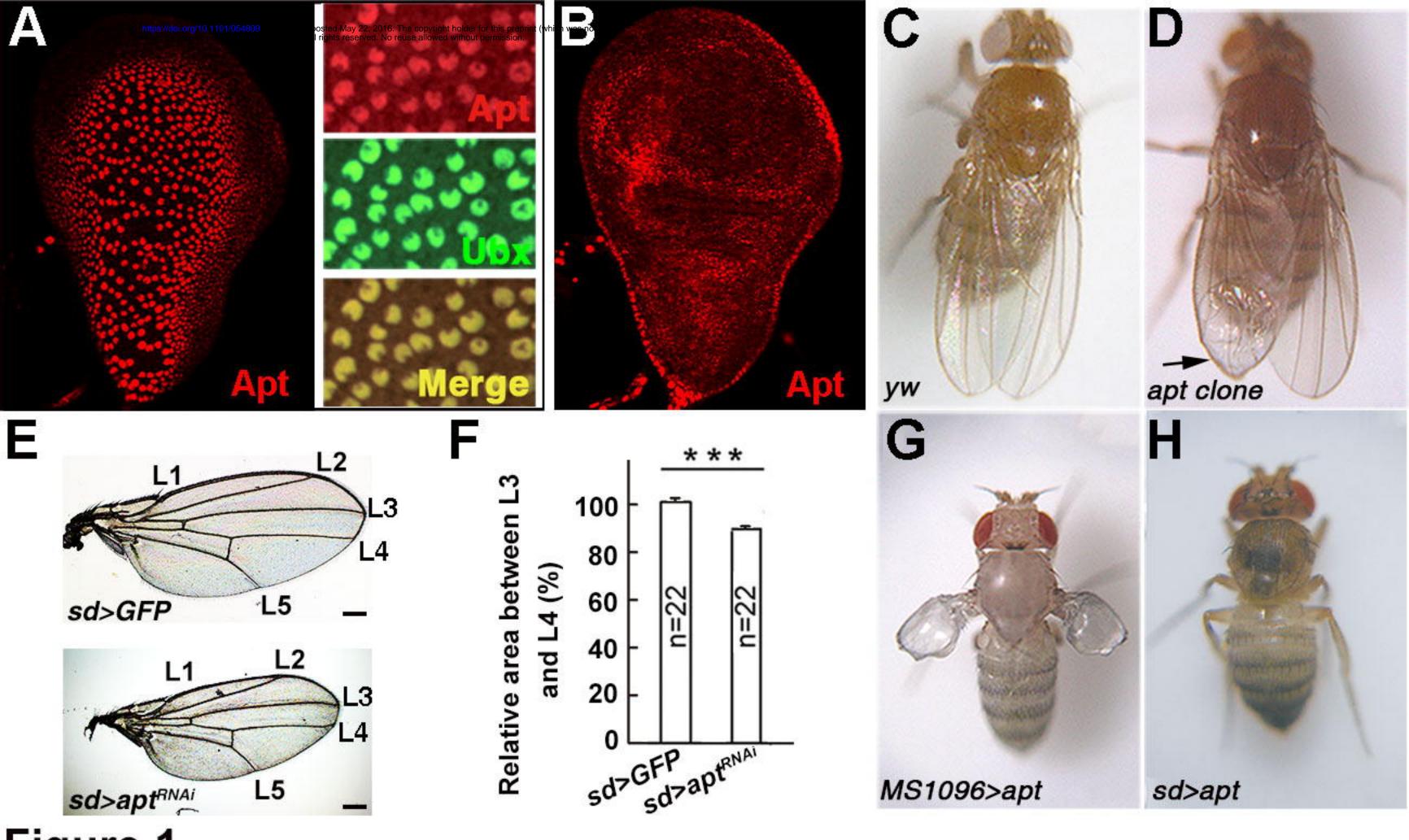


Figure 1

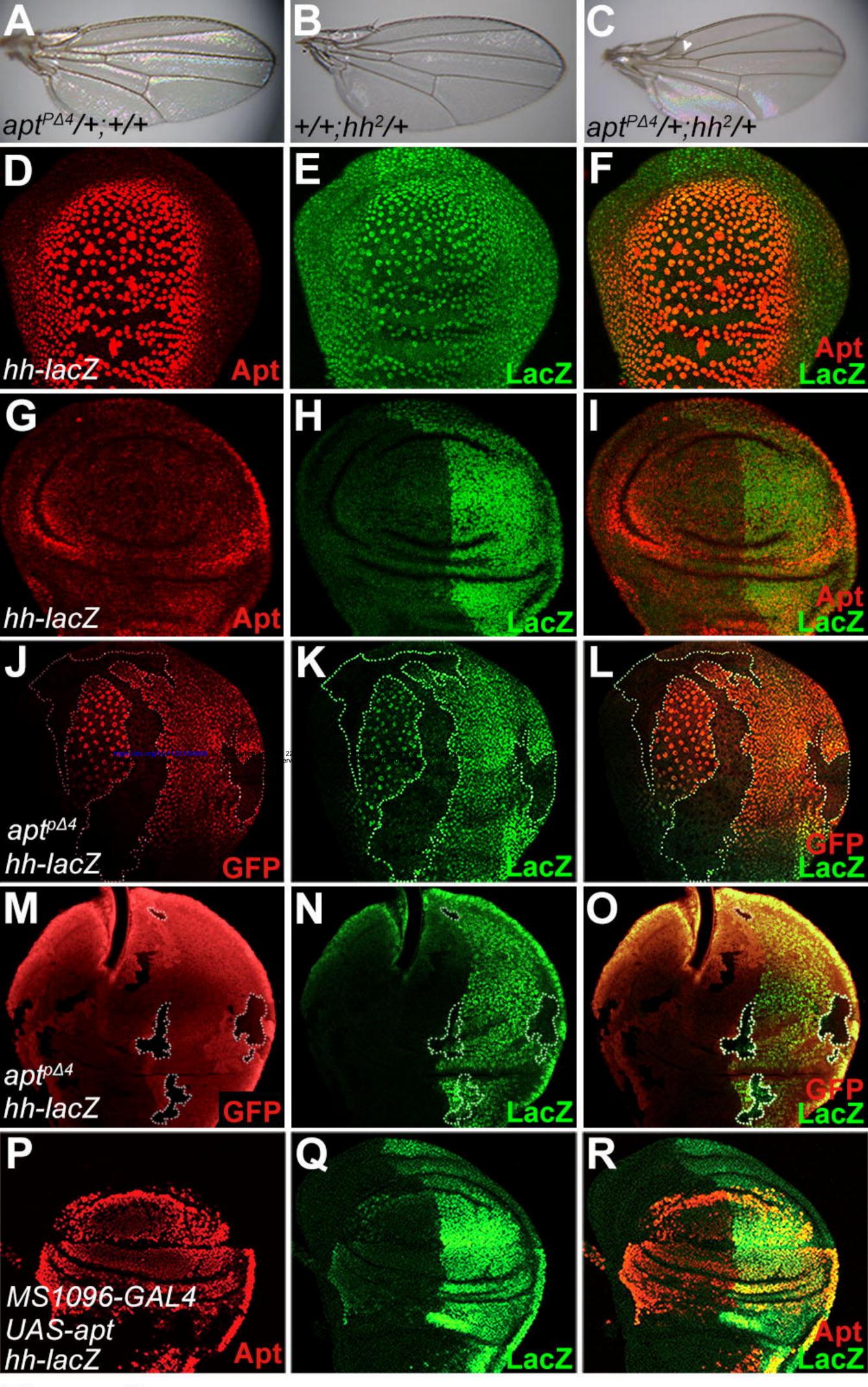
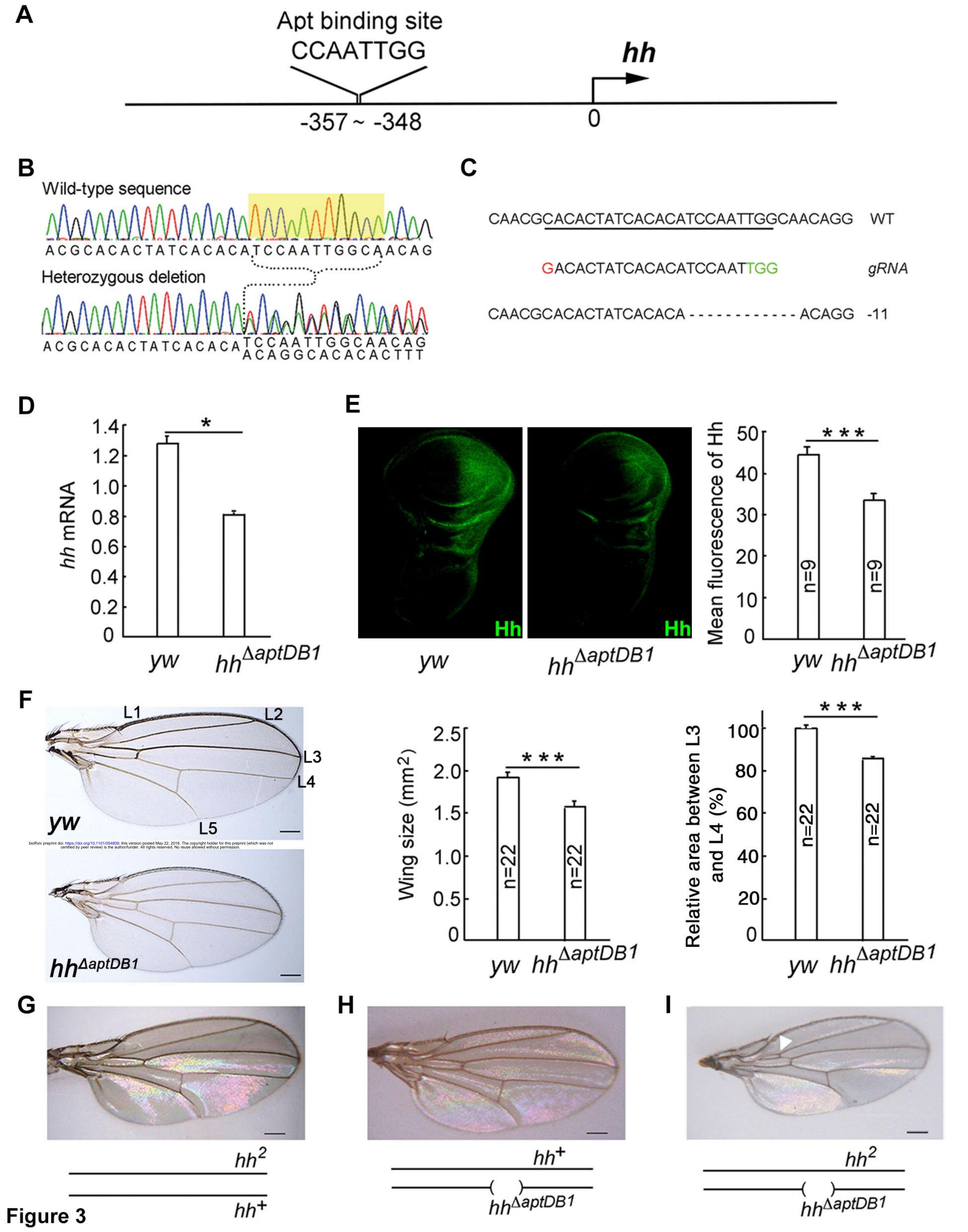


Figure 2



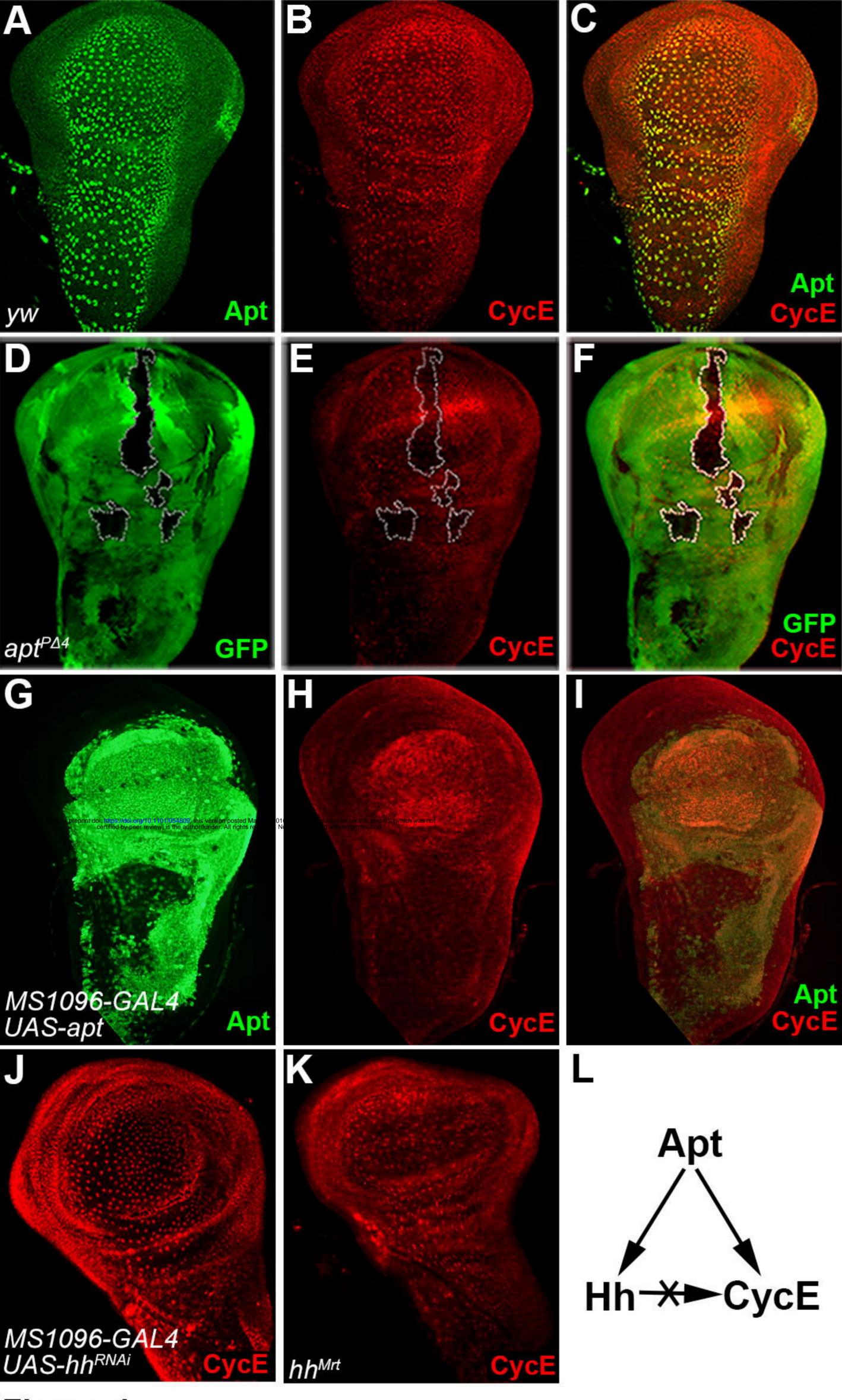


Figure 4

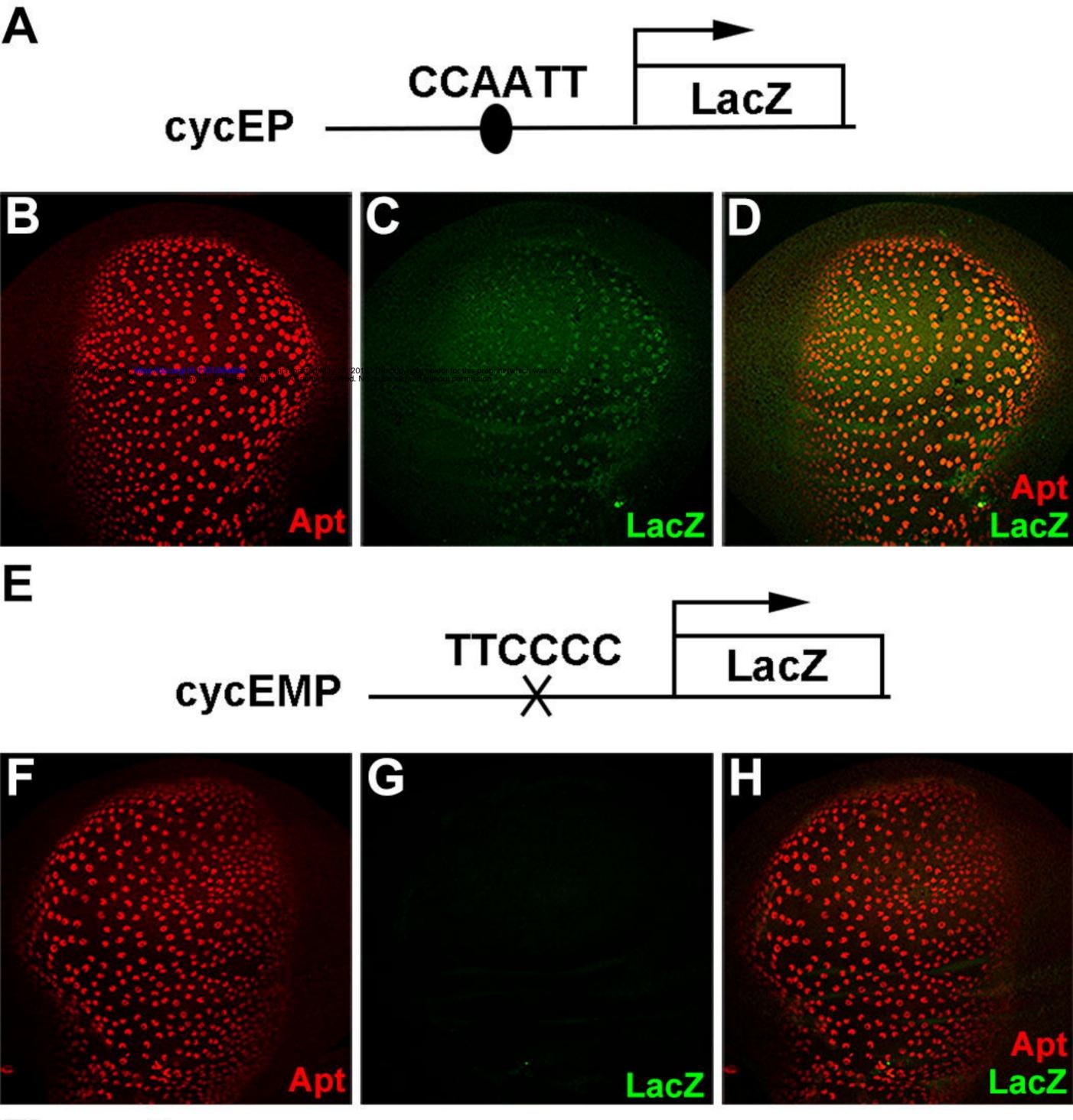


Figure 5

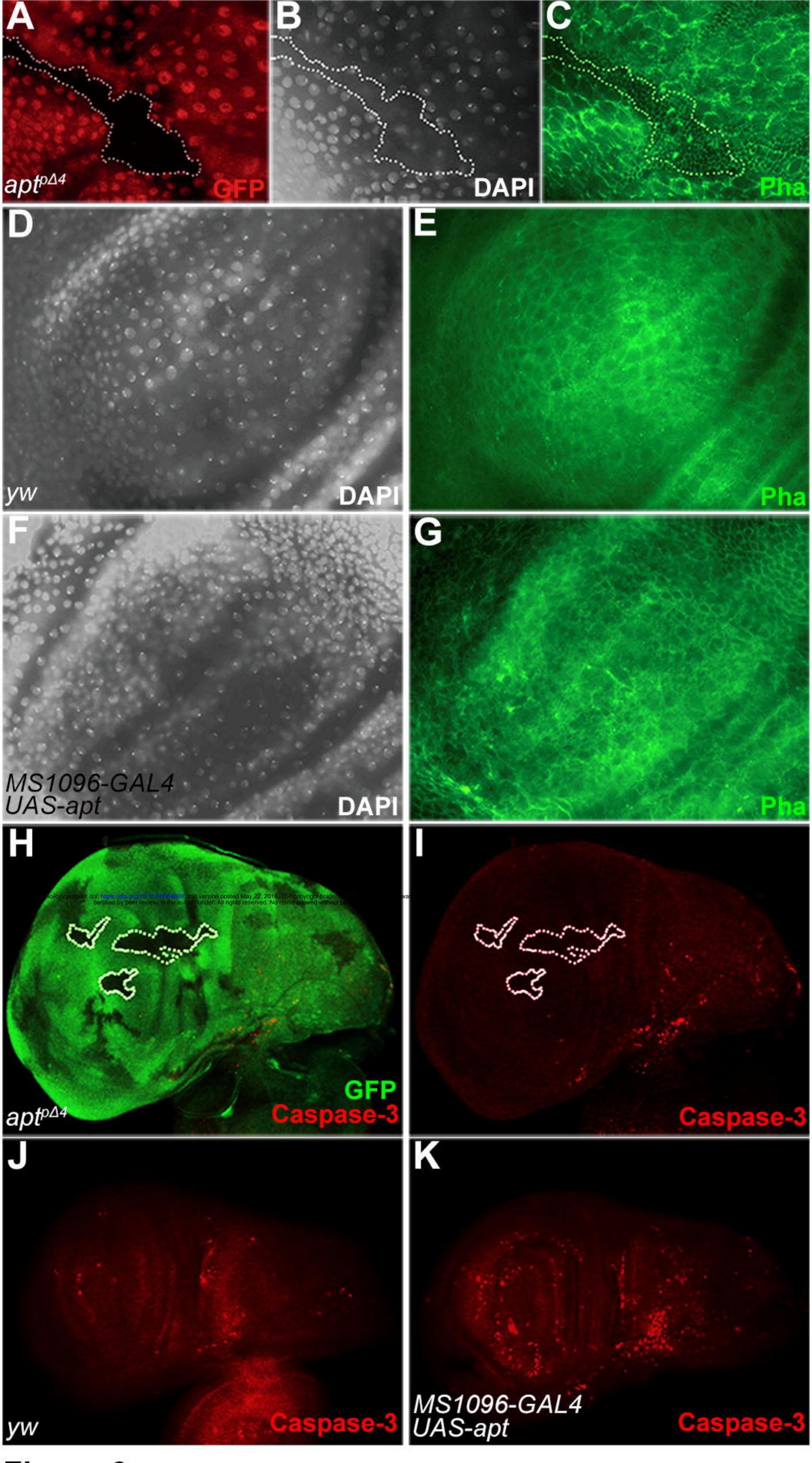


Figure 6