

【English translation of the Japanese press release】

For Immediate Release

September 29, 2006

Company name: DAIICHI SANKYO COMPANY, LIMITED
Representative: Takashi Shoda, President and Representative Director
(Code no.: 4568, First Section, Tokyo, Osaka and Nagoya Stock Exchanges)
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**Spin-off and Share Transfer of the Businesses in Food Additive and
Drug Ingredients of Sankyo Lifetech (a subsidiary of Sankyo)**

Sankyo Lifetech Co., Ltd. (President: Koichi Ando, hereafter “Sankyo Lifetech”), a subsidiary of Sankyo Co., Ltd. of Daiichi Sankyo Group, and Mitsubishi-Kagaku Foods Corporation (President: Akira Sato, hereafter “Mitsubishi-Kagaku Foods”), a wholly-owned subsidiary of Mitsubishi Chemical Corporation (President: Ryuichi Tomizawa, hereafter “Mitsubishi Chemical”), have signed an agreement today to transfer to Mitsubishi-Kagaku Foods all the shares of a new wholly-owned subsidiary of Sankyo Lifetech (hereafter “New Company”) to be established by spinning off its Food Additive and Drug Ingredients (hereafter “FDI”) businesses.

New Company will become a wholly owned subsidiary of Mitsubishi-Kagaku Foods and further develop their businesses in future. The employees of New Company will be the assigned staff by Sankyo or Sankyo Lifetech, who will be re-assigned to the New Company after being transferred to Mitsubishi Chemical following the date of share transfer subject to the consent of each individual.

DAIICHI SANKYO has been reviewing its non-pharmaceutical businesses to concentrate its management resources on its pharmaceutical businesses. In so doing, the company plans to make all non-pharmaceutical businesses of DAIICHI SANKYO Group independent by the end of March 2007.

The effect that this share transfer will have on DAIICHI SANKYO's business performance after March 2007 will be disclosed at a later date.

End.

1. Planned dates of spin-off and share transfer

Conclusion of Share Transfer Agreement	September 29, 2006
Board of Directors Meeting to approve spin-off plan	November 2006
Spin-off and its Registration	January 2007
Share Transfer of New Company	March 30, 2007

The spin-off by Sankyo Lifetech will be the short-form separation that does not require the approval by its shareholders pursuant to the provisions of Article 805 of the Company Law.

2. Outline of the Companies Involved

(1) Sankyo Lifetech Co., Ltd.

Location of Head Office: 23-14, Hongo 4-chome, Bunkyo-ku, Tokyo

Date Established: April 1, 2003

Representative: Koichi Ando

Capital: 300 million yen

Sales: 16,716 million yen (Fiscal Year Ended March 2006)

Number of Employees: Approximately 150 (Fiscal Year Ended March 2006)

Main Business: Manufacturing, importing, and sales of veterinary pharmaceutical products, food additives, drug ingredients, wood preservatives, pesticides for public health, polymer stabilizers, and other products

<Outline of FDI Business of Sankyo Lifetech>

Sales: 2,292 million yen (Fiscal Year Ended March 2006)

Number of Employees: Approximately 30 (Fiscal Year Ended March 2006)

Major Products:

Product Category	Main Product
Lactobacillus products	Lacris-S
Vitamin products	Vitamin B group, Vitamin C
Enzyme products	Tannase, Saccharase
Drug ingredients	Dextranase, Liverall, Viotamin, Coating agents

(2) Mitsubishi-Kagaku Foods Corporation

Location of Head Office: 3-9, Ginza 1-chome, Chuo-ku, Tokyo

Date Established: January 6, 1982

Representative: Akira Sato

Capital: 500 million yen

Sales: 128 million yen (Fiscal Year Ended March 2006)

Number of Employees: 76 (Fiscal Year Ended March 2006)

Main Business: Process and sales of food materials and food additives