

For Immediate Release

Company name: DAIICHI SANKYO COMPANY, LIMITED

Representative: Takashi Shoda, President and CEO

(Code no.: 4568, First Section, Tokyo, Osaka, and Nagoya Stock Exchanges)

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Daiichi Sankyo Reaches Agreement to Transfer Shizuoka Plant to CMIC

TOKYO, Japan (July 31, 2009) – Daiichi Sankyo came to a basic agreement with CMIC Co., Ltd. today regarding the transfer of the Shizuoka plant of its subsidiary Daiichi Sankyo Propharma.

The Daiichi Sankyo Group (“Group”) is working to expand its growth platform to meet its Vision for 2015. The decision to transfer ownership of the plant was reached as the Group reorganizes its Japanese plants to optimize its global supply chain system which integrates all elements of the supply chain from manufacturing to distribution, and fully support the Vision for 2015.

The Group currently holds four formulating plants in Japan, one of which - the Osaka plant - will be closed in March 2011. After a thorough examination of future production capacity needs, the Group reached a decision to consolidate production at its Hiratsuka and Takatsuki plants.

Leveraging its experience and expertise as a pioneer CRO (Contract Research Organization) in Japan, the CMIC group offers pharmaceutical companies comprehensive services from research and development to manufacture and sales as a Pharmaceutical Value Creator. As part of this mission, the CMIC Group plans to expand and augment its pharmaceutical contract manufacturing with the Shizuoka plant at the center.

In October 2009, a wholly owned subsidiary of Daiichi Sankyo (“New Company”) will be established to inherit operations at the Shizuoka plant. Stock transfer of the New Company to CMIC will be carried out on April 1, 2010. Following the transfer, part of drugs manufacturing at the Shizuoka plant will be moved to plants of Daiichi Sankyo Propharma, while others will be continuously produced at the New Company under a contract manufacturing scheme. Employees at the current Shizuoka plant will be employed by the New Company or Daiichi Sankyo Propharma.

Corporate overview

Company name	Daiichi Sankyo Propharma Co., Ltd.
Headquarters	1-8 Nihonbashi Koamicho, Chuo-ku, Tokyo 103-8541
Plants	Akita, Onahama, Hiratsuka, Odawara, Shizuoka, Takatsuki, Osaka
Capital	100 million yen (wholly owned by Daiichi Sankyo)
Representative	President and Representative Director Masahiro Okabe
Net sales (Fiscal year ended March 2009)	87,100 million yen
Employees (as of July 2009)	1,756
Main business	Manufacture of pharmaceuticals, contract manufacturing, purchase and sale, import and export of pharmaceutical products

Daiichi Sankyo Propharma Shizuoka Plant	
Location	1-588 Kanaya-azuma, Shimada-shi, Shizuoka
Area	210,000 m ²
Start of operations	1965
Plant manager	Tsutomu Shimizu
Employees (as of July 2009)	387
Production capacity	Tablets 1.5 billion/year Capsules 500 million/year Powder/fine granules 200 tons/year Injection 3 million/year
Main production items	Ethical drugs: Cravit tablets, Transamin capsules, Pantosin fine granules, Omnipaque injection syringes, etc.

Company name	CMIC Co., Ltd.
Headquarters	7-10-4, Nishi-Gotanda, Shinagawa-ku, Tokyo
Established	March 1985
Capital	3,087 million yen
Representative	Chairman & CEO Kazuo Nakamura
Net sales (Fiscal year ended September 2008)	25,700 million yen (consolidated)
Employees	2,552
Main business	Pharmaceutical R&D, manufacture and sales support, other

Schedule

October 2009 – Establishment of the New Company

November 2009 – Final agreement with CMIC (tentative)

April 2010 – Corporate divestiture, stock transfer, start of operations (tentative)

Impact on performance

The impact on business performance will be announced at a later date.

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