

【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)
Please address inquiries to Toshio Takahashi, Corporate Officer in Charge,
Corporate Communications Department
Telephone: +81-3-6225-1126

**Transfer of Ameni-care Business of Sankyo Lifetech (a subsidiary of Sankyo) and
Share Transfer of Sankyo Agro (a subsidiary of Sankyo)**

Sankyo Co., Ltd. (President: Yasuhiro Ikegami, hereafter “Sankyo”), a wholly owned subsidiary of DAIICHI SANKYO COMPANY, LIMITED, and Mitsui Chemicals, Inc. (President: Kenji Fujiyoshi, hereafter “Mitsui Chemicals”) have signed an agreement today to transfer all shares of Sankyo Agro Co., Ltd. (President: Ryuichi Kubota, hereafter “Sankyo Agro”), a subsidiary of Sankyo, to Mitsui Chemical after separating the Ameni-care Business of Sankyo Lifetech Co., Ltd. (President: Koichi Ando, hereafter “Sankyo Lifetech”), another subsidiary of Sankyo, and transferring to Sankyo Agro. The share transfer of Sankyo Agro is scheduled on March 30, 2007.

Sankyo Agro will become a wholly owned subsidiary of Mitsui Chemicals and further develop their businesses in Agrichemicals and Ameni-care in future. The staff assigned by Sankyo to Sankyo Agro and the Ameni-care Business will be transferred to Mitsui Chemicals 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 corporate separation and share transfer:

Conclusion of Share Transfer Agreement	September 29, 2006
Board of Directors Meeting to approve Separation Agreement	November 2006
Separation and its Registration	January 2007
Share Transfer	March 30, 2007

This corporate separation will be the short-form separation that does not require the approval by the shareholders of Sankyo Lifetech and Sankyo Agro pursuant to the provisions of Article 784, Paragraph 3, and Article 796, Paragraph 3 of the Company Law.

2. Outline of the Companies Involved:

(1) Sankyo Agro Co., Ltd.

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

Date Established: April 1, 2003

Representative: Ryuichi Kubota

Capital: 350 million yen

Sales: 21,148 million yen (Fiscal Year Ended March 2006)

Number of Employees: 215 (Fiscal Year Ended March 2006)

Main Business: Sale and import of agrichemicals

(2) 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 Businesses:

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 the Americare Business of Sankyo Lifetech>

Sales: 6,013 million yen (Fiscal Year Ended March 2006)

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

Businesses:

Manufacturing and sales of repellent for ants and hygienic pesticide with household pest management services

(3) Mitsui Chemicals, Inc.

Location of Head Office: 5-2, Higashi Shimbashi 1-chome, Minato-ku, Tokyo

Date Established: October 1, 1997 Representative: Kenji Fujiyoshi

Capital: 103,226 million yen

Sales: 1,472.4 billion yen (Fiscal Year Ended March 2006, Consolidated)

Main Businesses:

Functional Chemicals & Engineered Materials, Functional Polymeric Materials, Basic Chemicals, Petrochemicals