

For Immediate Release

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Daiichi Sankyo to Reorganize Japanese Supply Chain Subsidiaries and Integrate Odawara Plant

Tokyo, Japan (October 1, 2012) – Daiichi Sankyo Company, Limited (hereafter, Daiichi Sankyo) today announced that it has decided to reorganize three of its Japanese supply chain subsidiaries, Daiichi Sankyo Propharma (hereafter, DSPP), Daiichi Sankyo Chemical Pharma (hereafter, DSCP) and Daiichi Sankyo Logistics (hereafter, DSLG) into two companies by April 2015 in order to build a competitive production system on a global scale. Based on this decision, the current DSPP and DSCP Odawara plants will be integrated into one plant as of April 2013.

With regard to its domestic supply chain subsidiaries, Daiichi Sankyo currently utilizes DSPP for production of API and dosage forms, DSCP for production of API and intermediates, and DSLG for logistics. Through the reorganization of these three companies into two companies responsible for API production and dosage form/logistics by April 2015, each function will be enhanced and made structurally competitive on a global level.

Further details about the supply chain reorganization will be announced as they become available.

Overview of Integration of DSPP Odawara Plant and DSCP Odawara Plant

- Background and significance

The DSPP Odawara plant manufactures the antihypertensive drug API olmesartan medoxomil (hereafter, olmesartan) and the analgesic API loxoprofen sodium (hereafter, Loxonin®) to supply global markets. The DSCP Odawara plant manufactures olmesartan and Loxonin® intermediates, in addition to others, and supplies DSPP. It also maintains a department dedicated to technological research inside the plant. Since the two plants are located next to each other and manufacture intermediates and API for overlapping products, Daiichi Sankyo plans to integrate them into one plant in April 2013 in order to build a consistently high quality and efficient system of manufacturing from intermediates to API while utilizing scientific research capabilities to enhance the manufacturing technology infrastructure.

- Daiichi Sankyo Propharma Odawara Plant

Location: Takada 450, Odawara-shi, Kanagawa

Area: 67,000 m²

Start of operations: 1979

Plant manager: Yoshinobu Ohshima

Employees: Approximately 140

Main products: API for pharmaceuticals (olmesartan, Loxonin®, etc.)

- Daiichi Sankyo Chemical Pharma Odawara Plant

Location: Takada 477, Odawara-shi, Kanagawa

Area: 71,000 m²

Start of operations: 1963

Plant manager: Masaharu Okitsu

Employees: Approximately 120

Main products: Intermediates for pharmaceuticals (olmesartan, Loxonin®, etc.)

Overview of Three Daiichi Sankyo Group Japanese Supply Chain Companies

- Daiichi Sankyo Propharma Co., Ltd.
Head office: Nihonbashi Honcho 3-5-1, Chuo-ku, Tokyo
Plants: Akita, Onahama, Hiratsuka, Odawara, Tatebayashi, Takatsuki
Capital: 100 million yen (100% owned by Daiichi Sankyo)
Representative: Tsutomu Shimizu, President
Sales: 78 billion yen (fiscal year ending in March 2012)
Employees: Approximately 1,600
Main businesses: Manufacture and contract manufacture of pharmaceuticals, OTC drugs, and investigational drugs
- Daiichi Sankyo Chemical Pharma Co., Ltd.
Head office: Nishiyawata 4-4-8, Hiratsuka-shi, Kanagawa
Plants: Hiratsuka, Odawara
Capital: 50 million yen (100% owned by Daiichi Sankyo)
Representative: Akihiko Miyadera, President
Sales: 9.9 billion yen (fiscal year ending in March 2012)
Employees: Approximately 340
Main businesses: Manufacture and contract manufacture of pharmaceuticals and intermediates
- Daiichi Sankyo Logistics Co., Ltd.
Head office: Kitakasai 1-16-13, Edogawa-ku, Tokyo
Distribution centers: Tokyo distribution center, Osaka distribution center, information distribution center
Capital: 50 million yen (100% owned by Daiichi Sankyo)
Representative: Hiroshi Maeda, President
Sales: 2.2 billion yen (fiscal year ending in March 2012)
Employees: Approximately 70
Main businesses: Storage and delivery of pharmaceuticals and so on