

March 6, 2012

Press release:

Mitsubishi Tanabe Pharma Corporation
Daiichi Sankyo Co., Ltd.

**Daiichi Sankyo and Mitsubishi Tanabe Pharma Establish Strategic Alliance
to Contribute to the Treatment of Diabetes in Japan**

Companies conclude joint sales agreement for two treatments
for type 2 diabetes mellitus — MP-513 and TA-7284

Osaka and Tokyo, Japan (March 6, 2012) — Mitsubishi Tanabe Pharma Corporation (hereafter, Mitsubishi Tanabe Pharma; Head Office: Chuo-ku, Osaka; President and CEO: Michihiro Tsuchiya) and Daiichi Sankyo Co., Ltd., (hereafter, Daiichi Sankyo; Head Office: Chuo-ku, Tokyo; President and CEO: Joji Nakayama) have agreed to form a strategic sales alliance to conduct joint sales activities for DPP4 inhibitor, MP-513 (generic name: teneligliptin), and SGLT2 inhibitor, TA-7284 (generic name: canagliflozin), which are under development by Mitsubishi Tanabe Pharma in Japan for the treatment of type 2 diabetes mellitus.

MP-513, a DPP4 inhibitor and TA-7284, a SGLT2 inhibitor, which were both discovered by Mitsubishi Tanabe Pharma, are oral treatments for type 2 diabetes mellitus. MP-513 and TA-7284 have different mechanisms of action. In Japan, Mitsubishi Tanabe Pharma filed an NDA for MP-513 in August 2011, and TA-7284 is currently in phase 3 clinical trials with plans calling for an NDA expected to be filed in 2013.

Mitsubishi Tanabe Pharma and Daiichi Sankyo will conduct joint sales activities for these drugs under a one-brand, two-channel framework. Moreover, the companies will implement new types of joint sales activities, with detailed drug product information provided through mutual visits to medical institutions. In the diversifying market for diabetes treatment agents, these activities will enable the companies to build a dynamic, cooperative sales system. This system will leverage the companies' combined marketing capabilities, which will be among the strongest in Japan, and facilitate the detailed, sufficient, yet rapid, provision of accurate usage information and the proposal of treatments.

Through this strategic alliance, Mitsubishi Tanabe Pharma and Daiichi Sankyo will provide new treatment options for type 2 diabetes mellitus and support for patients dealing with diabetes.

For more information about MP-513 and TA-7284, please see the attachment.

| For further information, please contact: | |
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<Attachment>

MP-513

MP-513 inhibits the function of dipeptidyl peptidase-4 (DPP-4), which selectively decomposes glucagon-like peptide-1 (GLP-1), a hormone secreted from the gastrointestinal tract in response to food intake. In this way, MP-513 promotes insulin secretion and suppresses glucagon secretion, thereby controlling blood glucose levels. MP-513 has the distinctive feature of being unlikely to cause hypoglycemia and unwanted weight gain, which have been problems with conventional diabetes treatments. With its potent and sustained action, MP-513 is expected to be effective in ameliorating hyperglycemia with once-a-day oral administration. MP-513's renal excretion rate is low, so it is possible that it will not be necessary to adjust the dosage for patients with impaired renal function.

TA-7284

TA-7284 inhibits SGLT2 (sodium-glucose transporter-2), which is involved in the reabsorption of glucose in the renal tubules, thereby promoting the excretion of glucose in the urine and reducing blood sugar. In this way, TA-7284 has a new mechanism of action that does reduce blood sugar through an entirely different mechanism that does not work through insulin. In addition to its strong blood glucose lowering effect, it is expected to have a low hypoglycemia risk as well as a weight reduction effect that is not seen with other oral diabetes treatments.