

For Immediate Release

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Daiichi Sankyo Co., Ltd.
Terumo Corporation

**Daiichi Sankyo and Terumo Announce Agreement
for Co-development of Intradermal Vaccine for Infectious Disease**

Tokyo, Japan, February 23 2012 - Daiichi Sankyo Co., Ltd. (hereafter, Daiichi Sankyo) and Terumo Corporation (hereafter, Terumo) today announced an agreement to co-develop a new vaccine for the prevention of infectious diseases utilizing Terumo's intradermal injection device.

At one point, it was generally said, "the Japanese vaccination system was below the global standard" since the introduction of some globally-available vaccines was seriously behind. Currently, the situation in Japan has rapidly improved and entered a new phase. The companies aim for innovation in vaccine through combining the respective expertise of pharmaceuticals and medical devices.

Though it has been typical in Japan to administer vaccines subcutaneously or intramuscularly, there is a report that the efficacy of some vaccines can be increased by administering intradermally into the dermal tissue, especially the dermis, where immune system cells are highly concentrated.*¹ However, existing intradermal administration with use of existing syringes or needles requires a high level of proficiency. Against this background, Daiichi Sankyo and Terumo have been co-researching an intradermal seasonal flu vaccine since October 2010. With the agreement, the companies will further consider the wide application of the device with more types of vaccines.

Daiichi Sankyo is striving to develop vaccines in Japan as one of its key business domains. The company promotes its R&D activities by focusing on four themes, "antigen", "device", "adjuvant" and "production" to enhance product competitiveness. With this agreement as a part of the strategy, the company aims for further growth of this business.

Terumo positions "Drug & Device (D&D)" field, as part of its core strategy to achieve the objective of "establishing itself as a company with global presence within 10 years". It is the

field, represented by a pre-filled syringe^{*2}, where significant value is added to medical devices that are used in combination with drugs. With this agreement as a part of the strategy, the company aims to develop the first intradermal injection device in Japan to offer a method more easy-to-use and surefire to administer the vaccine than current methods. It is further expected to ease pain and fear of the needle. The company plans to manufacture the device at Yamaguchi Factory currently under construction. Terumo aims for further growth in the medium to long-term by accelerating the business expansion including global and strategic partnerships.

^{*1} Kenny, R. T., et al., Dose Sparing with Intradermal Injection of Influenza Vaccine. The New England Journal of Medicine, 2004. 351: 2295-2301

^{*2} Pre-filled syringes are syringes pre-loaded with drug agent. Current non-filled syringes need to be loaded manually from ampoules or vials of drug agent, and have high risk of contamination and misadministration. Pre-filled syringes offer numerous benefits such as lowering these risks at clinical sites and further contributing the risk management of hospital operation.

■ Overview of Daiichi Sankyo

1. Address:	Nihonbashi Honcho 3-5-1, Chuo-ku, Tokyo
2. Capital:	50 billion yen
3. President and CEO:	Joji Nakayama
4. Sales:	967.4 billion yen (FY2010)
5. Businesses:	R&D, manufacturing, import, and sales & marketing of pharmaceutical products

■ Overview of Terumo Corporation

1. Address:	Hatagaya 2-44-1, Shibuya-ku, Tokyo
2. Capital:	38.7 billion yen
3. President & Representative Director:	Yutaro Shintaku
4. Sales:	328.2 billion yen (FY2010)

5. Businesses:

Manufacture and sales of medical products and equipment, including pharmaceuticals, nutritional food supplement, blood bags, disposable medical device, cardiovascular systems, vascular grafts, interventional systems, peritoneal dialysis, blood glucose monitoring systems, medical electronic, and digital thermometers

Contacts	
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