

Press Release



Company name: DAIICHI SANKYO COMPANY, LIMITED

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Daiichi Sankyo to Reorganize Kitasato Daiichi Sankyo Vaccine into Specialized Manufacturing Subsidiary

Tokyo, Japan (**April 27, 2018**) - Daiichi Sankyo Company, Limited (hereinafter, Daiichi Sankyo) today announced that its Board of Directors approved a resolution concerning a policy for the reorganization of its wholly owned subsidiary, Kitasato Daiichi Sankyo Vaccine Co., Ltd. (Headquarters: Kitamoto City, Saitama Prefecture; hereinafter, Kitasato Daiichi Sankyo Vaccine), into a subsidiary specializing in manufacturing, effective April 1, 2019 (expected).

1. Background and purpose of reorganization into manufacturing subsidiary

Kitasato Daiichi Sankyo Vaccine was established as a joint venture company between Daiichi Sankyo and the Kitasato Institute in 2011 and is engaged in the research and development, manufacturing and sales of vaccines for the prevention and treatment of infectious diseases in humans.

In November 2017, as part of a review of the vaccine business structure in the Daiichi Sankyo Group, Daiichi Sankyo made Kitasato Daiichi Sankyo Vaccine into a wholly owned subsidiary, which has focused on ensuring the quality and stable supply of vaccines, as well as the research and development of new products and their launches.

In order to further improve stable production and quality, and strengthen the financial condition of the company, Kitasato Daiichi Sankyo Vaccine will be reorganized into a subsidiary specializing in manufacturing.

2. Overview of the Reorganization

In August 2018, Daiichi Sankyo will establish Daiichi Sankyo Biotech Co., Ltd. (hereinafter, "new company") as a wholly owned subsidiary, and the manufacturing and production technology functions of Kitasato Daiichi Sankyo Vaccine will be transferred to the new company on April 1, 2019 (expected). On April 1, 2019 (expected), the functions of Kitasato Daiichi Sankyo Vaccine other than manufacturing and production technologies (research and development, quality assurance, sales, etc.) and marketing approvals will be transferred to Daiichi Sankyo.

The reorganization scheme and details of the new company will be announced later, once they have been decided.

3. Overview of new company (expected)

(1) Trade name	Daiichi Sankyo Biotech Co., Ltd.
(2) Headquarters	Arai 6-111, Kitamoto City, Saitama Prefecture
(3) Business description	Contract manufacturing of vaccines, biologics, investigational
	drugs, etc.
(4) Capital	¥50 million
(5) Foundation date	August, 2018 (Start of business: April 1, 2019)

(Reference)

Overview of Kitasato Daiichi Sankyo Vaccine

(1) Trade name	Kitasato Daiichi Sankyo Vaccine Co., Ltd.
(2) Headquarters	Arai 6-111, Kitamoto City, Saitama Prefecture
(3) Name and title of representative	Toshiaki Tojo, Representative Director and President
(4) Business description	Research and development, manufacturing and sales of
	vaccines, etc.
(5) Capital	¥100 million
(6) Foundation date	April 1, 2011
(7) Number of employees	453 (As of April, 2018)