Daiichi Sankyo and Ranbaxy to Integrate New Drug Research and Development System

July 2, 2010, Tokyo, Japan and Gurgaon, India – Daiichi Sankyo Company Limited (“Daiichi Sankyo”) and Ranbaxy Laboratories Limited (“Ranbaxy”) announced today that Ranbaxy’s New Drug Discovery Research (“NDDR”) has been transferred to Daiichi Sankyo India Pharma Private Limited as part of the strategy to strengthen the global Research and Development (R&D) structure of the Daiichi Sankyo Group. Established in 1994, NDDR has high-level synthetic chemical research capabilities. The transaction has been approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India.

The new organization, Daiichi Sankyo Life Science Research Center in India (“RCI”), based in Gurgaon will play a key role in the Group’s global Drug Discovery Research - to create promising new drugs, especially in the area of low molecular weight infectious and inflammatory disease treatments. RCI will also continue to support the programs of dengue and tuberculosis that NDDR was working on in alliance with the Department of Biotechnology, Ministry of Science and Technology, Government of India.

Since October 2008, when Ranbaxy joined the Daiichi Sankyo Group, the companies have cooperated on R&D. By incorporating NDDR into the global Research function, the Group would benefit from more efficient global R&D, as also achieve quicker results.

Atul Sobti, CEO and Managing Director of Ranbaxy, said, “The NDDR group offers significant skill sets in Drug Discovery, that would now integrate and perform more effectively with the New Drug R&D structure of Daiichi Sankyo. Within Ranbaxy, R&D of Generics will get a sharper focus, as we are increasingly working on more complex and specialist areas. Of course, this move would also provide Ranbaxy good value, on an immediate and recurring basis.”

“With the transfer of the NDDR into the Daiichi Sankyo Group’s pharmaceutical R&D organization, we will further strengthen our integrated global research capabilities through the addition of talented researchers who offer a new perspective and have a wealth of imagination and experience. We look
forward to achieving outstanding and innovative results based on the implementation of global research management throughout our highly diversified and global R&D structure." said Joji Nakayama, President & CEO of Daiichi Sankyo.

Ranbaxy has been a pioneer in India in the area of Research and Development. While NDDR will now become an integral part of RCI, Ranbaxy will continue to independently develop and later commercialise the anti-malarial new drug, Arterolane + PQP, which is currently in Phase III trials, and will also explore the further development of late stage programs developed by NDDR in the last few years, including the development programs in the GSK collaboration.

About Daiichi Sankyo
The Daiichi Sankyo Group is dedicated to the creation and supply of innovative pharmaceutical products to address the diversified, unmet medical needs of patients in both mature and emerging markets. While maintaining its portfolio of marketed pharmaceuticals for hypertension, hyperlipidemia, and bacterial infections, the Group is engaged in the development of treatments for thrombotic disorders and focused on the discovery of novel oncology and cardiovascular-metabolic therapies. Furthermore, the Daiichi Sankyo Group has created a "Hybrid Business Model," which will respond to market and customer diversity and optimize growth opportunities across the value chain. For more information, please visit www.daiichisankyo.com

About Ranbaxy Laboratories Limited
Ranbaxy Laboratories Limited, India's largest pharmaceutical company, is an integrated, research based, international pharmaceutical company producing a wide range of quality, affordable generic medicines, trusted by healthcare professionals and patients across geographies. Ranbaxy’s continued focus on R&D has resulted in several approvals in developed markets and significant progress in New Drug Discovery Research. The Company’s foray into Novel Drug Delivery Systems has led to proprietary "platform technologies," resulting in a number of products under development. The Company is serving its customers in over 125 countries and has an expanding international portfolio of affiliates, joint ventures and alliances, ground operations in 46 countries and manufacturing operations in 7 countries. Ranbaxy is a member of the Daiichi Sankyo Group. Daiichi Sankyo is a leading global pharma innovator, headquartered in Tokyo, Japan.
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