

October 19, 2012

Press release:

[Mitsubishi Tanabe Pharma Corporation](#)

Notice Regarding Dissolution of Capital Alliance with Choseido Pharmaceutical Co., Ltd.

Osaka, Japan, October 19, 2012--Mitsubishi Tanabe Pharma Corporation (President and Representative Director, CEO: Michihiro Tsuchiya) has dissolved its capital and business alliance with Choseido Pharmaceutical Co., Ltd. (Head Office: Tokushima, President and CEO: Hisaaki Harima). Accordingly, the basic agreement for the comprehensive alliance, which was concluded in May 2008 and centered on generic drug operations, has been cancelled, and Mitsubishi Tanabe Pharma's holdings of Choseido Pharmaceutical stock have been transferred to Hisaaki Harima, the President and CEO of Choseido Pharmaceutical.

To leverage new opportunities for the diversification of pharmaceutical value, not only in new ethical drug operations but also in generic drugs, in April 2008, Mitsubishi Tanabe Pharma established Tanabe Seiyaku Hanbai Co., Ltd. (Head Office: Osaka, President: Masaki Yoshimoto) as a generic drug marketing subsidiary. In May 2008, Mitsubishi Tanabe Pharma reached a basic agreement with Choseido Pharmaceutical regarding a capital alliance in the field of generic drugs. Since that time, Mitsubishi Tanabe Pharma has taken aggressive steps in this field, working to enhance the lineup of generic drugs, expand the sales system, and establish a manufacturing platform that can accommodate the production of a large variety of goods in small quantities.

However, the two parties to the alliance have recently reevaluated its results and concluded that the agreement has not met their initial expectations. As a result, Mitsubishi Tanabe Pharma and Choseido Pharmaceutical decided to dissolve the capital alliance.

Tanabe Seiyaku Hanbai continues to supply medical institutions with the Choseido Pharmaceutical products at this point.

Due to the dissolution of the capital alliance, Mitsubishi Tanabe Pharma and Tanabe Seiyaku Hanbai will rapidly reevaluate their generic drug business strategies and work to make continued progress in their business activities under a new framework.

<Reference: Overview of Choseido Pharmaceutical Co., Ltd.>

1. Location: 92 Ko, Kokufu-cho, Tokushima-shi, Tokushima
2. Representative: President and CEO, Hisaaki Harima
3. Business activities: Manufacture of pharmaceuticals, others
4. Date of establishment: December 16, 1947
5. Capital: ¥340,200,000
6. Total number of outstanding shares: 1,700,000 shares

7. Stockholders:

Prior to stock transfer:

Mitsubishi Tanabe Pharma: 867,000 shares (51%)

Hisaaki Harima: 490,000 shares (29%)

After stock transfer:

Hisaaki Harima: 1,357,000 shares (80%)

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