

October 1, 2012

Press Release

Mitsubishi Tanabe Pharma Corporation

Outsourcing of Logistics Operations

Osaka, Japan, October 1, 2012---Mitsubishi Tanabe Pharma Corporation (President & Representative Director, CEO: Michihiro Tsuchiya) announced today that the Company would outsource all of its logistics operation, currently undertaken by MP-Logistics Corporation (Head Office: Hirakata, Osaka, President and CEO: Shuhei Ishihara), a consolidated subsidiary of Mitsubishi Tanabe Pharma, to Collabo-Create Co., Ltd. (Head Office: Tokyo, President and CEO: Hidetsugu Soejima) as of October 1, 2012.

In its Medium-Term Management Plan 11-15 -New Value Creation-, the Company presented four strategic challenges on which it pledged to work: (1) Bolstering Our Ability to Create New Drugs; (2) Advancing Domestic Operations, Centered on New Products; (3) Building a Foundation for the Expansion of Overseas Operations; and (4) Accelerating Operational and Structural Reforms. The Company, through its steady implementation of these issues, is trying to transform itself into a "Company that Can Continue to Create New Value."

Under these circumstances, the Company had been reviewing its overall logistics system as part of its efforts to accelerate operational and structural reforms. The Company has been reviewing the logistics system to ensure a stable supply of products, maintain a high level of product quality, improve its service quality, respond to changes flexibly in business environments, and reduce its logistics costs continuously.

Specifically, the Company has started outsourcing its logistics operation, currently taken charge by MP-Logistics Corporation at Mitsubishi Tanabe's eastern Japan distribution center (Kashiwa, Chiba) and its western Japan distribution center (Hirakata, Osaka) to Collabo-Create from October 1, 2012. Collabo-Create will transfer these newly operations to a new logistics center under planning – possibly by October 2013 for the eastern Japan area and by May 2014 for the western Japan area. In this way the Company completes the outsourcing of all its logistics operation and streamlines its logistics function.

The Company is working to strengthen its supply chain (SCM) management functions regarding material procurement, production and shipments, to maintain an adequate level of inventories and to curtail logistics costs. Mitsubishi Tanabe Pharma contributes to the healthier lives of people around the world through the creation of pharmaceuticals that can meet unmet medical needs, and a stable supply of high-quality products.

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